



INFLATION REDUCTION ACT Opportunities Exist to Help Ensure GSA Programs Achieve Intended Results

Report to Congressional Requesters

April 2025

GAO-25-107349

United States Government Accountability Office

Accessible Version

GAO Highlights

View [GAO-25-107349](#). For more information, contact David Marroni at MarroniD@gao.gov.
Highlights of [GAO-25-107349](#), a report to congressional requesters

April 2025

INFLATION REDUCTION ACT

Opportunities Exist to Help Ensure GSA Programs Achieve Intended Results

Why GAO Did This Study

GSA maintains more than 1,500 federally owned buildings. The Council on Environmental Quality has identified these buildings as a major source of the federal government’s greenhouse gas emissions and energy and water use. The IRA provided GSA with a combined \$3.375 billion for sustainability improvements.

GAO was asked to review GSA’s IRA activities. The IRA also includes a provision for GAO to support oversight of the use of IRA funds. This report examines, as of December 31, 2024, (1) how GSA planned to use its IRA funds, (2) the extent to which it followed leading practices when selecting projects to fund, and (3) the extent to which it established IRA performance goals, among other issues.

GAO analyzed GSA’s IRA spending plan, including updates as of January 31, 2025, its IRA risk management plan, and other agency documents. GAO interviewed officials who manage GSA’s IRA programs and visited three IRA project sites, representing a range of building types and IRA funding programs to observe progress. GAO assessed GSA’s efforts for project selection against two leading practices for capital decision-making.

What GAO Recommends

GAO is making three recommendations, including that GSA develop a framework with criteria for selecting high-performance green building projects, add interim targets to each of its IRA performance goals, and publicly communicate its IRA goals. GSA agreed with the recommendations and stated that it plans to take actions to address them.

What GAO Found

The General Services Administration (GSA) selected 362 projects in federal buildings across the U.S. to receive Inflation Reduction Act (IRA) funding, as of January 31, 2025. The funding was targeted to support low-embodied carbon materials, emerging and sustainable technologies, and high-performance green building features. Selected applications included low-emissions concrete, electric heat pumps, and building-level energy meters. GSA’s estimated costs for these projects accounted for 99 percent of its total available IRA funding. As of January 31, 2025, GSA reported obligating 49 percent of its available IRA funding and had expended 5 percent (see table). As of February 2025, GSA officials stated that the IRA program is under review and priorities and goals could change.

General Services Administration (GSA) Recorded Total Obligations and Expenditures Under the Inflation Reduction Act, as of January 31, 2025

Dollars in millions			
Inflation Reduction Act program	Available	Obligated (%)	Expended (%)
Low embodied carbon materials	\$2,150	\$767 (36%)	\$102 (5%)
Emerging and sustainable technologies	\$975	\$683 (70%)	\$49 (5%)
High-performance green buildings	\$250	\$204 (82%)	\$25 (10%)
Total	\$3,375	\$1,654 (49%)	\$176 (5%)

Sources: GAO (analysis); GSA (data). | GAO-25-107349

GSA followed leading practices in capital decision-making when selecting projects for two of its three IRA programs. Specifically, GSA developed a framework for evaluating and selecting projects for the low embodied carbon and emerging and sustainable technology programs. In contrast, GSA had not established a selection framework for evaluating and selecting projects for the high-performance green building program. GSA officials explained that they focused on developing selection frameworks for the two IRA programs with earlier statutory deadlines of 2026 for obligating funds (the deadline for the high-performance green building program is 2031). Nevertheless, establishing a selection framework with criteria for selecting high-performance green building projects would help ensure that GSA makes sound capital investment decisions for this program, including any adjustments to existing selections that it may choose to make.

GSA established 11 performance goals to track progress across its IRA programs as of December 31, 2024. Each goal had one or more quantitative targets with associated time frames. The time frames were typically upon completion of the final IRA project, which was at least several years in the future. However, GSA had not established interim targets for any of the 11 performance goals, which is a practice that could help the agency assess whether it is achieving its goals over time. In addition, no one public document contained all the goals, and the public descriptions of three of the goals did not mention the goals' targets. GSA officials noted that the IRA does not require it to publish performance goals. They said that GSA often chooses not to publish goals beyond those required, instead using them internally to help ensure effectiveness. However, without readily accessible and more complete performance information, Congress and the public will have only limited insight into whether GSA's \$3.375 billion in IRA project investments are achieving their intended goals.

Contents

GAO Highlights	ii
Why GAO Did This Study	ii
What GAO Recommends	ii
What GAO Found	ii
Letter	1
Background	4
GSA Planned to Use Most of Its IRA Funding to Enhance the Sustainability of Courthouses, Land Ports of Entry, and Office Buildings	8
GSA's Approach for Selecting Projects for Two of Three IRA Programs Generally Followed Leading Practices	14
GSA Identified, Analyzed, and Took Actions to Address a Variety of Risks to Its IRA Programs	21
GSA Had Not Established Interim Targets for Its IRA Performance Goals and Had Not Fully Communicated the Goals	28
Conclusions	32
Recommendations	33
Agency Comments	33
Appendix I GSA's Mitigation Actions for Its High-Priority Risks Related to Its Programs Under the Inflation Reduction Act	34
Appendix II Comments from the General Services Administration	39
Appendix III GAO Contact and Staff Acknowledgments	41
GAO Contact	41
Staff Acknowledgments	41
Tables	
Table 1: General Services Administration's (GSA) Total Estimated Costs for Projects Selected to be Funded by GSA's Inflation Reduction Act (IRA) Programs, as of January 31, 2025	9
Table 2: General Services Administration (GSA) Recorded Total Obligations and Expenditures Under the Inflation Reduction Act (IRA), as of January 31, 2025	13
Table 3: General Services Administration's (GSA) Funding Rounds to Select Inflation Reduction Act (IRA) Projects	15
Table 4: Number of Selected General Services Administration (GSA) Projects with Funding from More than One of the Three Inflation Reduction Act (IRA) Programs, as of January 31, 2025	16

Table 5: General Services Administration’s (GSA) Inflation Reduction Act (IRA) Emerging and Sustainable Technology Criteria, Subcriteria, and Weight	20
Table 6: General Services Administration’s (GSA) Objectives for Its Inflation Reduction Act (IRA) Programs and Related Risks Identified by GSA, as of December 31, 2024	22
Table 7: Risks Identified by the General Services Administration (GSA) Related to the Agency’s Inflation Reduction Act (IRA) Programs, as of December 31, 2024	23
Table 8: General Services Administration’s (GSA’s) Objectives, Performance Goals, and the Goals’ Targets and Time Frames for Its Programs Funded by the Inflation Reduction Act (IRA), as of December 31, 2024	28
Table 9: Existing and Proposed Internal Controls Identified in the General Services Administration’s (GSA) Risk Management Plan for the Agency’s Inflation Reduction Act (IRA) Programs, as of December 31, 2024	35

Figures

Figure 1: General Services Administration’s (GSA) Construction Project Life Cycle	5
Figure 2: Embodied Carbon and Operational Carbon Emissions from Buildings	7
Figure 3: Inflation Reduction Act (IRA) Estimated Funding and Number of Projects Per Region of the General Services Administration (GSA), as of January 31, 2025	10
Figure 4: General Services Administration’s (GSA) Planned Project Funding from the Inflation Reduction Act, Percentage of Total Project Funding by Facility Type, as of July 19, 2024	12
Figure 5: Installation of Low Embodied Carbon Glass Window at Charles E. Whittaker U.S. Courthouse in Kansas City, Missouri, in June 2024	14

This is a work of the U.S. government and is not subject to copyright protection in the United States. The published product may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.

Abbreviations

Btu	British thermal unit
CIPMO	Climate and Infrastructure Program Management Office
E&ST	emerging and sustainable technology
EPA	Environmental Protection Agency
GSA	General Services Administration
HPGB	high-performance green building
IIJA	Infrastructure Investment and Jobs Act
IRA	Inflation Reduction Act of 2022
LEC	low embodied carbon
OMB	Office of Management and Budget
OPD	Office of Project Delivery
PBS	Public Buildings Service

April 29, 2025

The Honorable Shelley Moore Capito
Chairman
Committee on Environment and Public Works
United States Senate

The Honorable Brett Guthrie
Chairman
Committee on Energy and Commerce
House of Representatives

The Honorable Bruce Westerman
Chairman
Committee on Natural Resources
House of Representatives

The Honorable Sam Graves
Chairman
Committee on Transportation and Infrastructure
House of Representatives

The General Services Administration (GSA) maintains more than 1,500 federally owned buildings that federal agencies use for office space, land ports of entry (U.S. border stations), courthouses, laboratories, post offices, and other purposes. The Council on Environmental Quality has identified these buildings as a major source of the federal government's greenhouse gas emissions and energy and water use.¹ The Inflation Reduction Act of 2022 (IRA) provided GSA with a combined \$3.375 billion for low-carbon construction materials; for emerging and sustainable technologies; and to convert buildings to high-performance green buildings.² The funding for the first two purposes is available through fiscal year 2026, while the funding to convert buildings to high-performance green buildings is available through the end of fiscal year 2031.³

¹Council on Environmental Quality, *Achieving a Net-Zero Emissions Federal Buildings Portfolio: Leading Federal Building Decarbonization Strategies to Save Dollars, Cut Emissions, and Create Healthy and Resilient Communities* (April 2024). According to the Environmental Protection Agency (EPA), greenhouse gases are those that trap heat in the atmosphere. These gases are the most significant driver of observed climate change since the mid-20th century, according to EPA. Of the greenhouse gases, carbon dioxide is the primary gas emitted through human activities.

²Pub. L. No 117-169 §§ 60502–60504, 136 Stat. 1818, 2083.

³For the purposes of this report, we refer to funds being “available” as the time period for which the funds are available for obligation. Depending on the method of obligation, the funds may be expended for a specific time period after obligation.

You asked us to review GSA's IRA activities.⁴ Additionally, the IRA includes a provision for GAO to support oversight of the use of funds appropriated in the IRA.⁵ This report examines, as of December 31, 2024, (1) how GSA planned to use its IRA funds; (2) the extent to which it followed leading practices when selecting projects to fund; (3) the extent to which it identified, analyzed, and responded to IRA risks; and (4) the extent to which it established IRA performance goals.⁶

To examine how GSA planned to use its IRA funds, we analyzed the agency's Status of Funds report, which included its IRA spending plan, reviewed project documents, and interviewed officials who manage GSA's IRA programs.⁷ We also reviewed the Status of Funds report to identify how much of GSA's IRA funding the agency had obligated and expended as of January 31, 2025.⁸ To determine the reliability of the funding data, we compared funding amounts in the report to funding information in associated project authorizations for consistency and completeness, and interviewed knowledgeable officials about the data and any discrepancies in the data. We determined the data were sufficiently reliable for the purpose of describing the status and use of IRA funds.

In addition, we visited three IRA project sites to observe progress or discuss project plans.⁹ We selected project sites that represented a range of building types and IRA funding purposes and were located in GSA regions that had obligated the most IRA funds at the time of our selection. We selected three regions—the Heartland Region (Region 6), the Pacific Rim Region (Region 9), and the National Capital Region (Region 11)—and interviewed GSA officials from those three regional offices. These visits are not generalizable to all regions but provided insights into GSA's use of IRA funds.

To examine the extent to which GSA followed leading practices when selecting projects to fund, we reviewed internal guidance on project selection and project scorecards the agency used to document project evaluations. We compared GSA's guidance, scorecards, and process for selecting projects to leading practices for selecting capital investment projects as identified in GAO's *Executive Guide for Leading Practices in Capital*

⁴You also asked us to review IRA activities at the Council on Environmental Quality, Federal Highway Administration, Environmental Protection Agency, and Fish and Wildlife Service. We will address IRA activities at these agencies separately.

⁵§ 70004, 136 Stat. at 2087.

⁶All substantive audit work was performed prior to December 31, 2024. In February 2025, GSA provided us with spending data as of January 31, 2025, which we incorporated in describing how GSA plans to use its IRA funds. In addition, GSA officials stated that changes in priorities, as reflected in updated or rescinded guidance, policies, and executive orders, may affect GSA's administration of its IRA programs. According to GSA's IRA Executive Program Status through February 13, 2025, the entire IRA program is under review to comply with Exec. Order No. 14154 and to conform with a new core asset strategy. See Exec. Order. No. 14154, 90 Fed. Reg. 8353 (Jan. 29, 2025). According to GSA officials, the agency anticipates disposing of additional federally owned buildings maintained by GSA, which could result in cancelling IRA projects in those facilities.

⁷GSA's IRA spending plan tracks all tentatively selected projects and their approved budgets for each of the three IRA funding programs. GSA also provided us with building data that allowed us to compare planned spending across GSA building types as of July 19, 2024.

⁸An *obligation* is generally a commitment to pay funds. An *expenditure* is the actual spending of money. GAO, *A Glossary of Terms Used in the Federal Budget Process*, [GAO-05-734SP](#) (Washington, D.C.: September 2005).

⁹We visited the Charles Evans Whittaker U.S. Courthouse in Kansas City, Missouri; the Ronald Reagan Building and International Trade Center in Washington, D.C.; and St. Elizabeths West Campus in Washington, D.C.

Decision-Making and the Office of Management and Budget's (OMB) *Capital Programming Guide*.¹⁰ The executive guide identifies five principles and 12 associated leading practices for capital decision-making. We focused on two of the three leading practices under the second principle, "evaluate and select capital assets using an investment approach," because this aligned with our assessment of GSA's processes for selecting IRA projects. Those leading practices are (1) establish a review and approval framework supported by analyses and (2) rank and select projects based on established criteria. We did not include the third practice under this principle—"prepare a long-term capital plan"—because our analysis focused on GSA's processes for selecting projects under the IRA program and not on GSA's planning decisions for its entire portfolio.

We evaluated the appropriateness of GSA's selection criteria by comparing them against identified IRA risks and strategic goals identified in GSA's Public Buildings Service's (PBS) internal strategic plan for fiscal years 2023 through 2027. We also obtained information from GSA on its "core assets," which we used to determine whether the projects that GSA selected to receive funding for cleaner construction materials were located at those assets.¹¹ We also interviewed GSA officials who oversee GSA's IRA programs, GSA's portfolio of federal buildings, and GSA's building sustainability efforts.

To examine the extent to which GSA identified, analyzed, and responded to IRA risks, we reviewed GSA's IRA risk management plan, focusing on risks that GSA prioritized as high risks. We also focused on fraud risk because GSA's Office of Inspector General identified fraud risk as a challenge GSA faced in executing IRA-funded projects.¹² We also interviewed GSA officials about GSA's risk management efforts. We compared GSA's efforts to the internal control principle that agencies should identify, analyze, and respond to risks related to achieving the agency's objectives as well as to relevant practices in GAO's fraud risk framework.¹³ Additional information on IRA risks can be found in appendix I.

To examine the extent to which GSA established IRA performance goals, we reviewed GSA's documentation of such goals in several places, including GSA's public IRA website; PBS's internal strategic plan for fiscal years 2023 through 2027; an internal GSA IRA status report; and GSA's *Consolidated IRA Investment Plan* that it presented to OMB.¹⁴ We also interviewed GSA's IRA program management officials. We compared the goals and GSA's external communications about the goals to leading practices for the use of performance

¹⁰GAO, *Executive Guide: Leading Practices in Capital Decision-Making*, [GAO/AIMD-99-32](#) (Washington, D.C.: December 1998) and Office of Management and Budget, *Capital Programming Guide*, Version 3.1, Supplement to Office of Management and Budget OMB Circular A-11, *Preparation, Submission, and Execution of the Budget* (July 2024).

¹¹GSA determined core assets based on financial performance, reinvestment needs, building use, historic status, and anticipated long-term space requirements and plans of federal agencies. In February 2025, GSA noted that the entire IRA program is under review to conform with a new core asset strategy.

¹²General Services Administration, Office of Inspector General, *Assessment of GSA's Management and Performance Challenges for Fiscal Year 2024* (Washington, D.C.: Oct. 13, 2023).

¹³GAO, *A Framework for Managing Fraud Risks in Federal Programs*, [GAO-15-593SP](#) (Washington, D.C.: July 2015) and GAO, *Standards for Internal Control in the Federal Government*, [GAO-14-704G](#) (Washington, D.C.: September 2014).

¹⁴"Inflation Reduction Act," General Services Administration, updated September 26, 2024, <https://www.gsa.gov/real-estate/gsa-properties/inflation-reduction-act>. Toward the end of our audit work, GSA provided us an updated version of PBS's unpublished strategic plan that covered fiscal years 2023 through 2028 because it included new information on GSA's engagement activities that affect the economy and communities that surround its construction projects. For purposes of our report, we primarily used the earlier strategic plan, because that was the version available at the time we conducted most of our audit work related to the plan. In January 2025, GSA officials told us that the strategic plan covering fiscal years 2023 through 2028 would be updated to reflect changes in administration policy.

information and the internal control principle that agencies should communicate necessary quality information so that both the agency and relevant external parties can achieve the agency's goals.¹⁵

We conducted this performance audit from January 2024 to April 2025 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

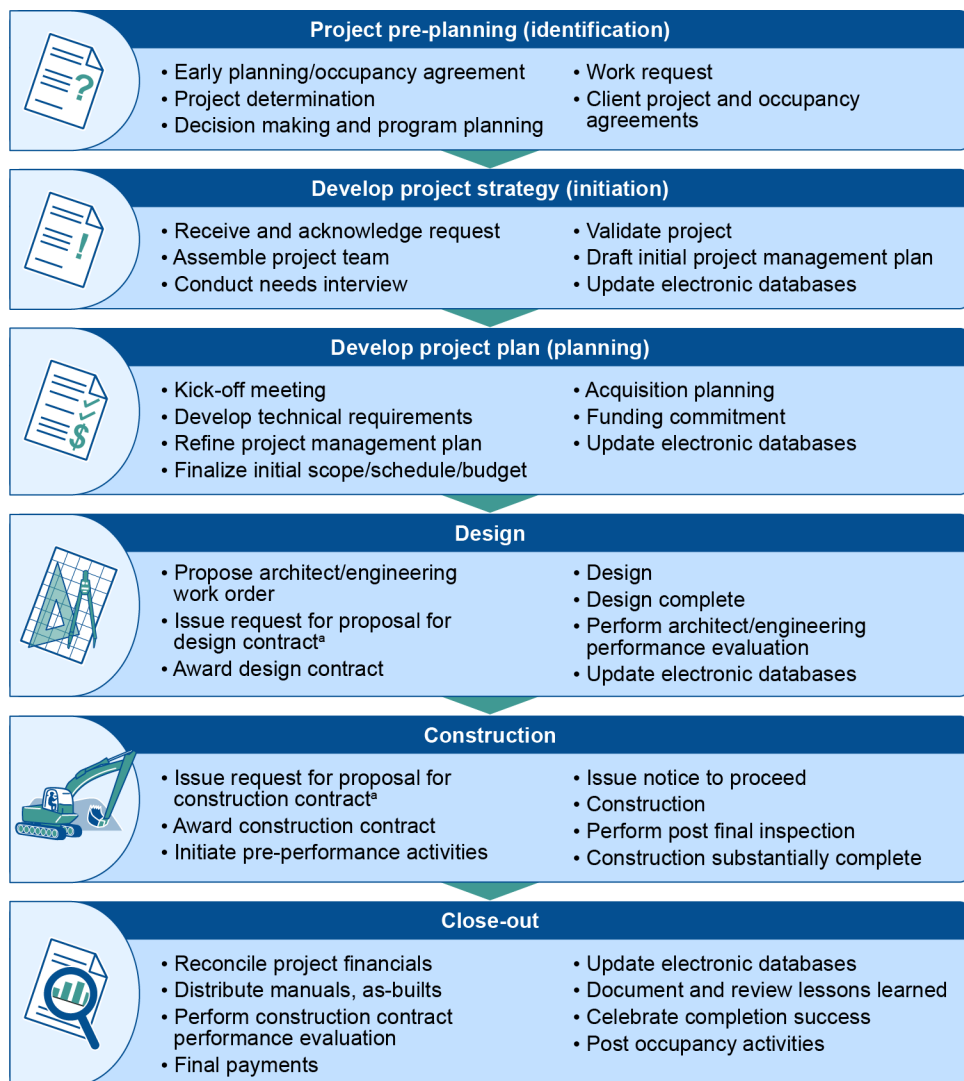
Background

GSA's Construction Project Process

GSA oversees two main types of construction projects: (1) capital projects, which include new building construction and major repairs and alterations with total estimated construction costs that exceed a certain "prospectus threshold," and (2) minor repair and alterations projects, which are any projects with a total estimated cost below the prospectus threshold.¹⁶ GSA's construction projects have six phases: identification, initiation, planning, design, construction, and close-out (see fig. 1). For capital projects, the President's budget request for GSA typically includes funding for projects at the end of the planning phase and prior to the design phase.

¹⁵GAO, *Evidence-Based Policymaking: Practices to Help Manage and Assess the Results of Federal Efforts*, [GAO-23-105460](#) (Washington, D.C.: July 12, 2023); *Managing for Results: A Guide for Using the GPRA Modernization Act to Help Inform Congressional Decision Making*, [GAO-12-621SP](#) (Washington, D.C.: June 2012); *Agency Performance Plans: Examples of Practices That Can Improve Usefulness to Decisionmakers*, [GAO/GGD/AIMD-99-69](#) (Washington, D.C.: Feb. 26, 1999); *Executive Guide: Effectively Implementing the Government Performance and Results Act*, [GAO/GGD-96-118](#) (Washington, D.C.: June 1996); and [GAO-14-704G](#).

¹⁶The Public Buildings Act of 1959, as amended, requires GSA to submit for congressional authorization a proposal (prospectus) for capital and lease projects with an estimated cost that exceeds a certain dollar threshold, which GSA may adjust annually to reflect changes in construction costs. 40 U.S.C. § 3307(a)-(b), (h). For fiscal year 2025, the threshold is \$3.926 million.

Figure 1: General Services Administration's (GSA) Construction Project Life Cycle

Sources: GAO analysis of GSA information; GAO (icons). | GAO-25-107349

^aThere are cases where design and construction are awarded on the same contract.

IRA Programs

The IRA provided \$3.375 billion to GSA for three programs which enhance the sustainability of its portfolio of federal buildings. These programs relate to (1) using low embodied carbon (LEC) construction materials, (2) supporting emerging and sustainable technologies (E&ST), and (3) converting federal buildings to high-

performance green buildings (HPGB).¹⁷ All three programs also support broader sustainability efforts at GSA, about which we have previously reported.¹⁸ As noted in that report, GSA's sustainability efforts stem from broader executive and congressional directives, which have varied over the last several decades. Some of these directives, such as Executive Order 14057, *Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability*, have been rescinded.¹⁹ The following provides additional details for each of GSA's IRA programs.

- **LEC construction materials:** The IRA provided GSA \$2.15 billion for the purchase of low embodied carbon construction materials. The act requires the materials to have “substantially lower levels of embodied greenhouse-gas emissions associated with all relevant stages of production, use, and disposal as compared to estimated industry averages of similar materials or products, as determined by the Administrator of the Environmental Protection Agency (EPA).”²⁰ In December 2022, EPA issued an interim determination to provide GSA with actionable guidelines for selecting low embodied carbon materials for its IRA LEC projects.²¹ The interim determination prioritizes materials and products that have the lowest “global warming potential” in the production stage, with the intention to address global warming potential in the use and disposal stages in the future.²² To qualify for use on projects that are LEC-funded, GSA requires contractors to provide it with Environmental Product Declarations that document the materials’

¹⁷According to the Carbon Leadership Forum, in the building industry, *embodied carbon* refers to the greenhouse gas emissions arising from the manufacturing, transportation, installation, maintenance, and disposal of building materials. See Carbon Leadership Forum, *Embodied Carbon 101* (Dec. 17, 2020). While some greenhouse gases contain carbon and others do not, terms such as “low carbon” and “embodied carbon” are commonly used to refer to all greenhouse gases. GSA defines *emerging* technologies as those that are newly formed or newly prominent. GSA defines *sustainable* technologies as technologies that help achieve net zero operations or that help comply with the Council on Environmental Quality’s *Guiding Principles for Sustainable Federal Buildings*. A *high-performance green building* is a high-performance building that, during its life-cycle, as compared with similar buildings (as measured by Commercial Buildings Energy Consumption Survey or Residential Energy Consumption Survey data from the Energy Information Agency) meets several statutory criteria, including reduces energy, water, and material resource use; improves indoor environmental quality, including reducing indoor pollution, improving thermal comfort, and improving lighting and acoustic environments that affect occupant health and productivity; reduces negative impacts on the environment throughout the life-cycle of the building, including air and water pollution and waste generation; and increases the use of environmentally preferable products, including biobased, recycled content, and nontoxic products with lower life-cycle impacts. 42 USC § 17061(13).

¹⁸GAO, *Federal Buildings: Capital Access and Market Options Are Key Challenges Facing GSA’s Sustainability Efforts*, [GAO-23-105905](#) (Washington, D.C.: Sept. 7, 2023).

¹⁹Exec. Order. No 14057, 86 Fed. Reg. 70935 (2021) (rescinded by Exec. Order No. 14148, 90 Fed. Reg. 8237 (2025)).

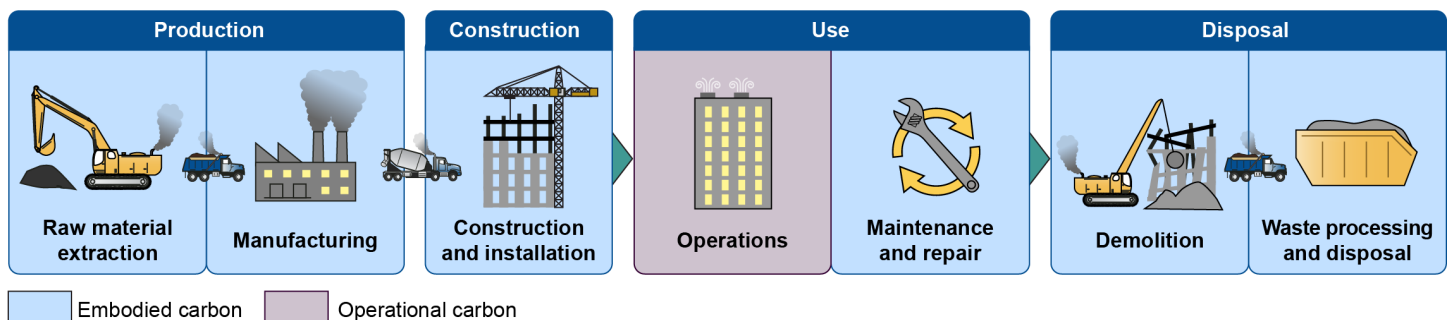
²⁰Pub. L. No. 117-169 § 60503(a), 136 Stat. 1818, 2083 (2022).

²¹In the interim determination, EPA stated that it expects that its determination may evolve as the agency gains a better understanding of low embodied carbon materials.

²²Global warming potential is a measure of the greenhouse gas emissions, including carbon dioxide, associated with a material’s life cycle. EPA interprets IRA’s reference to “substantially lower levels of embodied greenhouse gas emissions” as meaning a global warming potential that is in the best performing 20 percent (lowest 20 percent in embodied greenhouse-gas emissions), when compared to similar materials. If no materials in the best performing 20 percent are available in a project’s location, then a material qualifies for funding if the material’s global warming potential is in the best performing 40 percent. If no materials in the best performing 40 percent are available in a project’s location, then it qualifies for IRA funding if the global warming potential is better than the industry average. EPA’s interim determination directs GSA to develop its own estimates of materials’ global warming potentials at the 20th and 40th percentiles and the industry average. See Environmental Protection Agency, *Interim Determination for GSA and DOT/FHWA on Low Greenhouse Gas Construction Materials under IRA 60503 and 60506* (Dec. 22, 2022).

global warming potential.²³ EPA's interim determination and GSA's LEC program focus on four materials: asphalt, concrete, glass, and steel. Additionally, the program considers only greenhouse gas emissions reductions from material extraction, transportation to manufacturing, and manufacturing. See figure 2 for examples of embodied carbon and operational carbon.

Figure 2: Embodied Carbon and Operational Carbon Emissions from Buildings



Source: GAO. | GAO-25-107349

- **E&ST:** The IRA provided GSA with \$975 million to support emerging and sustainable technologies and related sustainability and environmental programs. GSA viewed the program as supporting several of its pre-existing sustainability efforts. Those efforts include deep energy retrofits, which renovate federal buildings with multiple measures, such as electric heat pump technology, to reduce energy use; smart building technologies, which include advanced meters and sensors that help optimize building operations and energy use and enhance occupant comfort; electric vehicle supply equipment for building an electric vehicle charging network for the federal government's electric vehicle fleet; and the Green Proving Ground for testing emerging and sustainable building technologies in real-world settings.
- **HPGB:** The IRA provided GSA with \$250 million to convert more GSA buildings into high-performance green buildings. The Energy Independence and Security Act of 2007 established the GSA Office of Federal High-Performance Green Buildings.²⁴ This office develops government-wide best practices, guidance, and tools pertaining to budgeting and contracting to minimize the environmental impact of buildings. The Council on Environmental Quality's 2020 *Guiding Principles for Sustainable Federal Buildings* includes six principles for sustainable federal buildings that were developed based on fundamental sustainable design practices.²⁵ According to GSA, practices identified in this guidance serve as a source for identifying investments, such as building-level energy and water meters, that may be funded with IRA HPGB funds.

GSA Roles and Responsibilities

Within GSA, PBS manages real property for many civilian federal agencies and has a large portfolio of federally owned and leased properties. GSA is responsible for approximately 1,500 federally owned buildings, including their design, construction, operation, and maintenance, as well as the sustainability efforts associated

²³Manufacturers create Environmental Product Declarations for their products and submit them to an independent third party for verification. Once verified, the manufacturer submits the Environmental Product Declaration to a program operator—typically a company, trade association, public agency, or independent body—for registration and publication.

²⁴Pub. L. No. 110-140, § 436(a), 121 Stat. 1492, 1616 (2007) (codified at 42 U.S.C. § 17092).

²⁵The Council on Environmental Quality works closely with agencies and other White House offices in the development of environmental policies and initiatives.

with those activities. As of December 31, 2024, PBS staff were located in GSA's headquarters and in each of GSA's 11 regions, which at that time were responsible for the buildings in their regions.

The Climate and Infrastructure Program Management Office (CIPMO)—located within PBS at the time of our audit work—oversees the delivery of both IRA-funded projects and projects funded under the Infrastructure Investment and Jobs Act (IIJA).²⁶ CIPMO assists GSA regions in executing IRA projects across the nation. Its oversight role includes tracking program progress, approving financial allocation requests, monitoring and providing program status information to internal and external stakeholders, and developing a risk management program to help ensure program success. Several offices within PBS also provide support for IRA activities, including the Office of Portfolio Management and Customer Engagement, the Office of Facilities Management, and the Office of Acquisition Management.

GSA Planned to Use Most of Its IRA Funding to Enhance the Sustainability of Courthouses, Land Ports of Entry, and Office Buildings

GSA Selected Projects that Accounted for 99 Percent of Its IRA Funds

As of January 31, 2025, GSA had selected 362 projects to receive IRA funding.²⁷ According to GSA's IRA spending plan, estimated IRA costs for these projects total \$3.35 billion, or 99 percent, of the agency's available IRA funding. According to GSA officials, the spending plan is a living document that GSA uses to track its project selections. Until GSA first obligates IRA funds on a selected project, GSA's selection of the project is subject to change.²⁸

GSA officials told us selected IRA projects included both ongoing projects—for which GSA planned to substitute IRA funding for other funding sources, which GSA could then reallocate—and planned projects that were not fully funded prior to the enactment of the IRA. IRA funding can only be spent on items related to the GSA IRA statutory provisions. GSA officials told us that because the IRA funding is limited to particular uses and projects typically include other elements, most selected projects required funding in addition to that provided by the IRA.²⁹

According to GSA's spending plan as of January 31, 2025, estimated LEC costs for selected projects accounted for 100.1 percent of the appropriated LEC funding (see table 1). According to GSA officials, the estimated cost exceeded the available funding because GSA selected extra LEC projects in case some selected projects did not develop as quickly as needed to meet the 2026 fiscal year-end deadline to obligate

²⁶The IIJA provided \$3.4 billion to GSA to construct, acquire, repair, and alter border stations and land ports of entry. Pub L. No 117-58, div. J, tit. IV, 135 Stat. 429, 1382–83 (2021).

²⁷In February 2025, GSA officials noted that the entire IRA program is under review and that priorities and goals for the program could change. In addition, according to GSA's Inflation Reduction Act Executive Program Status through February 13, 2025, all IRA disbursements were on hold, and obligations were being limited to active construction projects.

²⁸According to GSA officials, the amount of time between GSA selecting a project to receive funding and first obligating funds on the project depends, in part, on the number and complexity of steps in the project process that GSA needs to complete before it can award a contract.

²⁹According to GSA, other potential sources of funding include GSA's annual appropriations for new construction and acquisition of facilities, minor repairs and alterations, and major repair and alteration projects, as well as appropriations under the IIJA.

funds. The officials said that GSA planned to bring the total costs for its LEC projects in line with available funding by adjusting project budgets or not moving forward with some of the selected projects. GSA had planned for most of its available E&ST and HPGB funding. In 2024, GSA officials told us they might use HPGB funding as contingency for projects planned to receive E&ST funding as the HPGB funds can be used for similar purposes.

Table 1: General Services Administration’s (GSA) Total Estimated Costs for Projects Selected to be Funded by GSA’s Inflation Reduction Act (IRA) Programs, as of January 31, 2025

Dollars in millions

IRA program	Total estimated project costs	Total available	Costs as percentage of available
Low embodied carbon	\$2,152	\$2,150	100.1 ^a
Emerging and sustainable technologies	\$957	\$975	98.2
High-performance green buildings	\$244	\$250	97.8
Total	\$3,354	\$3,375	99.4

Source: GAO analysis of GSA data. | GAO-25-107349

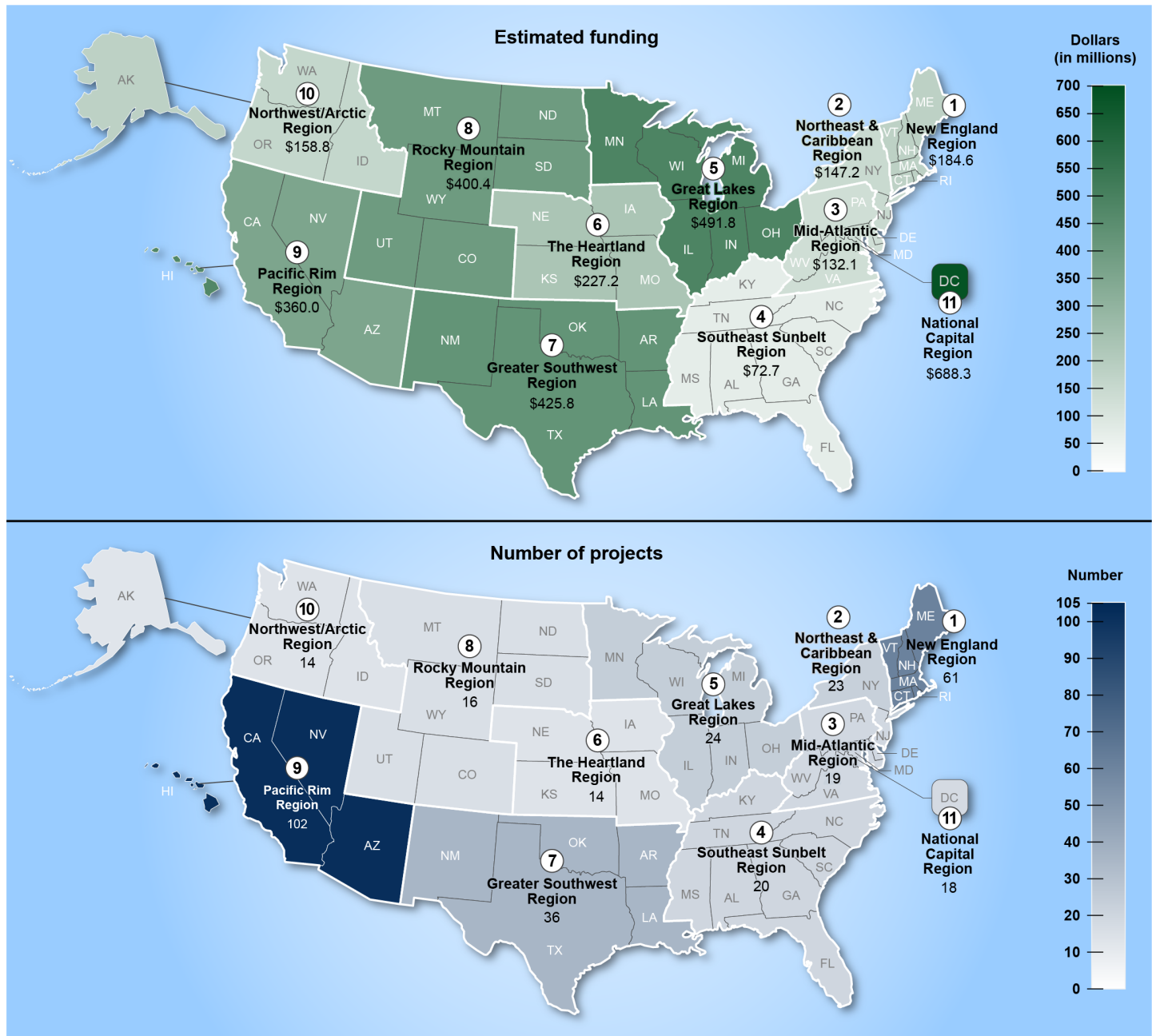
Note: According to GSA’s Inflation Reduction Act Executive Program Status through February 13, 2025, all IRA disbursements were on hold, and obligations were being limited to active construction projects. In addition, GSA officials stated the entire IRA program was under review, and priorities and goals for the program could change.

^aAccording to GSA officials in 2024, the estimated cost of low embodied carbon projects exceeded the available funding because GSA included some extra projects to account for projects that might not develop as quickly as needed to meet the 2026 fiscal year-end deadline to obligate funds. The officials said that GSA planned to bring the total costs for these projects in line with available funding and had not obligated this amount of funds.

Selected Projects Ranged in Geographic Location, Facility Use, and Estimated IRA Cost

Selected IRA projects spanned across all 11 GSA regions (see fig. 3). According to GSA’s IRA spending plan as of January 31, 2025, selected projects in Region 11 (the National Capital Region) were expected to receive the most IRA funding, and Region 9 (the Pacific Rim Region) had the most selected projects.

Figure 3: Inflation Reduction Act (IRA) Estimated Funding and Number of Projects Per Region of the General Services Administration (GSA), as of January 31, 2025



Sources: GAO analysis based on GSA funding data; Map Resources (map). | GAO-25-107349

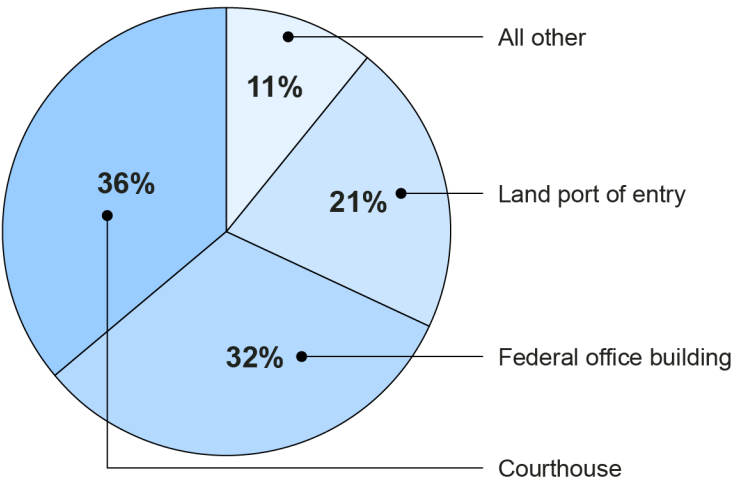
Region	Total projects	Total planned spending
1 New England Region	61	\$ 184,591,693.64
2 Northeast and Caribbean Region	23	\$ 147,188,887.74
3 Mid-Atlantic Region	19	\$ 132,116,814.91
4 Southeast Sunbelt Region	20	\$ 72,685,467.00
5 Great Lakes Region	24	\$ 491,826,009.14
6 The Heartland Region	14	\$ 227,163,297.85
7 Greater Southwest Region	36	\$ 425,776,535.85
8 Rocky Mountain Region	16	\$ 400,400,531.51
9 Pacific Rim Region	102	\$ 360,041,057.89
10 Northwest/Arctic Region	14	\$ 158,808,149.09
11 National Capital Region	18	\$ 688,335,544.93

Note: According to GSA's Inflation Reduction Act Executive Program Status through February 13, 2025, all IRA disbursements were on hold, and obligations were being limited to active construction projects. In addition, GSA officials stated the entire IRA program was under review, and priorities and goals for the program could change.

As of July 2024, 89 percent of selected IRA projects were planned to take place in courthouses, federal office buildings, and land ports of entry (see fig. 4). The selected projects in courthouses and federal office buildings were distributed across all 11 regions, though about 22 percent of the federal office buildings selected to receive IRA funding were in the National Capital Region. For example, about \$16 million in E&ST funding was planned for the Ronald Reagan Building and International Trade Center in Washington, D.C. In 2024, this building provided federal office space for agencies such as the U.S. Agency for International Development, the Department of Commerce, and the Department of Homeland Security. According to GSA officials we met with, this funding was for an existing National Deep Energy Retrofit project, and GSA planned to use E&ST funding to support the installation of electric heat pumps to lower energy usage for heating and cooling the building.³⁰ We also found that the land ports of entry receiving IRA funding were distributed across regions with border states. About 60 percent of these land ports of entry projects were located along the northern border, with the remaining along the southern border.

³⁰The National Deep Energy Retrofit program helps to renovate federal buildings to reduce site energy use by at least 40 percent.

Figure 4: General Services Administration’s (GSA) Planned Project Funding from the Inflation Reduction Act, Percentage of Total Project Funding by Facility Type, as of July 19, 2024



Source: GAO analysis of GSA data. | GAO-25-107349

Category	Other	Land port of entry	Federal office building	Courthouse
Percentage	11	21	32	36

Notes: “All other” includes warehouses, public facing facilities such as post offices, parking structures, laboratories, data centers, and museums. According to GSA’s Inflation Reduction Act Executive Program Status through February 13, 2025, all Inflation Reduction Act disbursements were on hold, and obligations were being limited to active construction projects. In addition, GSA officials stated the entire IRA program was under review, and priorities and goals for the program could change.

GSA’s planned IRA funding per project ranged from \$2,000 to nearly \$200 million. Many of the smaller projects, accounting for more than half of the individual buildings that GSA selected to receive IRA funding, are expected to receive E&ST funding to install meters under GSA’s Advanced Metering Program. These meters will replace or supplement existing meters to help GSA collect data and calculate operational greenhouse gas reductions, energy savings, water savings, and operational cost avoidance. The projects with the largest IRA funding amounts—more than \$100 million—are capital investment projects that Congress previously approved for funding. For example, in fiscal year 2016, Congress appropriated \$341 million for the ongoing process of consolidating the Department of Homeland Security at the St. Elizabeths West Campus in Washington, D.C. GSA selected the portion of the project related to constructing a new building for the Cybersecurity and Infrastructure Security Agency to receive more than \$113 million in IRA funds for LEC materials and \$27 million in IRA HPGB funding to make it a certified LEED Gold facility.³¹

³¹Leadership in Energy and Environmental Design (LEED) is an internationally recognized green building certification system run by the U.S. Green Building Council. GSA requires new construction and substantial renovation of federally owned facilities to achieve a LEED Gold rating, the second highest level of certification.

GSA Obligated 49 Percent of Its IRA Funds and Expended 5 Percent

As of January 31, 2025, GSA reported obligating 49 percent of its available IRA funding and had expended 5 percent.³² The obligated funds covered about half of GSA’s selected IRA projects, and the expended funds covered about 30 percent of GSA’s selected projects. As shown in table 2, the LEC program—the largest of GSA’s three IRA programs—had the most recorded dollars obligated and expended of the three IRA programs. However, in terms of percentages of available funding, the HPGB program had obligated the highest percentage (82 percent), and the LEC program had obligated the lowest percentage (36 percent). Both the LEC and E&ST programs had expended about 5 percent of their available funding, and the HPGB program had expended about 10 percent.

Table 2: General Services Administration (GSA) Recorded Total Obligations and Expenditures Under the Inflation Reduction Act (IRA), as of January 31, 2025

Dollars in millions

IRA program	Available	Obligated (%)	Expended (%)
Low embodied carbon	\$2,150	\$767 (36%)	\$102 (5%)
Emerging and sustainable technologies	\$975	\$683 (70%)	\$49 (5%)
High-performance green buildings	\$250	\$204 (82%)	\$25 (10%)
Total	\$3,375	\$1,654 (49%)	\$176 (5%)

Source: GAO analysis of GSA data. | GAO-25-107349

Note: According to GSA’s Inflation Reduction Act Executive Program Status through February 13, 2025, all IRA disbursements were on hold, and obligations were being limited to active construction projects. GSA officials stated the entire IRA program was under review, and priorities and goals for the program could change.

As discussed in more detail later in this report, GSA developed quarterly targets for obligating its LEC and E&ST funds—including final targets of obligating all available funds—and developed a strategy to meet those targets.³³ The Charles E. Whittaker U.S. Courthouse project in Kansas City, Missouri, had the most funds expended (\$40 million) at the time of our review. This project’s baseline budget was approved by Congress in 2020 to replace the deteriorating exterior glass curtain wall. According to GSA officials, the project was in the design phase when IRA funding became available, and PBS officials identified it as an opportunity to leverage LEC funding for an estimated 100,000 square feet of glass.³⁴ When we visited the courthouse in June 2024, contractors were removing the existing glass, and Region 6 officials told us that 60 percent of the LEC glass had been acquired (see fig. 5). According to officials, the project was expected to be completed in 2026.

³²According to GSA’s Inflation Reduction Act Executive Program Status through February 13, 2025, all IRA disbursements were on hold, and obligations were being limited to active construction projects. According to GSA officials, the entire IRA program was under review, and priorities and goals for the program could change.

³³In February 2025, GSA officials noted that the entire IRA program is under review and that priorities and goals for the program could change. In addition, according to GSA’s Inflation Reduction Act Executive Program Status through February 13, 2025, all IRA disbursements were on hold, and obligations were being limited to active construction projects.

³⁴According to GSA officials, GSA was already intending to use LEC glass for the project prior to the project being selected for IRA funding.

Figure 5: Installation of Low Embodied Carbon Glass Window at Charles E. Whittaker U.S. Courthouse in Kansas City, Missouri, in June 2024



Sources: GAO (left) and General Services Administration (right). | GAO-25-107349

GSA's Approach for Selecting Projects for Two of Three IRA Programs Generally Followed Leading Practices

GSA Established a Framework for Selecting Projects for the LEC and E&ST Programs, but Not for the HPGB Program

As of December 31, 2024, we found that GSA had developed a framework for selecting LEC and E&ST projects consistent with GAO's *Executive Guide for Leading Practices in Capital Investment Decision-Making* and OMB's *Capital Programming Guide*, but not for HPGB projects.³⁵ More specifically, the executive guide's principle to evaluate and select capital assets using an investment approach identifies the establishment of a framework that encourages the appropriate level of management review, supported by analyses, as a leading practice that can help ensure capital investment decisions are made more efficiently and are supported by better information. However, at the time of our review, GSA had not established a selection framework for HPGB projects, despite having selected five projects to only receive such funding.

According to GSA officials, CIPMO collaborated with PBS offices, such as the Office of Portfolio Management and Customer Engagement and the Climate and Sustainability Division, to establish the selection framework for LEC and E&ST IRA projects and develop corresponding guidance for offices responsible for evaluating

³⁵[GAO/AIMD-99-32](#); Office of Management and Budget, *Capital Programming Guide*.

proposed projects. The framework broke down GSA’s selection process into rounds, which corresponded to either the LEC or E&ST program and total project cost (see table 3).³⁶ GSA officials told us that GSA conducted the first two rounds and submitted its related project selections to OMB for approval in the first quarter of fiscal year 2023. They added that GSA submitted the project selections for rounds 3, 4, and 5 to OMB in June 2023.

Table 3: General Services Administration’s (GSA) Funding Rounds to Select Inflation Reduction Act (IRA) Projects

Round	IRA funding program	Initial pool of proposed projects
1	Low embodied carbon ^a	Capital projects previously approved for funding by Congress
2	Low embodied carbon ^a	Capital projects previously approved for funding by Congress
3	Low embodied carbon	Priority projects identified by GSA regional offices with total project costs of less than \$10 million
4	Low embodied carbon	Projects proposed but not selected under rounds one or two
5	Emerging and sustainable technologies	Priority projects identified by GSA regional offices

Source: GAO analysis of GSA documentation. | GAO-25-107349

- ^aIn addition to funding from the low embodied carbon program, some projects in this round received funding from the emerging and sustainable technologies program or the high-performance green buildings program if the projects’ scope allowed those funds to be leveraged.
- For each round, GSA’s selection framework included criteria to evaluate proposed LEC or E&ST projects (discussed in more detail in the next section). We found that the criteria were tailored to the IRA funding program and selection round and corresponded with supporting analyses and the appropriate level of management review required under GSA’s framework and consistent with the leading practice to establish a review and approval framework. The key similarities and differences in the various rounds of project selection that we found are summarized below:
- **Management review varied based on initial selection pool.** For rounds one, two, and four, GSA’s guidance directed the Office of Portfolio Management and Customer Engagement officials to select from large scale projects that needed LEC materials, had previously been approved for funding by Congress, and that met the criteria discussed below. According to GSA officials, that was the appropriate office to select these projects because it was responsible for overseeing GSA’s capital projects. For rounds three and five, GSA’s guidance directed regional offices to propose projects with a need for LEC materials or E&ST, respectively. According to GSA officials, regional offices had a better understanding of their region’s portfolio needs, especially for smaller projects that would not require congressional approval. CIPMO and the Office of Portfolio Management and Customer Engagement then worked with the regional offices to obtain the necessary information to make final selection decisions.
 - **E&ST project evaluation included environmental analyses and associated management review.** GSA’s review of proposed projects in round five, which corresponded to projects with a need for E&ST, included criteria related to meeting GSA’s sustainability goals. Specifically, GSA guidance directed regional offices to provide the data on proposed projects to GSA’s Climate and Sustainability Division so it could calculate energy, water, and/or greenhouse gas reductions based on the building and technologies listed in the projects’ scopes. Evaluation of LEC projects in rounds one, two, and four did not include such criteria or

³⁶According to GSA, it selected projects in “tranches.” After GSA submitted its selected projects from tranches 3, 4, and 5 to OMB, GSA stopped using the term “tranches.” We refer to the tranches as rounds.

review because these projects were primarily focused on LEC materials, and environmental benefits from LEC projects are estimated through the acquired product’s Environmental Product Declaration.

- **Large scale projects were screened for opportunities to leverage funding from multiple IRA programs.** While GSA’s review of projects in rounds one and two primarily focused on identifying projects with a need for one of the eligible LEC materials, GSA officials told us that the Office of Portfolio Management and Customer Engagement, with the help of Facilities Management officials, identified projects that could also leverage funding from the E&ST or HPGB programs. Our review of GSA’s data showed that GSA selected 58 projects to receive funding from multiple IRA programs (see table 4). As shown in table 4, nine of these projects were expected to receive funding from all three IRA funding programs. For example, GSA identified the San Luis Land Port of Entry modernization project in round one as an opportunity to use IRA funding from all three programs, totaling almost \$100 million. The project included constructing a land port of entry using IRA funding for all LEC eligible materials, solar energy, and other sustainable practices aimed at achieving net-zero operational status.

Table 4: Number of Selected General Services Administration (GSA) Projects with Funding from More than One of the Three Inflation Reduction Act (IRA) Programs, as of January 31, 2025

Combination of IRA programs providing funding	Number of projects ^a
• Low embodied carbon	37
• Emerging and sustainable technologies	
• Low embodied carbon	10
• High-performance green buildings	
• Emerging and sustainable technologies	2
• High-performance green buildings	
• Low embodied carbon	9
• Emerging and sustainable technologies	
• High-performance green buildings	

Source: GAO analysis of GSA information. | GAO-25-107349

Note: According to GSA’s Inflation Reduction Act Executive Program Status through February 13, 2025, all IRA disbursements were on hold, and obligations were being limited to active construction projects. GSA officials stated the entire IRA program was under review, and priorities and goals for the program could change.

^aThe number of projects in each category is subject to change.

- **Project authorizations serve as the final approval for all selected projects.** Once IRA projects were selected, GSA regional offices were responsible for developing project authorizations for all selected projects in their region, regardless of selection round. Project authorizations for IRA projects we reviewed generally included a project summary, a summary of sustainability goals based on the planned project scope, a project budget and baseline IRA funding, and signatures from the PBS Regional Commissioner, the PBS Assistant Commissioner of Portfolio Management and Customer Engagement, and the CIPMO Program Executive. According to GSA officials, the project authorization serves as the final project approval; once signed, regional offices may move forward with contract solicitation.

In contrast to LEC projects and E&ST projects, GSA had not established a framework for selecting HPGB projects as of December 31, 2024. In our review of GSA data, we found that GSA had selected five total projects to receive only HPGB funding as of that time. According to CIPMO officials, those five projects were originally expected to receive funding from another IRA program as well. They explained that as the project scopes were refined, the need for LEC materials was deemed insignificant; therefore, the projects would only use HPGB funding. For example, the Edward T. Gignoux U.S. Courthouse in Portland, Maine was initially selected in round one to receive an estimated \$1.1 million in LEC funding and \$2.1 million in HPGB funding.

This project had received congressional approval for \$23 million in fiscal year 2020 to upgrade the HVAC system and replace the fire alarm system. The HPGB funding was to be used to partially electrify the building by using electric air-to-water heat pumps for heating and cooling, which was projected to significantly reduce energy used to heat the building. According to GSA officials, the project's LEC funding was to be reallocated to other projects.

According to GSA officials, three other projects that were planned to receive only HPGB funding were to support GSA's Good Neighbor Program.³⁷ For example, the Nathaniel R. Jones Federal Building and Courthouse in Youngstown, Ohio was planned to receive \$750,000 in HPGB funding for soil amendment and new vegetation. Original landscaping for the building, which opened in 2002, included native perennial trees, flowering plants, and grasses. However, officials said an insufficient landscape management plan and resource constraints have allowed invasive plants to overtake large portions of the landscape. They explained that GSA selected the project because it confirmed the agency's commitment toward responsible stewardship of natural resources, federal property, and public space; removed the invasive species that have been encroaching on neighboring properties; and planted native, drought tolerant landscaping in alignment with the criteria on outdoor water use and integrated pest management in the Council on Environmental Quality's *Guiding Principles for Sustainable Federal Buildings*.

As of December 31, 2024, GSA officials told us they had yet to develop a selection framework with criteria for ranking and selecting HPGB projects because the expiration date for HPGB funding was further out than the other two IRA funding programs. Establishing a framework with criteria for ranking and selecting HPGB projects would help ensure that GSA makes sound capital investment decisions that align with IRA and GSA strategic goals. GSA could apply such a framework to both future selections as well as to any adjustments to existing selections that it may choose to make. According to GSA in December 2024, the agency was planning to develop a framework for selecting HPGB projects over the next 2 fiscal years to complement E&ST funding that expires at the end of fiscal year 2026.³⁸ As mentioned previously, GSA officials told us that because the HPGB funding provides the most flexibility, they intended to use it as contingency for planned E&ST projects when E&ST funding ran out. Officials also noted that they were considering using HPGB funding to address emerging priorities. More expeditiously developing a framework could help ensure that GSA selects projects that will meet the agency's priorities.

GSA Generally Evaluated and Ranked LEC and E&ST Projects Based on the Established Criteria

As of December 31, 2024, we found that, consistent with GAO's *Executive Guide for Leading Practices in Capital Investment Decision-Making* and OMB's *Capital Programming Guide*, GSA's selection framework included criteria that it used to rank and select all but one LEC project and all E&ST projects.³⁹ According to the second leading practice under the executive guide's principle to evaluate and select capital assets using an

³⁷The core mission of the Good Neighbor Program is to provide GSA's 11 regional offices and their stakeholders with the technical resources, training, and outreach support they need to implement positive community development. According to GSA officials, as of February 2025, GSA is reviewing all Executive Orders and Directives to determine the impact on implementing the original 13 projects under the Good Neighbor Program that were selected to receive IRA funding.

³⁸As of February 2025, GSA officials said that GSA is reviewing all Executive Orders and Directives to determine the impact on HPGB funding.

³⁹[GAO/AMID-99-32](#); Office of Management and Budget, *Capital Programming Guide*.

investment approach, ranking and selecting projects based on established criteria is beneficial because the amount of funding needed for proposed projects often exceeds the available amount. In addition, establishing criteria that link to risks and goals helps to ensure investments are aligned with agency priorities and achieve desired results. We found that GSA's selection criteria for LEC and E&ST projects were appropriate because they linked to either IRA risks or strategic goals.

LEC

With one exception, we found that GSA consistently applied, ranked, and selected LEC projects based on the established criteria and documented results in its IRA scorecards. For all four LEC rounds, GSA's selection framework established four criteria for ranking and selecting projects. Specifically, a project should (1) be "project ready;" (2) be associated with a "core asset;" (3) have a need for at least one eligible LEC material; and (4) improve GSA's performance towards its strategic goals.

Project ready. We found in our review of GSA's IRA scorecards that GSA applied, ranked, and selected LEC projects based on its established definition of "project ready" in all but one instance. As discussed in the next section, GSA identified the ability to obligate funds before they are set to expire as a high risk. Establishing the "project ready" criterion was a strategy GSA adopted to mitigate this risk because the agency is generally able to obligate funds more quickly for these projects. According to GSA officials, projects selected in round three, which corresponded to smaller projects, met the "project ready" criterion if they had detailed analyses supporting the need for the project, cost estimates, and a scope of work developed. Larger projects selected in rounds one, two, and four met the "project ready" criterion if they had been previously approved for funding by Congress.

Officials told us that, to be considered for congressional approval, projects must have detailed analyses supporting the need for the project, cost estimates, and a scope of work developed. However, we identified an instance where GSA selected a project in round four for LEC funding that did not meet GSA's definition of "project ready" for larger projects. As of December 31, 2024, GSA had tentatively selected the Robert C. Weaver Federal Office Building in Washington, D.C., for LEC funding. GSA's scorecards showed that this project had yet to be congressionally approved for funding. According to GSA officials, the project was considered "project ready" because the underlying analyses were completed. According to officials, this project was selected because the building was identified as a core asset at that time that needed long-term structural repairs necessary for the continued operation of the building. Officials told us GSA requested the balance of funding needed to complete the project in the President's Fiscal Year 2025 Budget.⁴⁰

Core asset. We found in our review of GSA's IRA scorecards that GSA applied, ranked, and selected LEC projects consistent with the core asset criterion. According to GSA officials, as of December 31, 2024, "core assets" were determined by the financial performance, reinvestment needs, building use, historic status, and anticipated long-term space requirements and plans of federal agencies.⁴¹ Officials told us that the Office of Facilities Management regularly evaluated every building in GSA's portfolio on its condition, profitability, vacancy risk, use, and local alternative space options and then assigned a score between one and five. Buildings that scored poorly (or received a score of three, four, or five) were then evaluated for disposal. Buildings that received a score of one or two were considered "long-term holds," and therefore were "core

⁴⁰In April 2025, GSA announced that it would be disposing of the Robert C. Weaver Federal Office Building.

⁴¹In February 2025, GSA noted that the entire IRA program is under review to conform with a new core asset strategy.

assets.” Officials explained that the PBS’s strategic plan for fiscal years 2023 through 2027 identified investing in federally owned facilities and disposing of buildings that cannot meet standards of performance as a key strategy for optimizing its portfolio. According to officials, projects in rounds one, two, and four met the “core asset” criterion if they had been previously approved for funding by Congress because the agency requested funding only for buildings considered long-term holds. For projects selected in round three, CIPMO coordinated with the Office of Facilities Management to confirm that none of the proposed projects were in buildings under evaluation or already approved for disposal by PBS.

LEC materials. We found in our review of GSA’s IRA scorecards that GSA consistently applied, ranked, and selected LEC projects based on the “need for LEC materials.” Reducing greenhouse gas emissions was consistent with GSA’s IRA program objectives and PBS’s strategic plan for fiscal years 2023 through 2027.⁴² According to GSA officials, PBS officials reviewed the scopes of proposed projects to determine whether they needed one or more of the four eligible materials and if so, how much. According to GSA officials, the agency then estimated the reduction of greenhouse gas emissions based on industry averages for the LEC version of the needed materials.⁴³ According to GSA officials, and as our review found, LEC projects were ranked based on the amount of LEC materials needed, and thus the amount of greenhouse gas reductions.

Performance toward strategic goals. We found in our review of GSA’s IRA scorecards that GSA consistently evaluated proposed LEC projects for their ability to improve GSA’s performance towards strategic goals. One of GSA’s five desired outcomes in PBS’s strategic plan for fiscal years 2023 through 2027 included achieving net zero operations, with buildings powered by carbon-pollution-free electricity across the PBS portfolio by 2045. The plan identified designing IRA projects to be sustainable, deep energy retrofit, net zero, or net-zero ready as a key performance goal for achieving the outcome.⁴⁴

E&ST

We found that GSA consistently applied, ranked, and selected E&ST projects based on established criteria and documented results in its IRA scorecards. For these project selections, GSA’s selection framework directed regional offices to first identify projects that (1) were located in a “core asset” and (2) included a need for an “emerging and sustainable technology.”

Core asset. We found in our review of GSA’s IRA scorecards that GSA consistently applied, ranked, and selected E&ST projects consistent with the core asset criterion. Specifically, similar to LEC projects, CIPMO coordinated with the Office of Facilities Management to confirm none of these proposed projects were in buildings that were being evaluated for disposal or had already been approved for disposal by PBS, thus meeting the “core asset” criterion.

⁴²In February 2025, GSA officials stated that the entire IRA program is under review and that priorities and goals for the program could change. GSA provided us with an updated strategic plan covering fiscal years 2023 through 2028 on December 18, 2024. In January 2025, GSA officials told us that that plan will be updated to reflect changes in administration policy.

⁴³As previously discussed, manufacturers publish the greenhouse gas emissions from the production of a given LEC material in an Environmental Product Declaration.

⁴⁴GSA provided us with an updated strategic plan covering fiscal years 2023 through 2028 on December 18, 2024. In January 2025, GSA officials told us the strategic plan for fiscal years 2023 through 2028 will be updated to reflect changes in administration policy.

Need for E&ST. We found in our review of GSA's IRA scorecards that GSA applied, ranked, and selected projects consistent with the need for E&ST criteria. According to GSA officials, CIPMO reviewed each proposed project's scope of work to verify the need for E&ST.

For proposed projects that met the three initial criteria, we found that GSA consistently applied, ranked, and selected E&ST projects based on four additional subcriteria established in GSA's selection framework: (1) project readiness, (2) technology infrastructure, (3) performance outcomes, and (4) strategic outcomes. As shown in table 5, GSA assigned each subcriterion a weight, which factored into each proposed project's final score documented in scorecards.

Table 5: General Services Administration's (GSA) Inflation Reduction Act (IRA) Emerging and Sustainable Technology Criteria, Subcriteria, and Weight

Criterion	Subcriteria	Weight
Project readiness (20% of overall score)	• Anticipated award date ^a	n/a
	• Study/detailed analysis completed	4%
	• Cost estimates prepared	6%
	• Scope of work drafted/Independent Government Estimate completed	10%
Technology infrastructure (10% of overall score)	• Is the building connected to the GSA network?	3%
	• Is there End of Life Building Automation System equipment onsite?	5%
	• Is the building on GSALink (Fault Detection and Diagnostics)?	2%
Performance outcomes (35% of overall score) ^b	• Greenhouse gas reductions per IRA \$ invested	14%
	• IRA \$ invested vs total project cost ^a	n/a
	• Total operational greenhouse gas reductions	5%
	• Energy use intensity reduction	4%
	• Water use intensity reduction	4%
	• Onsite renewable increase	4%
	• Broadly deploy electric vehicle charging stations	2%
	• Operational cost and least cost avoidance	4%
Strategic outcomes (35% of overall score)	• Brings building into compliance or keeps building in compliance with the Council on Environmental Quality's <i>Guiding Principles for Sustainable Federal Buildings</i>	7%
	• Deep energy retrofit (or 40% reduction from 2019 baseline)	9%
	• All-electric building	9%
	• Net zero energy	7%
	• Supercharging of projects	4%

n/a = not applicable

Source: GSA documentation. | GAO-25-107349

^aPriority factor used for ranking.

^bProjects had to meet a minimum threshold to receive the full weight of the score.

Project readiness. We found in our review of GSA's IRA scorecards that GSA applied, ranked, and selected projects consistent with the project readiness criterion. As shown in table 5 above, proposed E&ST projects met the project readiness criterion if they had detailed analyses supporting the need for the project, cost estimates, and a scope of work developed. As previously described, GSA had identified the ability to obligate IRA funds before they expire as a high risk. GSA's risk management strategy included focusing on projects that could spend the money before the expiration date as one strategy to mitigate this risk.

Technology infrastructure and performance outcomes. We found in our review of GSA's IRA scorecards that GSA applied, ranked, and selected projects consistent with the technology infrastructure and performance outcomes criteria. For the technology infrastructure, our review of GSA's scorecards found that GSA ensured selected projects took place in buildings equipped with technology, such as meters, to enable GSA to monitor performance outcomes such as energy and water use savings. PBS's strategic plan for fiscal years 2023 through 2027 identified maximizing building performance and reducing operational greenhouse gas emissions through executing projects that drive toward increased efficiency and significant reduction in energy and water consumption.⁴⁵

Strategic outcomes. We found in our review of GSA's IRA scorecards that GSA applied, ranked, and selected projects consistent with the strategic outcomes criterion. The strategic outcomes criterion, like for LEC projects, related to PBS's strategic plan for fiscal years 2023 through 2027. GSA officials documented in the scorecards whether the emerging and sustainable technology within the scope of the project would make the building a sustainable, all-electric, or net zero energy building or would be a deep energy retrofit.

GSA Identified, Analyzed, and Took Actions to Address a Variety of Risks to Its IRA Programs

As of December 31, 2024, GSA had developed a risk management plan that identified, analyzed, and proposed actions to mitigate 15 risks to its IRA programs. According to our analysis of information provided by GSA officials, many of the proposed actions had been fully or partially implemented, including 21 of the 22 internal controls designed to help mitigate the five risks GSA designated as high-priority. Actions were ongoing to mitigate the risk of not ensuring effective stewardship of taxpayer funds through fraud controls, which GSA designated as a low priority risk. Officials said they were developing internal fraud training and used various annual reviews to periodically assess and manage fraud risks in construction programs. GSA officials also told us that they were developing a centralized fraud risk management program in fiscal year 2025 to include the creation of an agency fraud risk profile. Such a profile, according to GAO's 2015 *Fraud Risk Management Framework*, is essential to an agency's overall antifraud strategy.

GSA Developed and Was Implementing a Risk Management Plan to Mitigate Program Risks

As of December 31, 2024, GSA had developed a risk management plan that identified, analyzed, and proposed actions to mitigate 15 risks to its IRA programs. Developing such a plan is consistent with *Standards for Internal Control in the Federal Government*, which states that agencies should identify, analyze, and respond to risks related to achieving the agency's objectives.⁴⁶ According to the standards, these steps help agencies meet their objectives. According to GSA officials, from September 2023 to August 2024, CIPMO collaborated with several PBS offices to develop the risk management plan, which GSA planned to periodically

⁴⁵GSA provided us with an updated strategic plan covering fiscal years 2023 through 2028 on December 18, 2024. In January 2025, GSA officials told us the plan for fiscal years 2023 through 2028 will be updated to reflect changes in administration policy.

⁴⁶[GAO-14-704G](#).

update. The plan indicated which, if any, of GSA’s four objectives for its IRA programs related to each of the 15 identified risks and identified at least three risks for each of the objectives (see table 6).

Table 6: General Services Administration’s (GSA) Objectives for Its Inflation Reduction Act (IRA) Programs and Related Risks Identified by GSA, as of December 31, 2024

IRA objective	Risks related to IRA objective
Reduce harmful emissions. Avoid millions of metric tons in greenhouse gas emissions using low embodied carbon construction materials and improved energy-efficient building operations.	<ul style="list-style-type: none">• Not reducing harmful emissions• Not able to source compliant low embodied carbon materials in accordance with the Environmental Protection Agency’s guidance• Not monitoring and controlling program and project funding• Not obligating funds by legislated deadlines
Improve efficiency and reduce long-term costs. Make federal buildings more energy efficient, thereby reducing long-term operating costs for the taxpayer.	<ul style="list-style-type: none">• Not improving efficiency and reducing long-term costs• Not monitoring and controlling program and project funding• Not obligating funds by legislated deadlines
Catalyze American innovation. Increase demand for low-carbon materials and emerging/sustainable technologies in the United States.	<ul style="list-style-type: none">• Not catalyzing American innovation• Not monitoring and controlling program and project funding• Not obligating funds by legislated deadlines
Create good-paying jobs. Use IRA projects to create good-paying jobs across the country.	<ul style="list-style-type: none">• Not creating good-paying jobs• Not adhering to Buy American Act and Trade Agreements Act requirements in contracts• Not monitoring and controlling program and project funding• Not obligating funds by legislated deadlines

Source: GAO analysis of GSA information. | GAO-25-107349

Note: GSA also identified the following IRA program risks that it determined do not relate to any of the agency’s IRA objectives: not ensuring effective stewardship of taxpayer funds through fraud controls; not accurately coding project funding in financial systems; not addressing needs for qualified contracting officers to meet program execution; not addressing needs for qualified project managers to meet program execution; not managing cost overruns; not maintaining communication with stakeholders; and not prioritizing investments in core (long-term) assets.

For each of the 15 risks, the plan identified existing internal controls that GSA determined are mitigating the risks, such as GSA’s mandatory design standards and performance criteria for federally owned buildings maintained by GSA, as well as its training for project managers. The plan also proposed new internal controls designed to further mitigate the risk; and included two separate analyses of the risk. The first analysis assumed that only the existing internal controls were in place, while the second analysis assumed that both the existing internal controls and proposed internal controls were in place. Each analysis included GSA’s assessment of the risk’s likelihood of occurrence, which it assigned to one of seven levels, ranging from “not expected (less than 5 percent chance)” up to “almost certain (greater than 95 percent chance).” Each assessment also included GSA’s assessment of the risk’s severity of impact should the risk occur, which it assigned to one of five levels that ranged from “insignificant - no effect meeting IRA objectives/goals” to “critical - precludes meeting multiple IRA objectives/goals.” Finally, each assessment included GSA’s prioritization of the risk as either high-, medium-, or low-priority, based on the combination of the assessments of likelihood and severity. According to GSA’s second risk analyses, implementing the plan’s proposed internal controls would lower the likelihood of 10 of the risks, while the likelihood of the other five risks would remain the same. It would not affect the severity of impact of any of the risks.

As shown in table 7, in its first analysis of the risks, GSA designated five of the risks as high-priority, nine as medium-priority, and one as low-priority.⁴⁷

Table 7: Risks Identified by the General Services Administration (GSA) Related to the Agency’s Inflation Reduction Act (IRA) Programs, as of December 31, 2024

Category	Risk	Priority ^a
Acquisition	Not being able to source compliant low embodied carbon materials in accordance with the Environmental Protection Agency’s guidance	High
Environmental	Not reducing harmful emissions	High
Human resources	Not addressing need for qualified project managers	High
Project management	Not obligating the agency’s funds appropriated by the IRA by the legislated deadlines	High
Project management	Not managing cost overruns	High
Acquisition	Not adhering to Buy American Act and Trade Agreements Act requirements in contracts	Medium
Human resources	Not addressing need for qualified contracting officers	Medium
Budget	Not accurately coding project funding in financial systems	Medium
Budget	Not monitoring and controlling program and project funding	Medium
Political	Not maintaining communications with stakeholders	Medium
Strategic	Not creating good-paying jobs	Medium
Strategic	Not improving efficiency and reducing long-term costs	Medium
Strategic	Not catalyzing American innovation	Medium
Strategic	Not prioritizing investments in core (long-term) assets	Medium
Acquisition	Not ensuring effective stewardship of taxpayer funds through fraud controls	Low

Source: GSA’s risk management plan for the agency’s IRA programs. | GAO-25-107349

^aGSA’s priority levels of high, medium, and low are based on the combination of the agency’s assessments of each risk’s (1) likelihood of occurrence and (2) severity of impact should the risk occur.

According to our analysis of information provided by GSA officials, GSA proposed 22 internal controls for the five high-priority risks, with the number of controls per risk ranging from five to nine (some of the controls applied to more than one risk). Based on our analysis, as of December 31, 2024, GSA had fully or partially implemented 21 of the 22 controls. More specifically, 10 of the controls were one-time actions that GSA had completed; nine were established and ongoing; two were initiated but not fully established; and one was planned for fiscal year 2025. The high-priority risks and some of the existing and proposed internal controls are described below, along with our observations. Appendix I describes all the existing and proposed internal controls for the high-priority risks.

Not being able to source compliant LEC materials in accordance with the Environmental Protection Agency’s guidance. This risk reflected GSA’s concern that compliant LEC might not be available at all of GSA’s LEC project locations, especially those outside metropolitan areas. To mitigate this risk, GSA’s risk management plan proposed six new internal controls, which GSA concluded would reduce the likelihood of the risk occurring from “very likely (greater than 70 percent chance)” to “moderate (50 percent chance).” According to our analysis, as of December 31, 2024, GSA had completed the one-time actions that comprised five of the

⁴⁷We focus on GSA’s prioritization from the agency’s first analysis of the risks rather than from the agency’s second analysis because GSA used its first analysis to help it determine its response to the risks. Throughout this report, we use “priority” and “prioritization” to refer to those assessments made in GSA’s first analysis of a risk.

controls, and the other control was established and ongoing. For example, GSA had increased and was targeting its outreach to industry, including explaining IRA requirements and working with them to meet IRA needs.⁴⁸ GSA reported the following increases in Environmental Product Declarations from May 2023 to May 2024, demonstrating, according to GSA, that industry was responding to GSA's and other federal agencies' market demand for materials made with lower emissions:

- asphalt – 903 to 3,615 declarations (300 percent increase);
- concrete – 96,853 to 111,070 declarations (15 percent increase);
- glass – 19 to 27 declarations (42 percent increase); and
- steel – 173 to 184 declarations (6 percent increase).

Not reducing harmful emissions. GSA prioritized the risk of not reducing harmful greenhouse gas emissions as “high priority,” determining that (1) there was a moderate (i.e., 50 percent) likelihood of occurrence, and (2) it would have a major impact should it occur, meaning it would preclude meeting one program objective or goal. The plan identified three existing internal controls for the risk, consisting of standards and guidance issued by GSA or the Council on Environmental Quality.⁴⁹

To further mitigate this risk, GSA's risk management plan proposed nine new internal controls, which GSA concluded would reduce the likelihood of the risk occurring to “not expected (less than 5 percent chance).” According to our analysis, as of December 31, 2024, GSA had completed the one-time actions that comprised five of the proposed controls, two of the proposed controls were established and ongoing, and two were initiated but not fully established. The ongoing controls included using contract support to assist in various program activities, including planning, reviewing, and analyzing energy and water specific projects and verifying compliance with contract requirements for IRA-specific deliverables.

Some of GSA's E&ST projects aimed to reduce greenhouse gas emissions by converting conventional buildings to “all-electric buildings,” using electricity for space and water heating and other building systems instead of using more conventional carbon-based fossil fuel sources, such as natural gas. GSA officials told us that to fully realize the potential of all-electric buildings, the buildings' electricity needs to be obtained from carbon-free sources, such as wind or solar. However, in 2023, we reported that officials from more than half of GSA's regions told us that their access to carbon-free electricity was limited.⁵⁰ Although GSA's risk

⁴⁸In addition to the actions in its risk management plan, from May through November 2023, GSA conducted a pilot that used the agency's interim LEC requirements on 11 IRA projects to procure LEC asphalt, concrete, glass, and steel. The pilot was intended to help the agency learn about the regional market availability of those materials and inform potential adjustments to the interim requirements. In June 2024, GSA reported that while LEC glass and steel were widely available during the pilot, the agency experienced limited availability of LEC concrete and asphalt for some projects in sparsely populated parts of the country. GSA also reported that the availability of LEC concrete was an ongoing challenge, particularly in remote project areas, although availability had increased in some markets following GSA outreach.

⁴⁹The standards and guidance were General Services Administration, *P100 Facilities Standards for the Public Buildings Service* (May 2024); General Services Administration, *Framework for Managing Climate Change Risks to Federal Agency Supply Chains* (August 2016); and Council on Environmental Quality, *Guiding Principles for Sustainable Federal Buildings* (December 2020). In February 2025, the P100 was rescinded and replaced by the PBS Interim Core Building Standards. See General Services Administration, Chief Architect, *Rescission of PBS P100 Facilities Standards, and Issuance of PBS Interim Core Building Standards*, Memorandum for Public Buildings Service Regional Commissioners; Assistant Commissioners; and Directors of Design and Construction, Facilities Management, Project Delivery, and Portfolio Management (Feb. 24, 2025).

⁵⁰[GAO-23-105905](#).

management plan did not identify any existing internal controls or propose any actions to address this challenge, GSA created an office in 2022 to conduct market research and identify opportunities for interagency coordination on carbon-free electricity purchases. We have not assessed the effectiveness of those efforts.

Not addressing need for qualified project managers. In its identification of this risk, GSA's risk management plan cited a 2022 GSA Office of Inspector General report on several challenges that GSA faced in executing IJJA-funded projects, including addressing the need for qualified project managers and contracting officers.⁵¹ In 2023, the Office of Inspector General reported that GSA faced the same set of challenges in executing IRA-funded projects.⁵² With respect to the need for qualified project managers, the earlier report noted that as of May 2022, PBS employed approximately 560 project management staff, a decrease of about 12.5 percent since September 2021, and that PBS faced gaps in guidance, training, and experience levels for its project management staff, which contributed to past audit findings. GSA officials told us that as of November 2024, PBS employed 694 project management staff, an increase of 24 percent since May 2022.

GSA's risk management plan identified five existing internal controls for this risk, including identifying skill gaps among project management staff, training and developing such staff, and quantifying needed project manager hires. The plan also proposed five new internal controls, which GSA concluded would not change the assigned likelihood level of the risk occurring. Rather, the level would remain unchanged at "very unlikely (less than 20 percent chance)." GSA officials said that while the controls were designed to ensure that projects were staffed sufficiently with trained project managers, they would not reduce the likelihood level of this risk to "not expected (less than 5 percent chance)," the next lower level in GSA's scale, as this level represents practically eliminating the risk. According to our analysis, as of December 31, 2024, GSA had completed the one-time actions that comprised two of the proposed controls; two of the proposed controls were established and ongoing; and one was planned.

The officials also told us that GSA had assigned its IRA projects to existing project managers, contracting officers, and contracting officer representatives. They also said that the projects had the resources needed to complete them.⁵³ In addition, the officials told us that GSA planned to further mitigate the risk beginning in fiscal year 2025 by reviving GSA's Office of Project Delivery Resource Board.⁵⁴

Not obligating the agency's appropriated IRA funds by the legislated deadlines. CIPMO officials told us that GSA viewed this risk as applying to the LEC and E&ST programs but not to the HPGB program.⁵⁵ The risk management plan identified three existing internal controls that mitigate this risk, including a tool to determine

⁵¹General Services Administration, Office of Inspector General, *GSA's Public Buildings Service Faces Challenges in Using Funds Received under the Infrastructure Investment and Jobs Act*, Memorandum Number A220036-2 (Aug. 11, 2022).

⁵²General Services Administration, Office of Inspector General, *Assessment of GSA's Management and Performance Challenges for Fiscal Year 2024* (Oct. 13, 2023).

⁵³While GSA did not hire any new project managers, contracting officers, or contracting officer representatives to work on its IRA projects, CIPMO officials told us that GSA established seven new positions in CIPMO to perform oversight and national program management of GSA's IRA program.

⁵⁴The board is a collaborative effort between the Office of Project Delivery and the regions to identify project managers in the agency and identify their levels of types of experience that could be shared and help determine training needs.

⁵⁵As discussed above, LEC and E&ST funds are available for obligation through fiscal year 2026, and HPGB funds are available through fiscal year 2031. As of January 31, 2025, GSA obligated 36 percent of its LEC funds, 70 percent of its E&ST funds, and 82 percent of its HPGB funds.

the most effective and efficient delivery method to expedite projects. To further mitigate this risk, GSA's risk management plan proposed nine new internal controls, which GSA concluded would reduce the likelihood of the risk occurring from "moderate (50 percent chance)" to "very unlikely (less than 20 percent chance)." According to our analysis, as of December 31, 2024, GSA had completed the one-time actions that comprised seven of the proposed controls; the other two proposed controls were established and ongoing. One of the completed one-time actions was establishing a new schedule monitoring tool. One of the ongoing actions involved staff analyzing and projecting planned obligations over the life of the IRA program to determine if projects would meet the obligation and award deadlines and focusing on those projects nearing deadlines.

In addition, CIPMO had developed quarterly targets through fiscal year 2026 for obligating all LEC and E&ST funds and had developed a strategy to meet those targets. Among other actions, the strategy called for maximizing obligations by March 31, 2026, to minimize risk; leveraging LEC material funding on projects that used energy savings performance contracts; and identifying additional active capital projects that could use LEC funds. In February 2025, GSA officials noted that the entire IRA program is under review and that priorities and goals for the program could change. According to GSA's Inflation Reduction Act Executive Program Status through February 13, 2025, all IRA disbursements were on hold, and obligations were being limited to active construction projects.

Not managing cost overruns. The risk management plan cited the 2022 Office of Inspector General report, which identified challenges PBS faced in managing potential project delays and cost overruns. According to the report, these challenges may be driven by supply chain disruptions, inflationary pressures, and—for projects at land ports of entry—the length of time needed to acquire property.⁵⁶ In its risk management plan, GSA assessed the likelihood of not successfully managing the risk of cost overruns as "very likely (greater than 70 percent chance)" with three existing internal controls in place, including using market data and considering future inflationary impacts to estimate budgets more accurately.

To further mitigate this risk, GSA's risk management plan proposed six new internal controls, which GSA concluded would reduce the likelihood of the risk occurring to "likely (greater than 50 percent chance)." According to our analysis, as of December 31, 2024, GSA had completed the one-time actions that comprised three of the proposed controls, and the other controls were established and ongoing. The one-time actions included establishing new financial guidance for using IRA funding alone or in conjunction with other funding. The ongoing controls included using an IRA program contingency to address budget challenges, leveraging IJA funds to support IRA projects, and adjusting IRA building and technology selections as needed to help ensure program outcomes are met within budget.

GSA Identified Fraud as a Risk and Was Developing a Centralized Fraud Risk Management Program

One of the 15 risks identified by GSA's IRA risk management plan was the risk of not ensuring effective stewardship of taxpayer funds through fraud controls. In its identification of this risk, the risk management plan cited the 2022 GSA Office of Inspector General report.⁵⁷ That report stated that PBS must provide effective oversight of its contract awards and payments by implementing controls designed to proactively prevent,

⁵⁶General Services Administration, Office of Inspector General, *GSA's Public Buildings Service Faces Challenges*.

⁵⁷General Services Administration, Office of Inspector General, *GSA's Public Buildings Service Faces Challenges*.

detect, and eliminate fraud, including the unique fraud risks associated with construction contracts. For example, the report cited the potential for fraud related to small business set-aside contracts and overbillings.

Based on the two-factor analysis it applied to all identified risks, GSA prioritized fraud risk as “low priority” for its IRA programs. First, the agency determined that the likelihood of the risk occurring was the lowest likelihood on GSA’s scale, i.e., “not expected (less than 5 percent chance).” Second, GSA determined that the severity of the impact of this risk, should it occur, is “moderate - precludes the program meeting components of one or more of its objectives/goals.”

In its first analysis, GSA considered three existing internal controls, including activities designed to meet the requirements in the Federal Acquisition Regulation’s part on contract cost principles and procedures.⁵⁸ To further mitigate this risk, GSA’s risk management plan proposed one new internal control, namely, fraud awareness training. CIPMO officials told us that the training was being developed by GSA’s Office of Inspector General for GSA, including GSA’s IRA project community.

GSA’s identification of fraud risk in the risk management plan mentioned three different types of fraud risk which GSA analyzed and prioritized as a single risk.⁵⁹ GAO’s 2015 *Fraud Risk Management Framework* calls for agencies to conduct fraud risk assessments that include individual assessments for a range of different fraud risks.⁶⁰ According to the framework, a fraud risk assessment would consider, on an individual risk basis, all internal and external fraud risks that could affect the IRA program, such as fraud related to financial reporting, misappropriation of assets, corruption, and nonfinancial forms of fraud. When asked about assessing risks on an individual basis, GSA officials told us that in addition to the risk assessment they conducted for their IRA risk management plan, the agency assessed and managed fraud risks for its construction programs at multiple agency levels. They pointed to annual reviews of programs’ internal controls, annual risk assessments of programs’ payment integrity, annual agency Statements of Assurance, and online fraud awareness and recognition courses.

GAO’s framework also calls for agencies to document the results of their fraud risk assessments in a “fraud risk profile.” According to the framework, a fraud risk profile documents the types of internal and external fraud risks the program faces, their perceived likelihood and impact, how much of each type of risk managers are willing to take on, and the prioritization of risks. The profile is an essential piece of an overall antifraud strategy and can inform the specific control activities managers design and implement. Program managers should use the fraud risk profile to help decide how to allocate resources to respond to residual fraud risks (i.e., fraud risks not addressed by existing fraud controls). GSA officials told us GSA was developing a centralized fraud risk

⁵⁸48 C.F.R. Part 31. The Federal Acquisition Regulation is the set of uniform policies and procedures for executive agencies generally related to purchasing via a contract. It is jointly issued by the Department of Defense, GSA, and the National Aeronautics and Space Administration and applies to acquisitions, as defined in FAR part 2, unless expressly excluded.

⁵⁹GSA’s identification of fraud risk in the risk management plan mentioned fraud related to small business set-aside contracting, overbilling schemes, and improper payments.

⁶⁰GAO, *A Framework for Managing Fraud Risks in Federal Programs*, [GAO-15-593SP](#) (Washington, D.C.: July 2015). OMB’s 2022 Controller Alert on fraud risks reminds agencies that they should adhere to leading practices in GAO’s Fraud Risk Framework as part of their efforts to effectively design, implement, and operate an internal control system that addresses fraud risks—including fraud risks that do not rise to the level of enterprise-wide risks. According to OMB, Controller Alerts are designed to inform Chief Financial Officers at agencies across the federal government of financial issues that may require attention, “but do not constitute official guidance or prescribe specific tasks for agencies beyond consideration of appropriate steps to address the issue.” Office of Management and Budget, *Establishing Financial and Administrative Controls to Identify and Assess Fraud Risk*, CA-23-03 (Washington, D.C.: Oct. 17, 2022).

management program to include the creation of an agency fraud risk profile in fiscal year 2025. Because these efforts were ongoing at the time of our review, we did not assess their sufficiency.

GSA Had Not Established Interim Targets for Its IRA Performance Goals and Had Not Fully Communicated the Goals

GSA Established Performance Goals and Estimated Economic Effects

As of December 31, 2024, GSA had established 11 performance goals to track the progress of its IRA programs.⁶¹ Each of the goals aligned with one or more of GSA’s IRA objectives at that time (see table 8). For example, the performance goal to “reduce embodied carbon of building materials by 22,030 metric tons of carbon dioxide equivalent” aligned with the objective to “reduce harmful emissions.”⁶² GSA had documented various subsets of the goals in several places, including GSA’s public IRA website, PBS’s internal strategic plan for fiscal years 2023 through 2027, an internal GSA IRA status report, and GSA’s *Consolidated IRA Investment Plan* that it presented to OMB.⁶³

Table 8: General Services Administration’s (GSA’s) Objectives, Performance Goals, and the Goals’ Targets and Time Frames for Its Programs Funded by the Inflation Reduction Act (IRA), as of December 31, 2024

Objective: Reduce harmful emissions. Avoid millions of metric tons in greenhouse gas emissions using low embodied carbon construction materials and improved energy-efficient building operations.		
Related performance goal ^a	Quantitative target	Time frame
Reduce embodied carbon of building materials by 22,030 metric tons of carbon dioxide equivalent ^{b, c}	22,030 metric tons of carbon dioxide equivalent ^b	Length of IRA projects
Reduce operational greenhouse gas emissions by 2.3 million metric tons of carbon dioxide equivalent ^{b, d}	2.3 million metric tons of carbon dioxide equivalent ^b	20 years ^e
Achieve net-zero operations in 26 federal buildings	26 federal buildings	Length of IRA projects

⁶¹GSA also established several performance goals that include IRA projects as part of a broader set of projects. For example, GSA established performance goals related to the schedule performance of projects funded by the IIJA or the IRA.

⁶²A *carbon dioxide equivalent* is a measure used to compare the emissions from various greenhouse gases based on their potential impact on global warming, by converting amounts of other gases to the equivalent amount of carbon dioxide with the same potential impact. GSA is measuring reductions in the embodied carbon of building materials by comparing the amounts of embodied carbon in the low embodied carbon materials it uses in its IRA projects to the industry average amounts of embodied carbon in similar materials.

⁶³“Inflation Reduction Act,” General Services Administration, updated September 26, 2024, <https://www.gsa.gov/real-estate/gsa-properties/inflation-reduction-act>. Toward the end of our audit work, GSA provided us an updated version of PBS’s unpublished strategic plan that covers fiscal years 2023 through 2028 because it includes new information on GSA’s engagement activities that affect the economy and communities that surround its construction projects. For purposes of our report, we primarily used the earlier strategic plan because that was the version available at the time we conducted most of our audit work related to the plan. GSA officials told us in January 2025 that the strategic plan covering fiscal years 2023 through 2028 would be updated to reflect changes in administration policy.

Objective: Improve efficiency and reduce long-term costs. Make federal buildings more energy efficient, thereby reducing long-term operating costs for the taxpayer.

Related performance goal ^a	Quantitative target	Time frame
Achieve energy savings in federal buildings of 47 trillion Btu ^{d, f}	47 trillion Btu ^f	20 years ^e
Achieve water use savings in federal buildings of 540 million gallons ^d	540 million gallons	20 years ^e
Avoid \$710 million of operating costs in federal buildings ^d	\$710 million	20 years ^e
Electrify 100 federal buildings	100 federal buildings	Length of IRA projects
Qualify 86 federal buildings as sustainable	86 federal buildings	Length of IRA projects
Create 107 deep energy retrofit federal buildings	107 federal buildings	Length of IRA projects

Objective: Catalyze American innovation. Increase demand for low-carbon materials and emerging/sustainable technologies in the United States

Related performance goal ^a	Quantitative target(s)	Time frame
Install low embodied carbon materials	7,415 cubic meters of concrete; 951,760 metric tons of cement; 50,900 cubic meters of concrete masonry units; 393,734 metric tons of asphalt; 16,374 metric tons of glass; 46,380 metric tons of steel	Length of IRA projects
Deploy more than 1,400 emerging and sustainable technologies	More than 1,400 emerging and sustainable technologies	Length of IRA projects

Objective: Create good-paying jobs. Use IRA projects to create good-paying jobs across the country.

Related performance goal	Quantitative target	Time frame
None ^g	n/a	n/a

Legend: n/a = not applicable

Source: GAO analysis of GSA information. | GAO-25-107349

Notes: GSA had also established several performance goals that include IRA projects as part of a broader set of projects. For example, GSA established performance goals related to the schedule performance of projects funded by the Infrastructure Investment and Jobs Act or the IRA.

^aSome of the performance goals may relate to one or more of GSA's other objectives for its IRA programs.

^bA carbon dioxide equivalent is a measure used to compare the emissions from various greenhouse gases based on their potential impact on global warming, by converting amounts of other gases to the equivalent amount of carbon dioxide with the same potential impact.

^cGSA was measuring reductions in the embodied carbon of building materials by comparing the amounts of embodied carbon in the low embodied carbon materials it used in its IRA projects to the industry average amounts of embodied carbon in similar materials.

^dGSA planned to measure reductions in operational greenhouse gas emissions, energy savings, water use savings, and operating costs by comparing the expected levels of those items in buildings after IRA projects were completed to their levels prior to completion of IRA projects.

^eThe time frame is 20 years after the completion of the last IRA project that contributes to the goal.

^fA British thermal unit (Btu) is a measure of the heat content of fuels or energy sources. It is the quantity of heat required to raise the temperature of 1 pound of liquid water by 1 degree Fahrenheit at the temperature that water has its greatest density (approximately 39 degrees Fahrenheit).

^gGSA did not establish any performance goals related to this objective. Rather, it developed the following three estimates of economic effects that it expected to occur across the length of IRA projects: (1) an annual average of 9,500 jobs created; (2) \$2.8 billion of labor income supported; and (3) nearly \$1 billion of tax revenue generated for federal, state, and local governments. GSA officials said that the agency did not plan to track the effects.

As shown in table 8 above, GSA established at least one performance goal for three of its IRA objectives. GSA did not establish performance goals for its fourth IRA objective, "create good-paying jobs." Rather, GSA developed three estimates of economic effects that it expected to occur across the length of IRA projects: (1)

an annual average of 9,500 jobs created; (2) \$2.8 billion of labor income supported; and (3) nearly \$1 billion of tax revenue generated for federal, state, and local governments.

GSA officials told us that the agency did not plan to track these economic effects because the agency considered the estimates to be a one-time assessment of the expected impacts. Moreover, they said that tracking them would require detailed analysis of external effects that go beyond the agency's role and mission. They added that GSA must focus its resources on tracking and measuring performance indicators that enhance the agency's efficiency and productivity, along with measures required by law. The officials noted that in lieu of directly tracking economic effects, GSA was developing and tracking the progress of its engagement activities that affected the economy and communities that surround its construction projects. According to PBS's unpublished strategic plan for fiscal years 2023 through 2028, those engagement activities would support GSA's Good Neighbor program and the agency's goals for diversity, equity, inclusion, and accessibility.⁶⁴

GSA Established Quantitative Targets but Not Interim Targets to Help Track and Communicate Progress

Key practices in evidence-building and performance management call for an agency's performance goals to be expressed as measurable objectives with quantitative targets and time frames.⁶⁵ As shown in table 8 above, as of December 31, 2024, GSA had established one or more quantitative targets for each of its IRA performance goals, as well as a long-term time frame for achieving each goal. For example, the goal "achieve net-zero operations in 26 federal buildings" had the quantitative target "26 federal buildings," and, according to GSA officials, the time frame for achieving this goal was upon the completion of the final IRA project.

However, the goals did not include interim targets, and GSA had not fully communicated the goals to stakeholders.

Interim Targets

Our past work has identified practices that can enhance the usefulness of agency performance information for decision-makers. One of those practices is to identify projected interim target levels of performance for multi-year goals.⁶⁶ Doing so can help agencies identify needed adjustments to their programs and provide congressional and other decision-makers with an indication of the incremental progress the agency expects to make in achieving results. However, GSA had not established interim targets for any of the 11 performance goals as of December 31, 2024. GSA officials told us that the agency had not developed interim targets for its IRA goals because there was not a good business case for doing so. The officials said that GSA set its sustainability goals and targets at the portfolio level based on a prior executive order on sustainability. The officials said that establishing a set of arbitrary interim targets for its IRA programs would divert focus from the

⁶⁴GSA provided us with the strategic plan covering fiscal years 2023 through 2028 on December 18, 2024. In January 2025, GSA officials told us the strategic plan will be updated to reflect changes in administration policy. In addition, as of February 2025, GSA officials said that the agency is reviewing all Executive Orders and Directives to determine their effect on implementing the original 13 projects under the Good Neighbor Program that were selected to receive IRA funding.

⁶⁵[GAO-23-105460](#).

⁶⁶[GAO/GGD/AIMD-99-69](#).

portfolio level goals and targets. The officials added that the agency might consider setting interim targets 3 to 5 years from now, after some projects were completed.

Interim targets could help the public and Congress to assess any progress information that GSA does report by allowing them to compare GSA's reported progress to the targets. In addition, while GSA was already tracking progress toward some, and intended to track progress toward other, IRA performance goals, the absence of interim targets could adversely affect the usefulness of these efforts. For example, GSA planned to use energy and water meters to collect data and perform analyses for its performance goals to reduce operational greenhouse gas emissions, energy use, and water use. GSA planned to use these data to monitor performance at both the project and program level. But without interim targets for its performance goals, GSA and its stakeholders could have difficulty assessing whether GSA was on track to meet its final targets.

Communication

Leading practices for performance management identified in our previous work also call for agencies to communicate their performance goals and progress toward achieving them to its stakeholders, including Congress and the public.⁶⁷ Providing useful, accessible information is also consistent with federal internal control standards, which state that agencies should communicate necessary quality information so that both the agency and relevant external parties can achieve the agency's goals.⁶⁸ However, GSA had not fully communicated its IRA performance goals or progress toward achieving them to its stakeholders, including Congress and the public, as of December 31, 2024. For our review, we found it challenging to identify and fully understand all the performance goals that GSA set for its three IRA programs. No one website or public document contained all such goals, making it more difficult to access the information than if such a website or public document existed. Ten of GSA's 11 IRA performance goals were described on GSA's public IRA website or in various publicly available documents. However, the publicly available descriptions for three of those goals did not mention the goals' targets. GSA provided us with internal documents that included those targets as well as a description of the performance goal that was not identified in publicly available information.

GSA officials described several reasons why the agency had not fully communicated its IRA performance goals to external parties:

- The officials noted that the IRA does not require GSA to publish the agency's IRA goals or measures. They said that the agency often chooses not to publish goals and measures beyond those required because the agency uses the goals and measures internally to help drive its effectiveness in carrying out its programs. However, the lack of a requirement to publish goals and measures does not preclude GSA from doing so. As noted above, GSA had published descriptions of 10 of its 11 IRA performance goals, and it did so without any related requirement. In addition, GSA's internal use of some of its IRA performance goals did not preclude it from publishing those goals. While an agency could have program goals that are appropriate for exclusively internal use—such as GSA goals related to the amount and timing of its IRA obligations to help it meet the IRA's obligation deadlines—those goals are not performance goals.

⁶⁷[GAO-12-621SP](#) and [GAO/GGD-96-118](#).

⁶⁸[GAO-14-704G](#).

- The officials said that the only sustainability goals that were published were those found in GSA's annual agency financial report⁶⁹ or in GSA's Sustainability Scorecard at the Council on Environmental Quality's website, Sustainability.gov. For example, GSA had published an IRA performance goal for achieving net-zero operations in federal buildings that contributed to a similar higher-level goal in GSA's Sustainability Scorecard. However, GSA had not published one of its IRA goals that relates to its sustainability goal of reducing federal facilities' water use, namely its IRA goal to achieve water use savings in federal buildings of 540 million gallons.
- The officials said that publishing information on many goals and progress toward meeting them can be challenging in terms of content management. They added that GSA planned to work with its office of communications to determine the best approach and place to communicate its publicly available IRA performance goals. While publishing information can present management challenges, GSA was, as mentioned above, tracking its progress toward some, and intended to track progress toward other, IRA performance goals. In addition, publishing the information might be warranted given the benefits it would provide in informing the public and other interested stakeholders. Not conveying information on some performance goals and progress toward meeting them, and using multiple sources to convey performance measurement information, makes it difficult for Congress and interested stakeholders to get a holistic picture of what GSA aims to achieve and is achieving with its IRA dollars.

Conclusions

As of December 31, 2024, GSA had taken important steps to help ensure that the agency effectively used its \$3.375 billion in IRA funding to reduce the environmental impacts of the agency's diverse building portfolio. One such step was the ongoing development of a new centralized fraud risk management program, which was expected to result in an agency fraud risk profile in fiscal year 2025. Completing this step within the forecasted time frame is key to GSA's effective stewardship of these funds. Additional agency actions, however, are needed in two areas.

With respect to project selection, GSA selected the vast majority of the 362 IRA-funded projects using the decision-making frameworks it established for two of its three IRA programs. However, some HPGB projects were selected without a framework in place. GSA may choose to revise some of those selections, and it may make additional selections going forward. Establishing such a framework would provide assurance that program funds are spent soundly and consistent with the IRA and GSA's strategic goals.

With respect to laying the groundwork for successful performance management, GSA had established targets and time frames to measure progress toward its ultimate IRA performance goals as of December 31, 2024. However, it had not established interim targets that would better enable the agency to track incremental progress and help ensure accountability over the duration of the program. Furthermore, Congress's and the public's insight into GSA's progress toward its IRA program goals will be limited unless GSA makes more complete performance information available and accessible.

⁶⁹See, e.g., General Services Administration, *Fiscal Year 2023 Agency Financial Report* (November 2023).

Recommendations

We are making the following three recommendations to GSA:

The Administrator of GSA should ensure that the Commissioner of the Public Buildings Service develops a decision-making framework with criteria for evaluating and selecting high-performance green building projects to help ensure GSA makes sound capital investment decisions for its high-performance green building program. (Recommendation 1)

The Administrator of GSA should ensure that the Commissioner of the Public Buildings Service establishes interim targets with time frames for each of GSA's IRA performance goals. (Recommendation 2)

The Administrator of GSA should ensure that the Commissioner of the Public Buildings Service publishes all of GSA's IRA performance goals, along with periodic updates on GSA's progress toward meeting the goals, in a single source, such as GSA's IRA website, that is readily available to the agency's stakeholders, including Congress and the public. The statement of each performance goal should include a quantitative target and a time frame for achieving the target. To the extent that GSA has established interim targets with time frames, the goal statements should also include those. (Recommendation 3)

Agency Comments

We provided a draft of this report to GSA for review and comment. In its comments, reproduced in appendix II, GSA agreed with our three recommendations, described its planned actions to implement them, and noted that its IRA performance goals are under review and subject to change.

We are sending copies of this report to the appropriate congressional committees, the Acting Administrator of GSA, and other interested parties. In addition, the report is available at no charge on the GAO website at <https://www.gao.gov>. If you or your staff have any questions about this report, please contact me at MarroniD@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix III.

Sincerely,

//SIGNED//

David Marroni
Director, Physical Infrastructure Issues

Appendix I: GSA's Mitigation Actions for Its High-Priority Risks Related to Its Programs Under the Inflation Reduction Act

As of December 31, 2024, the General Services Administration (GSA) had developed a risk management plan that identified, analyzed, and proposed actions to mitigate 15 risks to its programs under the Inflation Reduction Act (IRA).¹ For each of the 15 risks, the plan also identified existing internal controls that GSA determined were mitigating the risks; proposed new internal controls designed to further mitigate the risk; and included two separate analyses of the risk. The first analysis assumed that only the existing internal controls were in place, while the second analysis assumed that both the existing internal controls and proposed internal controls were in place. Each analysis included GSA's (1) assessment of the risk's likelihood of occurrence; (2) assessment of the risk's severity of impact, should the risk occur; and (3) prioritization of the risk as either high-, medium-, or low-priority, based on the combination of the assessments of likelihood and severity. In its first analyses of the risks, GSA prioritized five of the risks as high-priority, nine as medium-priority, and one as low-priority.²

According to our analysis of information provided by GSA officials, GSA proposed 22 internal controls for the five high-priority risks, with the number of controls per risk ranging from five to nine (some of the controls apply to more than one risk). Based on our analysis, as of December 31, 2024, GSA had fully or partially implemented 21 of the 22 controls. More specifically, 10 of the controls were one-time actions that GSA had completed; nine were established and ongoing; two were initiated but not fully established; and one was planned for fiscal year 2025.

¹Pub. L. No. 117-169, §§ 60502-60504, 136 Stat. 1818, 2083 (2022).

²We focus on GSA's risk prioritization from the agency's first analysis rather than from the agency's second analysis because GSA used its first analysis to help it determine its response to the risks. Throughout this report, we use "priority" and "prioritization" to refer to those assessments made in GSA's first analysis of a risk.

Table 9: Existing and Proposed Internal Controls Identified in the General Services Administration's (GSA) Risk Management Plan for the Agency's Inflation Reduction Act (IRA) Programs, as of December 31, 2024

High-priority risk	Existing internal controls	Proposed internal controls and their status ^a
Not being able to source compliant low embodied carbon (LEC) materials in accordance with the Environmental Protection Agency's guidance	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Establish the IRA Program Division within Climate and Infrastructure Program Management Office (CIPMO). Status: completed. Establish a community of practice among GSA's regional and central offices on LEC materials to share best practices on outreach and provide information to project teams on LEC-compliant vendors around the country. Status: completed. Create and provide LEC training to IRA project teams to establish a base level of understanding of IRA LEC requirements. Status: completed. Establish guidance on procurements for IRA projects to help teams communicate with industry in a consistent and clear manner. Status: completed. Establish a process for CIPMO to review IRA contract solicitations to ensure proper LEC clause language is included in each procurement phase. Status: completed. Increase and target outreach to industry, explaining IRA requirements and working with industry to help meet IRA needs. Status: ongoing.
Not reducing harmful emissions	<ul style="list-style-type: none"> GSA's <i>P100 Facilities Standards for the Public Buildings Service</i>, which establishes mandatory design standards and performance criteria for federally owned buildings maintained by GSA.^b GSA's <i>Framework for Managing Climate Change Risks to Federal Agency Supply Chains</i>. Council on Environmental Quality's <i>Guiding Principles for Sustainable Federal Buildings</i>. 	<ul style="list-style-type: none"> Establish the IRA Program Division within CIPMO. Status: completed. Develop IRA project lists to help maximize emission reductions. Status: ongoing. Establish a community of practice among GSA's regional and central offices on LEC materials to share best practices on outreach and provide information to project teams on LEC-compliant vendors around the country. Status: completed. Create and provide LEC training to IRA project teams to establish a base level of understanding of IRA LEC requirements. Status: completed.

Appendix I: GSA's Mitigation Actions for Its High-Priority Risks Related to Its Programs Under the Inflation Reduction Act

High-priority risk	Existing internal controls	Proposed internal controls and their status ^a
		<ul style="list-style-type: none"> Establish guidance on procurements for IRA projects to help teams communicate with industry in a consistent and clear manner. Status: completed. Establish a process for CIPMO to review IRA contract solicitations to ensure proper LEC clause language is included in each procurement phase. Status: completed. Use emerging and sustainable technology (E&ST) and high-performance green building (HPGB) systems to reduce greenhouse gas emissions and improve the efficiency of the buildings in GSA's portfolio. Status: in process. Use contract support to assist in the following activities: tracking and analysis of LEC, E&ST, and HPGB project and program outcomes; planning, review and analysis of energy and water-specific projects; administrative support for projects with energy savings performance contracts; locating materials that meet GSA's LEC requirements; construction management support to verify compliance with contract requirements for IRA-specific deliverables. Status: ongoing. Use energy savings performance contracts that leverage IRA funding to increase both the efficiency and number of assets selected. Status: in process.
Not addressing need for qualified project managers	<ul style="list-style-type: none"> The Center for Professional Excellence in the Public Buildings Service's (PBS) Office of Project Delivery (OPD) leads efforts to train and develop PBS's project management workforce across the country. OPD's broad training regimen to acclimate new project managers to GSA and help ensure they perform at the desired level as quickly as possible. OPD collaborates with GSA's regions to establish training and tools for project managers, several of which are ongoing. 	<ul style="list-style-type: none"> Establish the IRA Program Division within CIPMO. Status: completed. Collaboration by CIPMO and GSA's regions to ensure the regions' projects are staffed and project teams have the information necessary to execute the projects. Status: ongoing. CIPMO-led, recurring IRA-specific meetings and communities to share information, best practices, and market research efforts. Status: ongoing.
	<ul style="list-style-type: none"> OPD has worked with the regions and GSA's Office of Human Resources Management to identify and quantify the need for qualified project managers across the country. OPD has performed a workforce analysis to identify the skill gaps project managers have nationwide and help provide guidance on needed training for project managers. 	<ul style="list-style-type: none"> IRA-specific training and tools developed across several areas to ensure project managers have the IRA-specific information needed to execute projects successfully. Status: completed. Review by OPD on reviving the Resource Board—a collaborative effort between OPD and the regions—to identify GSA project managers and their levels and types of experience that could be shared and help determine training needs. Status: future.

Appendix I: GSA's Mitigation Actions for Its High-Priority Risks Related to Its Programs Under the Inflation Reduction Act

High-priority risk	Existing internal controls	Proposed internal controls and their status ^a
Not obligating the agency's funds appropriated by the IRA by the legislated deadlines	<ul style="list-style-type: none">• Tool for project teams to determine the most effective and efficient project delivery method to expedite projects.• A project planning tool—developed by a construction industry research and development consortium— available to project teams to help identify risks, including those related to schedule.• Project teams obtain market data when developing projections on future budgetary and schedule impacts.	<ul style="list-style-type: none">• Establish the IRA Program Division within CIPMO. Status: completed.• Establish an information system of record for all projects, creating a single point of entry and reporting out on schedule information and status. Status: completed.• Establish a tool to monitor IRA project and program schedule status to manage delivery expectations. Status: completed.• Analyze and estimate planned obligations over the life of the IRA program to determine if projects will meet obligation and award deadlines and focus on those projects near the deadlines. Status: ongoing.• Establish a community of practice among GSA's regional and central offices on LEC materials to share best practices on outreach and provide information to project teams on LEC-compliant vendors around the country. Status: completed.• Create and provide LEC training to IRA project teams to establish a base level of understanding of IRA LEC requirements. Status: completed.• Establish guidance on procurements for IRA projects to help teams communicate with industry in a consistent and clear manner. Status: completed.• Establish a process for CIPMO to review IRA contract solicitations to ensure proper LEC clause language is included in each procurement phase. Status: completed.• Increase and target outreach to industry, explaining IRA requirements and working with industry to help meet IRA needs. Status: ongoing.

Appendix I: GSA’s Mitigation Actions for Its High-Priority Risks Related to Its Programs Under the Inflation Reduction Act

High-priority risk	Existing internal controls	Proposed internal controls and their status ^a
Not managing cost overruns	<ul style="list-style-type: none"> Project teams obtain market data and develop projections on future inflationary impacts to estimate budgets more accurately. Active management of budget and funds for all capital projects. Use of value engineering to help address cost challenges. (In the design phase of construction projects, value engineering considers alternative designs to optimize the expected cost/worth ratio while maintaining required performance, quality, reliability, and safety.) 	<ul style="list-style-type: none"> Establish the IRA Program Division within CIPMO. Status: completed. Establish an enhanced process for requests from GSA’s regional project teams for funding for IRA projects that includes CIPMO’s review and concurrence before funding is provided. Status: completed. Establish a contingency plan that addresses potential IRA program budget challenges. Status: ongoing. Support GSA’s IRA programs by leveraging funds provided to GSA by the Infrastructure Investment and Jobs Act. Status: ongoing. Establish financial guidance on projects’ use of IRA funds alone or in conjunction with other funding sources. Status: completed. Adjust IRA building and technology selections as needed to help ensure program outcomes are met within budget. Status: ongoing.

Source: GAO presentation of GSA information. | GAO-25-107349

^aStatus categories and their definitions are as follows: “completed”: one-time action initiated and completed; “ongoing”: action initiated, established, and recurring; “in process”: action initiated but not yet completed; “future”: action planned in the future.

^bIn February 2025, the P100 was rescinded and replaced by the PBS Interim Core Building Standards. See General Services Administration, Chief Architect, *Rescission of PBS P100 Facilities Standards, and Issuance of PBS Interim Core Building Standards*, Memorandum for Public Buildings Service Regional Commissioners; Assistant Commissioners; and Directors of Design and Construction, Facilities Management, Project Delivery, and Portfolio Management (Feb. 24, 2025).

Appendix II: Comments from the General Services Administration

U.S. General Services Administration
1800 F Street NW
Washington, DC 20405
www.gsa.gov

March 25, 2025

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
Washington, DC 20548

Dear Comptroller General Dodaro:

Thank you for the opportunity to comment on the U.S. Government Accountability Office's (GAO) Draft Report to Congress entitled Inflation Reduction Act - Opportunities Exist to Help Ensure GSA Programs Achieve Intended Results (GAO-25-107349).

The U.S. General Services Administration (GSA) is committed to managing its Inflation Reduction Act program and activities in the most transparent and cost-effective manner possible.

GSA provides the following response to the three GAO recommendations:

1. "GSA should develop a decision-making framework with criteria for evaluating and selecting high-performance green building projects to help ensure GSA makes sound capital investment decisions for its high-performance green building program."
 - a. GSA will continue to refine its decision-making framework for the High-Performance Green Buildings program. This framework will prioritize funding for core assets and the highest-priority capital projects in alignment with the Administration's goals and objectives.
2. "GSA should establish interim targets with time frames for each of GSA's IRA performance goals."
 - a. GSA will establish the referenced interim targets. Please note that GSA's current Inflation Reduction Act performance goals are under review and subject to change.
3. "GSA should publish all of GSA's IRA performance goals, along with periodic updates on GSA's progress toward meeting the goals, in a single source, such as GSA's IRA website, that is readily available to the agency's stakeholders, including Congress and the public."

4. GSA will publish its Inflation Reduction Act goals and objectives along with periodic updates on its public website once finalized. Please note that these goals are currently under review and subject to change.

Your staff may contact Darin Frost, IRA Program Executive, at darin.frost@gsa.gov with any questions regarding this information.

Sincerely,

Stephen Ehikian
Acting Administrator

cc: David Marroni, Director, Physical Infrastructure Issues, GAO

Appendix III: GAO Contact and Staff Acknowledgments

GAO Contact

David Marroni, MarroniD@gao.gov

Staff Acknowledgments

In addition to the contact named above, Nancy Lueke (Assistant Director), David Goldstein (Analyst in Charge), Mike Armes, Ana Boyd, Emily Crofford, Kathleen M. Drennan, Tonita W. Gillich, Delwen Jones, Josh Ormond, Rebecca Shea, McKenna Ventura, and Elizabeth Wood made key contributions to this report.

GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through our website. Each weekday afternoon, GAO posts on its [website](#) newly released reports, testimony, and correspondence. You can also [subscribe](#) to GAO's email updates to receive notification of newly posted products.

Order by Phone

The price of each GAO publication reflects GAO's actual cost of production and distribution and depends on the number of pages in the publication and whether the publication is printed in color or black and white. Pricing and ordering information is posted on GAO's website, <https://www.gao.gov/ordering.htm>.

Place orders by calling (202) 512-6000, toll free (866) 801-7077, or TDD (202) 512-2537.

Orders may be paid for using American Express, Discover Card, MasterCard, Visa, check, or money order. Call for additional information.

Connect with GAO

Connect with GAO on [X](#), [LinkedIn](#), [Instagram](#), and [YouTube](#).

Subscribe to our [Email Updates](#). Listen to our [Podcasts](#).

Visit GAO on the web at <https://www.gao.gov>.

To Report Fraud, Waste, and Abuse in Federal Programs

Contact FraudNet:

Website: <https://www.gao.gov/about/what-gao-does/fraudnet>

Automated answering system: (800) 424-5454

Media Relations

Sarah Kaczmarek, Managing Director, Media@gao.gov

Congressional Relations

A. Nicole Clowers, Managing Director, CongRel@gao.gov

General Inquiries

<https://www.gao.gov/about/contact-us>