The Consolidated Appropriations Act, 2022 appropriated $53.5 million to the General Services Administration (GSA) for four projects at the request of Members of Congress. The act includes specific provisions that designate an amount of funds for a particular recipient, such as a nonprofit organization or a local government, to use for a specific project. These provisions are called “Congressionally Directed Spending” in the U.S. Senate and “Community Project Funding” in the House of Representatives. Members of Congress had to meet certain requirements under Senate and House rules in order to have their requests included as provisions in the act. Such requirements included that Members post requests online and certify that they had no financial interest in the projects. The House also required Members to demonstrate community support for requests.

This report examines how GSA intends to identify the provisions, distribute the funds made available through these provisions, and ensure the funds are spent for the purposes Congress intended. For more information on this report and others in this series, including background and methodology, visit https://www.gao.gov/tracking-funds.

What are the intended uses of these funds? The $53.5 million is intended to support the demolition of vacant buildings adjacent to a federal courthouse complex, as well as for three feasibility studies on constructing government facilities, such as land border entry points into the U.S.

General Services Administration: Fiscal Year 2022 Community Project Funding/ Congressionally Directed Spending Provisions

<table>
<thead>
<tr>
<th>Subunit</th>
<th>Budget account</th>
<th>Number of fiscal year 2022 provisions</th>
<th>Percentage of budget account designated for fiscal year 2022 provisions</th>
<th>Examples of projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Buildings Service</td>
<td>Federal Buildings Fund</td>
<td>4</td>
<td>0.6%</td>
<td>Demolition of vacant property and conducting studies on the feasibility of new construction</td>
</tr>
</tbody>
</table>

Source: GAO analysis of Consolidated Appropriations Act, 2022 and accompanying joint explanatory statement; and information provided by the General Services Administration. | GAO-22-105896

*Based on total amount appropriated for this budget account for fiscal year 2022.

Who are the designated recipients? There are three designated recipients for these funds: a federal courthouse, GSA (two projects), and a state agency. GSA will manage all projects.

Key Observations

- The Everett McKinley Dirksen United States Courthouse is the designated recipient of $52 million for a project involving “South State Street Properties.”
  GSA officials told us that this project will entail demolishing vacant buildings adjacent to the courthouse in Chicago, Illinois. Although GSA is not the designated recipient for this project, GSA officials told us the agency would manage the project.
GSA is the designated recipient of $1 million for two feasibility studies: $500,000 for one study in Chamblee, Georgia, which officials told us is for a possible expansion of the Centers for Disease Control and Prevention; and $500,000 for another for the Dennis DeConcini Land Port of Entry in Arizona.

The New Mexico Border Authority is the designated recipient of $500,000 for a feasibility study for the Santa Teresa Land Port of Entry in New Mexico, but GSA will spend the funds and complete this study. GSA officials said the project would include contracting for the study and consulting with the New Mexico Border Authority, among other stakeholders.

General Services Administration: Distribution of Fiscal Year 2022 Community Project Funding/Congressionally Directed Spending Provisions

Who within the agency will be responsible for identifying and monitoring these funds?

GSA officials told us the process for identifying, distributing, and monitoring these funds involves multiple offices within the agency. Those responsible for identifying the funds include GSA’s Office of Congressional and Intergovernmental Affairs, Office of Budget, Office of General Counsel, and the Office of Portfolio Management within the Public Buildings Service. Responsibility for distributing and monitoring the funds rests mostly with GSA’s Office of the Chief Financial Officer, although other offices may also be involved. GSA officials told us that this process is the same as it is for the other projects funded from its Federal Buildings Fund.

How does the agency intend to ensure recipients are ready to receive and are able to use these funds?

GSA considers the agency itself to be the recipient of these funds—including for the Santa Teresa Land Port of Entry project for which the New Mexico Border Authority is listed as the designated recipient—because GSA will be managing and spending the funds. Accordingly, regional teams from the Public Buildings Service and the Office of the Chief Financial Officer will work to execute these projects. However, the agency may subsequently award funding to subcontractors to complete these projects. GSA intends to follow all of the agency’s standard processes and procedures outlined in its Fiscal Year 2022 Capital Investment Program Update and Execution Guidance Memorandum and Project Certifications of Funds Memorandum. GSA officials said these processes do not differ from the typical processes they use for projects funded from the Federal Buildings Fund. GSA officials also told us that these processes and procedures would help ensure the Public Buildings Service regional offices that manage these projects will be able to use the funding.
GAO officials said the projects do not differ from other projects the agency undertakes and that the agency will follow its established processes, including those related to financial procedures and internal controls, to ensure the funds are spent properly and prevent fraud, waste, and abuse. They said these processes begin when the GSA region responsible for executing the project submits a request for funding (known as an allowance request). Two central GSA offices, the Office of the Chief Financial Officer and the Public Buildings Service, review the request and either approve it, revise it, or submit follow-up questions to the region. Once a request is approved, the region begins award planning and the Public Buildings Service enters a purchase request, which then triggers GSA's typical procurement process for making an award.

Once the funding is awarded, GSA officials say they monitor the award as an obligation through the agency’s financial system. This system tracks the allowance—an internal administrative subdivision of the funds—and obligation of funding at the project level. A contracting officer then monitors the invoice through contract closeout, while the Public Buildings Service manages project information for the region. The GSA Inspector General can also provide oversight of these funds.

GSA officials told us that they did not yet have a specific timeline for when the funds would be expended. GSA’s Office of the Chief Financial Officer must first issue an allowance for the projects. As of the end of August 2022, GSA had obligated about $1 million for the courthouse project to meet environmental requirements. The funds are no-year appropriations and therefore remain available to GSA until expended (see figure below). For more information on the time availability of these funds, see GAO-22-105467.

In distributing and monitoring these funds, GSA officials said they generally do not anticipate any risks or challenges beyond those typical for similar projects. These projects will be managed in the same manner as other projects funded from the Federal Buildings Fund. GSA officials stated that the Chicago project is complex and faces numerous scheduling challenges resulting from the need to conduct multiple environmental and historical studies, which is typical for larger projects.

The joint explanatory statement accompanying the Consolidated Appropriations Act, 2022 includes a provision for us to review agencies’ implementation of Community Project Funding/Congressionally Directed Spending. In addition to issuing this and other reports in this series, we will follow and review agencies’ efforts to distribute, monitor, and audit these funds by sampling agencies and recipients and examining whether funds were spent as intended.
We provided a draft of this report to GSA for review and comment. GSA provided technical comments, which we incorporated as appropriate.

**GAO Contact**

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We conducted this performance audit from March 2022 to September 2022 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.

Source (cover photo): GAO.

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