



AUG 14 2002

MEMORANDUM FOR ASSISTANT REGIONAL ADMINISTRATORS

FROM: WILLIAM H. MATTHEWS *William H Matthews*
ASSISTANT COMMISSIONER - PT

SUBJECT: Pricing Policy Clarification #1
Amending an OA

The attached pricing policy clarification is the first product of the recently established Pricing/Billing Panel. This clarification demonstrates the integration of Regional and Central Office stakeholders in the clarification and development of the National Pricing Policy. The Regions identified the need for the clarification and the clarification was formulated with input from both the Pricing/Billing Panel and the Regional Pricing POCs.

We are in the process of establishing an internal and external Pricing Policy website where pricing policy questions can be asked and the clarification or policy change viewed by GSA associates and customers.

A copy of this clarification is being provided to the Regional Pricing POCs for dissemination within each Region. If you have questions regarding this clarification, please contact the National Pricing Points of Contact, Kevin Rothmier at 816-926-1100 or Mary Gibert at 202-501-0096.

Attachment

cc: Assistant Commissioners, Regional PT Directors, Regional Pricing Points of Contact



Effective Date: August 1, 2002
Purpose: Policy Clarification #1 on Amending an OA
Desk Guide Section: 2.1.7, page 2-5

Existing Desk Guide Language:

From time to time, it may be necessary to revise or amend an OA. The Pricing Desk Guide lists the following events that might occasion a revision to an OA:

- An agency expands or contracts at an existing location.
- Real estate services are added or deleted.
PBS agrees to fund additional TI that are then amortized over the remaining OA term, or over an extended OA term.
- PBS physically remeasures the space and discovers that the true square footage for the space assignment is different than the square footage of record.
- Joint use space is added to or subtracted from the building.
- The level of building specific security services changes, or PBS undertakes new capital expenditures for new or enhanced security countermeasures.
PBS or the tenant agency wishes to revise the OA term.

Clarification:

The OA Tool does not provide the option of amending an existing OA. Therefore, it is acceptable to mail, fax or e-mail the agency a letter, referencing the building address, OA number, amendment number etc. that explains the change in their assignment, why it occurred and the rent impact. The letter with proof of transmittal must be kept with the OA. Agency signature on the letter is not required. The letter will serve as an amendment to the OA for the following events:

- Joint use space is added to or subtracted from the building.
- The level of building specific security services changes, or PBS undertakes new capital expenditures for new or enhanced security countermeasures.
Parking spaces are added to or subtracted from an assignment.
- Antennas are added to or subtracted from an assignment.
- Change in the building's rentable/usable factor.

The following events will require creation of a new OA. Agency signature is required.

- An agency expands or contracts at an existing location.
Real estate services are added or deleted.
PBS agrees to fund additional TI that are then amortized over the remaining OA term, or over an extended OA term.
PBS physically remeasures the space and discovers that the true square footage for the space assignment is different than the square footage of record.
PBS or the tenant agency wishes to revise the OA term.

Once the above "substantially complete" and "operationally functional" requirements have been met, rent will commence. GSA does not provide tenant agencies a grace period prior to rent commencement to accomplish the physical move into the space or to allow for the installation of personal property such as phones, furniture, computers, etc. However, rent should not start until those personal property items that have been included in the lease contract, such as telephone and data systems or audio/video systems, are operational unless the Tenant chooses to move into the space pursuant to the preceding paragraph.

OBSOLETE