

CHAPTER 4 - GSA ASSIGNED SPACE

INDEX

- 4.0 PURPOSE AND SCOPE
- 4.1 AUTHORITIES AND GUIDELINES
- 4.2 ROLES AND RESPONSIBILITIES
 - 4.2.1 Operating Unit Responsibilities
 - 4.2.2 Real Property Operations Offices Responsibilities
- 4.3 DOC POLICY
- 4.4 SPACE ASSIGNMENT OR ACQUISITION PROCESSES
 - 4.4.1 GSA Space Assignment Process
 - 4.4.2 Location of Space
 - 4.4.3 GSA Move Policy
 - 4.4.4 Wellness/Physical Fitness Facilities
 - 4.4.5 Child Care Centers
- 4.5 PRICING POLICY FOR GSA-ASSIGNED SPACE
- 4.6 ANNUAL SPACE REPORTS
- 4.7 REPORTS

CHAPTER 4 - GSA ASSIGNED SPACE

4.0 Purpose and Scope

This Chapter establishes DOC policy and procedures for the assignment, utilization and management of GSA-controlled space to house DOC Operating Units (OU).

4.1 Authorities and Guidelines

Operating Units are responsible for complying with all applicable DOC policies and Federal statutes, regulations, directives and Executive Orders (EO) pertaining to the assignment, utilization, management, and reporting of GSA-controlled space. The following are the major authorities and guidelines that apply to GSA-assigned space:

- (a) Federal Property and Administrative Services Act of 1949, as amended (41 U.S.C. Section 251 et seq.) authorizes the Administrator of General Services to assign and reassign space in Government-owned and leased buildings to Federal agencies, and to charge, or exempt agencies from, rent rates which approximate commercial charges for comparable space and services.
- (b) EO 12072 - "Federal Space Management" requires Federal agencies to give first consideration to the Central Business Area (CBA) when locating Federal facilities in urban areas.
- (c) EO 12411 - "Government Work Space Management Reforms" requires Federal agencies to establish programs to produce and maintain an inventory of work space, reduce the amount of work space used or held to essential minimums, and report to the Administrator of General Services any holdings not necessary for the mission of the agency. This EO also delegates to the Administrator authority to conduct surveys and establish agency-wide objectives for each Executive agency in developing their work space management planning programs. (GSA General Reference Guide for Real Property Policy, April 1998)

CHAPTER 4 - GSA ASSIGNED SPACE

- (d) EO 12512 - "Federal Real Property Management" directs GSA to provide Government-wide policy oversight and guidance for Federal real property management; to establish standards and procedures for Federal agencies' review of their real property holdings; to conduct utilization surveys; and to provide leadership in the development of property management information systems.
- (e) EO 13006 - "Locating Federal Facilities On Historic Properties In Our Nation's Central Cities" encourages Federal agencies to locate Federal facilities on historic properties in our Nation's central cities.

4.2 Roles and Responsibilities

General roles and responsibilities are included in Chapter 2 of this Manual. Detailed roles and responsibilities for OUs and Real Property Operations Offices (RPOOs) are summarized as follows:

4.2.1 Operating Unit (OU) Responsibilities

- (a) Promote the optimum use of space for each assignment at the minimum cost to DOC, provide quality workspace that is occupied in a timely manner, and assign space based on mission requirements;
- (b) Use GSA-controlled space to the maximum extent practical;
- (c) After considering the availability of GSA-controlled space, extend priority consideration to available space in buildings under the custody and control of the U.S. Postal Service;
- (d) Inform program officials and employees of the policies relating to the assignment, use and management of GSA-controlled space;
- (e) Identify and dispose of all work space and other real property found to be underutilized or excess to their needs;

CHAPTER 4 - GSA ASSIGNED SPACE

- (f) Ensure that all space requests submitted to their servicing RPOOs are consistent with DOC policy, and that the amount of office space requested is the minimum required to carry out program functions and transact official business;
- (g) Ensure that all space requests are properly prepared and signed by an authorized requesting official and submitted in a timely manner to enable the RPOO and GSA to acquire the requested space as needed;
- (h) Cooperate with the RPOO and GSA to provide any information or assistance required concerning the requested space;
- (i) Maintain complete, up-to-date assignment plans that show the amount and type of space assigned to various components and their current workspace utilization rate;
- (j) Measure and classify all DOC assigned space and provide this data to their appropriate Federal Real Property Management System(Federal RPM) Users Group member for entry into the Federal RPM;
- (k) Develop plans, when appropriate, and send copies to the DOC Office of Real Estate Policy and Major Programs (OREPMP), for forwarding to the appropriate RPOO. These plans must identify, by location, the amount of space involved, time frames, costs and strategies to be employed; and
- (l) Ensure that the personnel information to be entered into the Federal RPM is complete and accurate. To facilitate, OREPMP will annually provide each OU with a Federal RPM System printout of its field space assignments, accompanied by a request to review the personnel information and provide OREPMP with any updates. OREPMP will then forward the updated personnel information to the appropriate database manager for entry into the Federal RPM.

4.2.2 Real Property Operations Offices (RPOOs)

CHAPTER 4 - GSA ASSIGNED SPACE

Responsibilities

- (a) Monitor the space utilization of all OUs within their respective service areas and work with OU program officials to resolve situations where space is not being utilized efficiently;
- (b) Review OU space requests to ensure that the amount of space requested is in compliance with DOC policy; in instances where the space request exceeds DOC policy, the requests shall be brought to the attention of the OU for additional justification. Requests exceeding these requirements shall not be processed without sufficient justification. Copies of the justifications shall be maintained in the appropriate RPOO files;
- (c) Provide advice and technical assistance to OUs to help them reduce their work space and better utilize their existing space. The advice and assistance shall include space planning, layout and interior design services; selection of systems furniture; redesign and alteration of existing space to make it more efficient; and development of plans to establish, close, relocate or consolidate organizational components.

4.3 DOC Policy

- (a) Acquire Federal work space that supports and improves the productivity of DOC's staff and the programs housed in the space;
- (b) Provide a quality workplace environment for employees that supports program operations, preserves the value of real property assets, and reduces Federal work space to the essential minimum requirements;
- (c) Maintain plans and implement programs to reduce the amount of work space to that amount which is essential for known DOC activities;

CHAPTER 4 - GSA ASSIGNED SPACE

- (d) Acquire new space only when such space is essential to existing or planned programs and when existing Government-controlled space is not available to satisfy the need;
- (e) Cooperate with and support GSA in implementing policies relating to the use, assignment and management of GSA space;
- (f) Make full and efficient use of all work space and other real property and promptly dispose of all work space and other real property for which there is no current foreseeable need in accordance with the policy and procedures contained in Chapter 10 of this Manual;
- (g) Follow and adhere to the relevant GSA policy in assigning, classifying, utilizing and disposing of GSA assigned space.

4.4 Space Assignment or Acquisition Processes

4.4.1 GSA Space Assignment Process:

- (a) The OU requiring space shall submit a memorandum to their servicing RPOO with the signature of the requesting official who certifies availability of funds by providing accounting data. The OU's space request shall include the following: a) the type and amount of space needed; b) when space will be needed and term of lease; c) the delineated area with supportive justification explaining the basis for the delineated area; (d) number of personnel and official Government parking required; and e) any special mission-related requirements for the space. GSA's Standard Form (SF) 81, "Request for Space" or equivalent document shall be used to communicate the space request information between the OU, RPOO and GSA.
- (b) If GSA develops the OU's space requirements, GSA's analysis will center on the following components of general purpose office space: a) the primary office (or personnel-occupied) area, and b) the office support area. The requirements development process

CHAPTER 4 - GSA ASSIGNED SPACE

is intended to define the functions of the space to be designed; identify special agency requirements; review existing conditions; analyze spatial relationships and adjacency requirements; and, through applications of the accumulated data, formulate the optimum solution for meeting the total space need.

- (c) The space allowance for the support area will be developed on the basis of professional standards and practices, and normally should not exceed 22 percent of the primary office space requirement. Space requests should be within the area of 125 square feet per person for primary office space plus 22 percent for support space.
- (d) The above utilization targets will not apply to new assignments involving eight and fewer personnel.
- (e) After all the OU submitted information has been assembled and analyzed, GSA will establish 'typicals' for work stations, support space and space required to meet the special needs for the requesting OU activity. This data will then be aggregated by space type to develop the OU's space requirements. Once agreement is reached with the OU on its total space requirements, GSA will begin the space acquisition process.
- (f) GSA will first canvas its inventory to see if there is any GSA-controlled space available that will meet the OU's requirements. If so, GSA will arrange for the OU to inspect the space for acceptability. If the space is acceptable, GSA will assign the space to the operating unit and build-out the space to meet the OU's requirements.

4.4.2 Location of Space

- (a) OUs are responsible for identifying their geographic service areas and for determining the delineated area(s) within which they wish to locate specific activities consistent with their mission and program requirements, and in accordance with all applicable

CHAPTER 4 - GSA ASSIGNED SPACE

statutes, regulations and policies. OUs must also give first priority to the location of new offices and other facilities in rural areas (7 U.S.C. 2204b-1), unless their mission or program requires a location in an urban area.

- (b) OUs must comply with the requirements of EO 12072 that all new activities in urban areas be located within central business areas (CBA) and adjacent areas of similar character, including other specific areas which may be recommended by local officials. If the selected delineated area is outside the CBA, in whole or part, the requesting OU must provide an adequate justification to support the selected delineated area. GSA can provide a description of the CBA in the urban area under consideration.
- (c) OUs are required to consider the impact of the socioeconomic factors when determining the delineated area for prospectus level space projects where their mission does not dictate a specific geographic area. In such situations, OUs must provide a summary of their analysis of each factor and fully discuss the rationale used to determine the delineated area.

4.4.3 GSA Move Policy

- (a) If an agency agrees to participate in a consolidation upon expiration of an OA, the relocation expenses will be addressed in the new OA negotiated by GSA and the agency. The agency generally pays such costs. (41 CFR 102-85.85)
- (b) If the agency or GSA determines relocation is necessary at the expiration of an OA for either Federally owned or leased space, the customer agency is responsible for all costs associated with relocation at that time. (41 CFR 102-85.210)
- (c) If a GSA customer agency, or GSA, forces the relocation of another agency prior to the expiration of their OA, the "forcing" agency is responsible:

CHAPTER 4 - GSA ASSIGNED SPACE

- (1) For all reasonable costs associated with the relocation of the agency being "forced" to move, including architectural-engineering design, move coordination, physical relocation, and telecommunications and ADP equipment relocation and installation;
 - (2) To GSA for all of the relocated agency's unpaid tenant improvements, if any; and
 - (3) To the "forced" agency for the undepreciated amount of any lump sum payment that was already made for alterations. (41 CFR 102-85.215)
- (e) In emergency situations, possible relocation of an agency to alternate space maybe required. GSA may serve as the central coordinator in such emergencies and funding responsibility will vary, based on the situation. (41 CFR 102-85.225)

4.4.4 Wellness/Physical Fitness Facilities:

In accordance with 5 U.S.C. 7901, Federal agencies may allot space in Federal buildings for fitness programs. Federal agencies must address certain elements when planning fitness programs; see 41 CFR 102-79.35 for additional information.

OUs desiring to establish a facility in a GSA-controlled building must submit (through the RPOO) to GSA a SF-81, "Request for Space", and a plan for the proposed fitness program that identifies the scope and goals of the proposed program. After approval by GSA, GSA will acquire the necessary space and build it out in accordance with the alterations standards. The requesting OU will be responsible for payment of GSA Rent charges for the space, the initial purchase of all exercise equipment and lockers, all above-standard alterations, as well as all above-standard services such as extra cleaning, HVAC, etc., that it desires for the facility. OUs must follow these same criteria in establishing facilities in DOC-controlled space.

CHAPTER 4 - GSA ASSIGNED SPACE

4.4.5 Child Care Centers

In accordance with 40 U.S.C. 590(b), Federal agencies may allot space in Federal buildings to individuals or entities who will provide child care services to Federal employees if specific requirements are met; see 41 CFR 102-79.25 for additional information. The GSA Office of Child Care can assist in all areas of establishing a child care center. In addition, the GSA Office of Child Care website contains useful information, including a Federal Child Care Center Design Guide.

OUs desiring to establish a Child Care Center shall perform a needs assessment indicating employee interest and forward a request along with the needs assessment (through their RPOO) to GSA. After receipt and approval of the request, GSA will acquire space (if necessary) and build out the space. The requesting OU will be responsible for all above standard alterations and for payment of GSA Rent charges for the space. The cost to establish the Child Care Center will be the sole responsibility of the requesting OU. OUs must follow the same process to establish facilities in DOC-controlled space.

4.5 Pricing Policy for GSA-Assigned Space

- (a) GSA's Pricing Desk Guide and 41 CFR 102-85 describe the policies and principles that GSA uses to price real estate and related services for the assignment and occupancy of space under GSA control.

Space that is managed by an agency under a delegation of authority from GSA is also subject to the provisions of 41 CFR 102-85.

- (b) Definition of Terms - See 41 CFR 102-85.35 for a definition of terms applicable to GSA pricing policies, including rentable square footage, initial space

CHAPTER 4 - GSA ASSIGNED SPACE

alterations, space allocation standard, and tenant improvement allowance.

(c) Basic Policies for Charging Rent for Space and Services -

- (1) The major components of the pricing policy are:
 - (A) An Occupancy Agreement (OA) between the agency and GSA;
 - (B) Tenant improvement allowance; and
 - (C) The established Rent the agency pays to GSA based on the OA for:
 - (1) Leased space, a pass-through to the agency of the underlying GSA lease contract costs, and a GSA fee; or
 - (2) GSA-owned space, Rent determined by appraisal.
 - (D) For certain projects involving new construction or major renovation of Federally-owned buildings, a return on investment pricing approach if an appraisal-determined rental value does not provide a minimum return on the cost of the capital investment.

- (d) Occupancy Agreements (OA) - The financial terms and conditions under which GSA assigns and an agency occupies GSA-controlled space must be documented in a written OA. An OA is required for each agency space assignment. The OA describes the actual space and services to be provided and all associated actual costs during the term of occupancy. Only authorized DOC officials who can commit or obligate funds may execute an OA. Higher level signatories may be appropriate from both agencies for particular space assignments. See 41 CFR 102-85, Subpart B, "Occupancy Agreement" for additional information.

CHAPTER 4 - GSA ASSIGNED SPACE

(e) Rent Charges -

(1) Shell Rent -

- (A) Federally Owned Space - Rent for Federally-owned space is based on market appraisals of fully serviced rental values for the predominant use of space in a building. Amortization of tenant improvements, parking fees, and security charges are calculated separately and added to the appraised shell Rent to establish the Rent charge. Agencies also pay a pro rata share of joint use space.
- (B) Leased Space - Rent for space leased by GSA is based on the actual cost of the lease, including the costs (if any) of services not provided by the lessor, plus a GSA fee, and security charges and parking (if not included in the lease).

(2) Tenant Improvement Allowance (TI Allowance) -

- (A) GSA establishes a tenant improvement (TI) allowance for the agency to design, configure and build out space to support its program operations. The allowance is based on local market construction costs and the specific bureau's historical use of space. (41 CFR 102-85.90)
- (B) The TI allowance is amortized over a period of time specified in the OA, not to exceed the useful life of the improvements, and is added to the shell rent and cost of services for the space.
- (C) If the cost of tenant improvements exceeds the TI allowance, the amount exceeding the TI allowance is paid in a one-time lump sum. The agency must certify that lump sum funds are available prior to GSA proceeding with the work.

CHAPTER 4 - GSA ASSIGNED SPACE

- (3) Additional Charges - In addition to the shell Rent and amortized tenant improvement allowance in Federally owned space, the Rent charges also include operating costs, extra services, parking, charges for security, joint-use space, and other applicable rental charges (e.g., antenna site, land, wareyard). In the event space is GSA-leased, additional charges would include real estate taxes and a GSA fee for its services.
- (f) Standard Levels of Service -
- (1) The standard levels of service covered by GSA Rent are comparable to those furnished in commercial practice. They are based on the effort required to service the agency's space for a 5-day week (Monday to Friday), one-shift regular work schedule. GSA will provide adequate building startup services, before the beginning of the regular one-shift work schedule, and shutdown services after the end of this schedule.
- (2) Tenants may use their assigned space and supporting automatic elevator systems, lights and small office and business machines, including personal computers, without additional charge, unless stated otherwise in the OA. (41 CFR 102-85.165 - 102-85.185)
- (g) Special Services - GSA will provide special services, such as overtime HVAC, etc., on a cost-reimbursable basis. Agencies that extend their regular work schedule through flexitime and other alternate work schedules may be required to reimburse GSA for its approximate cost of the additional services required. (41 CFR 102-85.195 and 102-85.160))
- (h) Changes in Rent - GSA normally provides an estimate of Rent increases approximately 2months prior to the agency's Office of Management and Budget (OMB) submission for the fiscal year in which GSA will charge Rent. This gives the agency an opportunity to budget for an increase or decrease. However, GSA must obtain the concurrence of OMB for such changes prior to notifying the agency. See 41 CFR 102-85.160 for additional information. Also see 41 CFR

CHAPTER 4 - GSA ASSIGNED SPACE

102-85.140 for information on changes in Rent and how they are reflected in OAs.

- (i) Agency Responsibilities for Rent - Agency responsibilities for Rent charges vary according to the type of space occupied, i.e., cancelable or non-cancelable space. See 41 CFR 102-85.145 for additional information.
- (j) Continued Occupancy, Relocation and Forced Moves -
 - (1) Unless stated otherwise in the OA, an agency within a GSA-controlled, Federally-owned building has continued occupancy rights at the end of the OA term for the occupied space. However, a new OA must be negotiated.
 - (2) In leased space, the OA generally reflects the provisions of the underlying lease and will specify whether or not renewal options are available. If the OA does not include a renewal option, agencies should assume relocation will be necessary upon OA expiration, and budget accordingly.
 - (3) GSA and tenant agencies should initiate discussions at least 18 to 24 months in advance of OA expiration to address actions necessary for the replacement or continued occupancy of the existing space assignment. This allows both agencies time to budget for the work and the cost. (41 CFR 102-85.200(c))
 - (4) See paragraph "GSA Move Policy" (4.4.3) above for information on forced moves.
- (k) Review and Appeal of GSA Rent Charges:
 - (1) If an agency does not agree with the way GSA has determined its Rent obligation, the agency may appeal its Rent bill to GSA.
 - (2) Agencies may at any time request a regional review of the measurement, classification, service levels provided, or charges assessed that pertain to the space assignment without resorting to formal procedures. Such requests do not constitute appeals and should be directed to the appropriate GSA Regional Administrator.

CHAPTER 4 - GSA ASSIGNED SPACE

- (3) If an agency wants to pursue a formal appeal of Rent charges, they may do so, with specific limitations. See 41 CFR 102-85.155 for additional information regarding the appeal process.

(1) Termination of Space Assignments -

- (1) Agencies can terminate any space assignment, except those designated as non-cancelable, with specific stipulations as identified in 41 CFR 102-85.75, including, but not limited to the following:
 - (A) The agency must give GSA written notice at least four months prior to termination.
 - (B) The agency is responsible for reimbursing GSA for the unpaid balance of the cost of tenant improvements.
 - (C) An agency may terminate a GSA space assignment with less than a four-month advance written notice to GSA in specific situations. (41 CFR 102-85.75(a)(5))

4.6 Annual Space Reports

- (a) Space Budget Justification - OMB Circular A-11 requires agencies to complete the Exhibit 54 "Space Budget Justification" electronic report for rent payments to GSA or to others (e.g., other Federal agencies, or commercial landlords) in excess of \$5 million annually for space, structures and facilities, land and building services. This report provides a justification of DOC's budget request for rent. Instructions and downloadable formats are found at the following website: www.gsa.gov/exhibit54.
- (b) See Chapter 11, "Real Property Information Systems" for additional information.

4.7 Reports

The following is a listing of the various reporting requirements that DOC OUs have in this area:

CHAPTER 4 - GSA ASSIGNED SPACE

- (a) Report: Space Budget Justification
Authority: OMB Circular A-11, Exhibit 54
Due Dates: With budget submissions in
September of each year
Submit To: OREPMP

- (b) Report: Federal Real Property Management (RPM) System
Updates on Personnel
Authority: DOO 20-1, Section 3 (a)
Due Dates: March 1 of each year
Submit To: OREPMP

- (c) Report: Real Property Owned by and Leased to the
United States (GSA Form 1166)
Authority: 41 CFR 102.84
Due Dates: November 15 of each year
Submit To: OREPMP

- (d) Report: Summary of Number of Installations Owned by
or Leased to the United States (GSA Form
1209)
Authority: 41 CFR 102.84
Due Dates: November 15 of each year
Submit To: OREPMP