General Services Administration
FY 2008 BUDGET SUMMARY AND HIGHLIGHTS

INTRODUCTION

The General Services Administration (GSA) was established by the Federal Property and Administrative Services Act of 1949 when Congress mandated the consolidation of the Federal Government's real property and administrative services. For more than half a century, GSA has carried out its mission to acquire goods and provide services and facilities to support the needs of other Federal agencies.

GSA provides policy leadership and expert solutions in services, space and products to enable Federal employees to accomplish their missions. We believe that no other organization in the public or private sector can bring to bear as much experience, knowledge, and range of capability as GSA in helping Federal agencies achieve high performance in their work environments. Due to its procurement expertise and experience, GSA is uniquely qualified to provide Federal agencies with the products and services needed to accomplish their missions and improve their performance.

GSA services are funded through the following funds and appropriations:

- Federal Buildings Fund (FBF)
- Policy & Operations (PO) (formerly Governmentwide Policy (GWP) and Operating Expense accounts (OE))
- Inspector General (IG)
- Electronic Government Fund
- Former Presidents (FP)
- Federal Citizens Information Center Fund (FCIC)
- Acquisition Services Fund (ASF)
- Working Capital Fund
- Transportation Audits
- Acquisition Workforce Training Fund
- Expenses, Disposal

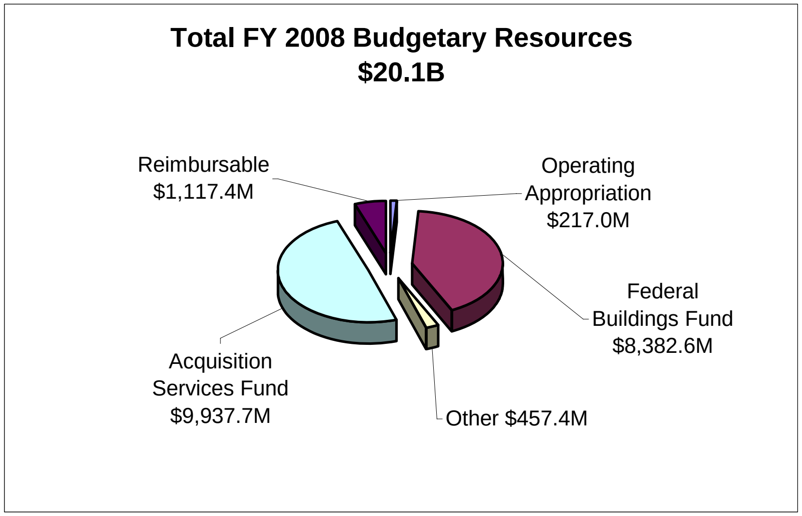
FUNDING TOTALS AND SOURCES

Measured in obligations, GSA's FY 2008 planned expenditures total approximately $20.1 billion. Most funds become available to GSA from customers through reimbursements to revolving funds for purchase of goods and services, or as Rent paid for space in GSA-owned and leased buildings.

We are requesting appropriations of $217.0 million for GSA's annually appropriated activities, about 1% of our total funding. In addition, we are requesting an appropriation of $344.5 million for the Federal Buildings Fund (FBF). The remaining 97% of GSA funding is from customer requested work that is funded under reimbursements to revolving funds for the purchase of goods and services, or as Rent paid to the FBF for space in GSA-owned and leased buildings.

Budgetary resources

Obligations by fund source are as follows:



Employment

The budget supports 12,320 FTE in FY 2008, a net increase of 2 FTE for IT Infrastructure LoB in the Office of Governmentwide Policy.

FY 2007 Budget Levels

As part of the FY 2008 Congressional Justification budget presentation, the FY 2007 level reflects the House passed aggregate new obligational authority (NOA) for the Federal Buildings Fund of $7,180,886 thousand and includes $311,225 thousand associated with indefinite authority for the Rental of Space account. The NOA was derived based on the assumption that the current continuing resolution (Public Law 109-289, Division B, as amended) would be extended for the entire year. This presentation funds the individual operating accounts (Installment Acquisition Payments, Building Operations and Rental of Space) at the level necessary to make scheduled interest payment to the Federal Financing Bank, lease payments in existing space and provide basic building services. The remaining NOA amounts are allocated to the various capital programs.

For the appropriated accounts, the FY 2007 availability is based on the enacted level for FY 2006 (Public Law 109-115, with the following exceptions:

(1) The FY 2007 Policy and Operations account (the amount associated with Operating Expenses) is the House Passed level.

(2) The E-Gov Fund is the FY 2006 enacted amount minus the unobligated balance associated with the FY 2006 projects.

General Services Administration
FY 2008 BUDGET SUMMARY AND HIGHLIGHTS

THE FY 2008 BUDGET IN SUMMARY
$(In Thousands)

	FY 2006 Actual	FY 2007 Current	FY 2008 Request
TOTAL OBLIGATIONS			
Federal Buildings Fund Direct (Including Appropriations)	$8,167,490	$8,768,666	$8,382,599
Operating Accounts (Appropriations)	195,230	201,689	217,010
Reimbursable Programs	947,457	1,036,032	1,117,356
Acquisition Services Fund	9,610,259	9,635,343	9,937,666
Working Capital Fund	358,660	397,387	419,779
Real Property Relocation	9	10,239	2,000
Permanent Appropriations	23,430	39,743	35,601
	$ 19,302,535	$ 20,089,099	$ 20,112,011
REQUIRING APPROPRIATIONS ACTION			
Federal Buildings Fund New Obligational Authority:			
Construction & Acquisition of Facilities	$ 819,527	$ 212,146	$ 615,204
Repairs and Alterations	1,148,392	733,030	804,483
Installment Acquisition Payments	168,180	163,999	155,781
Rental of Space	4,177,130	4,379,106	4,383,000
Building Operations	1,932,255	2,003,830	2,132,450
Subtotal FBF New Obligational Authority	*$ 8,245,484*	*$ 7,492,111*	*$ 8,090,918*
FBF Net Budget Authority	*540,406*	*(336,074)*	*225,450*
FBF Appropriations	*75,000*	*0*	*344,450*
Operating Appropriations:			
Policy and Operations Total:	$ 151,159	$ 135,679 1/	$ 144,338
- Governmentwide Policy (non add)	52,268	52,268	54,791
- Operating Expenses (non - add)	98,891	83,411	89,547
Office of Inspector General	42,976	42,976	47,382
Federal Citizen Information Center	14,850	14,850	17,790
Former Presidents	2,922	2,922	2,500
Electronic Government Fund	2,970	2,079	5,000
Subtotal Budget Authority/Appropriations	$ 214,877	$ 198,506	$ 217,010
TOTAL, Appropriation Action (BA/NOA)	**$ 8,460,361**	**$ 7,690,617**	**$ 8,307,928**
Budget Authority	*755,283*	*(137,568)*	*442,460*
Appropriations	*289,877*	*198,506*	*561,460*
EMPLOYMENT			
FULL-TIME EQUIVALENTS (FTE)	12,304	12,318	12,320

1/ Includes $3,379 thousand to be transferred to GSA from other agencies to consolidate the Civilian Boards of Contract Appeals (BOCA) in FY 2007. In FY 2007, the CR Availability for Operating Expenses is $80,032 thousand. In FY 2007, GSA received $3,379 thousand in New Budget Authority for the prior-year cost of BOCA.

OBLIGATIONS SUMMARY

By Object Classification

(IN THOUSANDS)

	FY 2006 ACTUAL	FY 2007 CURRENT	FY 2008 REQUEST
Personnel Compensation:			
11.1 Full-time Permanent	950,304	968,828	1,011,012
11.3 Other than permanent	1,964	1,374	1,851
11.5 Other personnel compensation	41,569	42,609	48,053
11.8 Special personal service payments	728	4,316	544
11.9 Total personnel compensation	**994,565**	**1,017,127**	**1,061,460**
12.1 Civilian personnel benefits	260,132	260,431	273,164
13.0 Benefits for former personnel	6,895	6,525	5,392
21.0 Travel and transportation of persons	37,112	39,746	40,604
21.0 Motor Pool travel	150	392	387
22.0 Transportation of things	58,451	59,474	61,317
23.1 Rental payments	73,013	75,236	79,613
23.2 Rental payments to others	4,131,738	4,463,350	4,384,927
23.3 Communications, utilities, and misc.	465,536	492,310	570,140
24.0 Printing and reproduction	9,766	9,715	9,891
25.1 Advisory and Assistance Services	570,426	665,651	616,150
25.2 Other services	7,763,803	6,002,128	6,104,555
25.3 Purch. of goods & services from Govt	574,811	703,150	749,303
25.4 Operation & maintenance of facilities	839,503	349,555	356,896
25.5 Research and development contracts	0	0	0
25.6 Medical Care	47	48	49
25.7 Operation & maintenance of equipmt	6,606	8,820	10,180
25.8 Subsistence and support of persons	1	1	
26.0 Supplies and materials	2,482,284	2,813,633	2,953,273
31.0 Equipment	816,537	922,012	964,640
32.0 Lands and structures	28,074	2,015,971	1,709,643
33.0 Investments and loans	0	0	0
41.0 Grants, subsidies and contributions	1,392	1,323	1,822
42.0 Insurance claims and indemnities	1,536	1,566	1,598
43.0 Interest and dividends	180,157	180,935	157,007
44.0 Refunds	0	0	0
91.0 Unvouchered	0	0	0
99.9 Total New Obligations	**19,302,535**	**20,089,099**	**20,112,011**

BUDGET HIGHLIGHTS

President Bush has challenged all Federal agencies to find new and smarter ways to do business and move toward a government that is citizen-centered and results-oriented. GSA has made some difficult but necessary choices to strengthen fiscal discipline and manage all of our operations to tighter internal controls while providing better service. To that end we have revised the fiscal year 2007 agency financial plan. We have placed limitations on spending across GSA, including reducing funding for non-essential administrative requirements, service support contracts, and restricted hiring to critical positions only. These streamlined operations are the basis for our FY 2008 budget request.

The FY 2008 budget represents the minimum resource requirements needed to continue the transformational changes necessary to make GSA the premier source for cost-effective, timely and compliant government property and procurement management services. GSA is committed to delivering products and services in an efficient and cost-effective manner while ensuring accountability to the U.S. taxpayer through superior performance and prudent financial management.

Great things are happening at GSA. Important improvements are underway to help us meet the needs of our customers, and at the same time provide savings to the taxpayers. GSA's top priorities are transparency, integrity and accountability in all that we do. These priorities are paramount to achieving our goals, which are listed below:

- Rededicating the mission of GSA as the pre-eminent procurement agency for the Federal government
- Ensuring the Agency's financial stability and returning GSA's technology offerings to a full cost recovery basis
- Enforcing sound financial management practices
- Providing best value for GSA customers resulting in cost-savings for the U. S. taxpayer
- Restoring and enhancing customer satisfaction and service by putting the customer at the center of all GSA business transactions
- Strengthening our relationship with the Courts, one of GSA's largest customers resulting in savings to the Judiciary and the U.S. taxpayer
- Making GSA the premier platform for goods and services to support emergency response and recovery
- Facilitating opportunities for small business to participate in government contracting

PUBLIC BUILDINGS SERVICE

The Public Buildings Service (PBS) is the largest public real estate organization in the nation and a provider of workspace and workplace solutions to more than 100 Federal departments and agencies. Our mission is to provide a superior workplace for Federal workers at a superior value to the U.S. taxpayer. The PBS resources are deployed in two fundamental functions. The first function is space acquisition and the second fundamental function is asset management. These functions are funded through five budget activities: Construction and Acquisition of Facilities, Repairs and Alterations, Installment Acquisition Payments, Rental of Space and Building Operations.

In support of our mission, PBS has focused on several key initiatives within PBS. These initiatives include but are not limited to: (1) strengthening our relationship with the Federal Judiciary, (2) renewing focus on land ports of entry, and (3) improving lease acquisition process. In recent months, we have worked closely with the Judiciary, supporting their needs for more efficient space requirements, resulting in a savings to the Judiciary in Rent assessments. In addition, we have assisted the Department of Homeland Security's Customs and Border Protection in developing a plan to provide greater security at the land ports of entry without jeopardizing the free flow of trade. To ensure best value and reduce cycle time for acquiring space, we use the national broker contract to leverage the real estate expertise of the private sector brokers. This is just one creative way GSA uses private sector know-how to meet the needs of the Federal government and the American people.

Federal Buildings Fund

The FY 2008 budget request for New Obligational Authority (NOA) of $8.1 billion includes authority to use resources within the Federal Buildings Fund for Construction, Repairs and Alterations, Installment Acquisition Payments, Rental of Space, and Building Operations. In addition, an appropriation of approximately $344.5 million is requested to support a $1.4 billion capital investment program. The Federal Buildings Fund capital program has two components, New Construction and Repairs and Alterations. Within the capital investment program, Repairs and Alterations remains GSA's top priority.

The Construction and Acquisition program reflects $615 million in NOA which will provide funding for critical facility projects for the Department of Homeland Security (DHS), the Food and Drug Administration (FDA), and the Judiciary including:

- $58 million for FDA consolidation in Montgomery County, MD.
- $319 million for DHS consolidation project in Washington, DC.
- $155 million for 7 land ports of entry facilities
- $27 million for St. Elizabeths West Campus in Washington, DC for infrastructure and site acquisition

- $47 million for the U.S. Courthouse in Buffalo, NY
- $9 million for non-prospectus construction projects

In order to address the backlog of Repairs and Alterations (R&A) projects, GSA is requesting NOA of $804 million. The R&A program focuses on the highest priority projects based on GSA's continuing effort to evaluate and restructure our real property portfolio. The request includes:

- $350 million for basic Repairs and Alterations
- $76 million for three limited scope projects
- $356 million for three full scope modernization projects, including:
  - $171 million for the Thurgood Marshall Courthouse in New York, NY
  - $172 million for the Eisenhower Executive Office Building in Washington, DC
  - $13 million for the Joint Operations Center in Washington, DC
- $7 million for a design program
- $15 million for an energy program

To support our operating programs, GSA requests $156 million for the Installment Acquisition Payments program; $4.4 billion for the Rental of Space program, which will provide for 183.8 million rentable square feet; and $2.1 billion for the Building Operations program, a $129 million, (6%) increase over the FY 2007 request which is primarily driven by increases for utilities and fuel rates ($66M), other inflationary increases ($24 million), and security charges from Homeland Security for vacant space ($27M).

General Services Administration
FY 2008 BUDGET SUMMARY AND HIGHLIGHTS

EXPLANATION OF CHANGES
Changes in FBF NOA
($ in Thousands)

	Installment Acquisition Payments	Rental of Space	Building Operations	Construction and Acquisition	Repairs and Alterations
FY 2007 New Obligational Authority	**163,999**	**4,461,883** 1/	**2,003,830**	**212,146**	**733,030**
Decrease in Capitalized Interest Payments	-2,070				
Decrease in Interest Payments	-6,148				
Part year cost of Lease Expansions acquired through IA in FY 2007		-133,449			
Annualization of remaining FY 2007 program changes		-64,292			
Rental Rate Increases		59,581			
Lump Sum Payments for real estate taxes and lease buyouts		91,383			
Lease Cancellations		-46,442			
Lease Expansions (other than indefinite)		14,336			
Building Services in New Space			16,838		
Increase Cost of Supplies, Materials, and Service Contracts (2.1%)			23,714		
Part-Year Increase for FY 2007 Pay Act (2.2%), Effective January, 2007			3,118		
Pay Increase (3.0%), Effective January, 2008			13,814		
Increase for Utilities and Fuel Rates			66,474		
Increase for Cleaning and Maintenance Contract Labor Rates and Benefits			2,330		
Security Charges from Homeland Security for Vacant Space			26,960		
Homeland Security Presidential Directive-12			7,886		
Transfer of Office of Management Services			625		
Federal Contribution to Coordinate Long-Term Siting of Federal Building and Employment			450		
Relocation of the Department of Navy			-4,290		
Progressive Collapse Studies			-19,200		
Environmental Studies at the Denver Federal Center			-4,500		
Green Power			-4,999		
Capital Projects Delivery System			-600		
Increase to Construction for Executive Agencies				356,328	
Increase to Construction for Judiciary				46,730	
Decrease to Basic R&A program					-24,713
Increase to Line-Item R&A program					113,619
Decrease to Design program					-17,453
FY 2008 New Obligational Authority	**155,781**	**4,383,000**	**2,132,450**	**615,204**	**804,483**

1/ Represents FY 2007 planned obligations.

FEDERAL BUILDINGS FUND
New Obligational Authority

2008 Construction and Acquisition of Facilities

In Priority Order

Dollars in Thousands

New Construction:	
Montgomery County, MD, Food and Drug Administration Consolidation	$57,749
Washington, DC, DHS Consolidation and Development of St. Elizabeths Campus	318,887
Washington, DC, St. Elizabeths West Campus Infrastructure	20,752
Washington, DC, St. Elizabeths West Campus Site Acquisition (Ingress/Egress)	7,000
San Ysidro, CA, United States Land Port of Entry	37,742
Derby Line, VT, United States Land Port of Entry	33,139
Warroad, MN, United States Land Port of Entry	43,628
El Paso, TX, Tronillo-Guadalupe Land Port of Entry	4,290
San Luis, AZ, United States Land Port of Entry I	7,053
Alexandria Bay, NY, United States Land Port of Entry	11,676
Madawaska, ME, United States Land Port of Entry	17,160
Nonprospectus Program	9,398
Subtotal, Executive Agencies	**$568,474**
Buffalo, NY, United States Courthouse	$46,730
Subtotal, Federal Judiciary	**$46,730**
TOTAL CONSTRUCTION AND ACQUISITION OF FACILITIES PROGRAM	**$615,204**

FEDERAL BUILDINGS FUND (Cont'd)

2008 Repairs and Alterations Program (NOA)

In Priority Order

Dollars in Thousands

Nonprospectus (Basic) Repairs and Alterations Program	**$350,200**
Repairs and Alterations Construction Program	
Martinsburg, WV, Internal Revenue Service Enterprise Computing Center	35,822
Washington, DC, Nebraska Avenue Complex	27,673
Reno, NV, C. Clifton Young Federal Building and Courthouse	12,793
New York, NY, Thurgood Marshall United States Courthouse	170,544
Washington, DC, Eisenhower Executive Office Building Phase III	172,279
Washington, DC, Joint Operations Center	12,800
Energy Program	15,000
Subtotal, Repairs and Alterations Construction	**446,911**
Design Program	**7,372**
TOTAL REPAIRS AND ALTERATIONS PROGRAM	**$804,483**

FEDERAL BUILDINGS FUND (Cont'd)

2008 Repairs and Alterations Design

In Priority Order

Dollars in Thousands

Design Program	
Washington, DC, Heating, Operations, and Transmission District	$1,593
Kansas City, MO, Richard Bolling Federal Building	5,779
TOTAL DESIGN PROGRAM	**$7,372**

Appropriated Accounts

The total for all operating appropriations in GSA's FY 2008 request is approximately $217 million. The request includes:

- $144.3 million Policy & Operations; ($89.5 million for Operating Expenses, $54.8 million for Governmentwide Policy;
- $47.4 million for the Inspector General;
- $17.8 million for the Federal Citizen Information Center;
- $2.5 million for Former Presidents; and
- $5.0 million for E-Gov

In FY 2008, GSA proposes returning to a single Policy and Operations account. In FY 2004, this account was split into the Operating Expenses and the Governmentwide Policy accounts. Policy and Operations provides appropriations for a variety of activities which are not feasible or appropriate for a user fee arrangement. We are proposing a return to a single account to provide GSA additional administrative flexibility to optimize execution of the policy and operation functions.

The FY 2008 request of $217 million is an increase of $22 million over the FY 2007 funding levels under the Continuing Resolution. GSA is requesting increases for:

- Pay raise and Inflation
- Consolidation of the Civilian Boards of Contract Appeals pursuant to P.L. 109-163
- Restoration of contractual services reduced under the Continuing Resolution
- E-Gov projects
- Former President's pension & other requirements
- Inspector General's Suspension & Debarment team
- Inspector General's IT Network upgrade
- Increased payments to the Working Capital Fund

EXPLANATION OF CHANGES

Changes in Appropriated Accounts
($ in Thousands)

	Policy & Operations	Inspector General	Federal Citizen Info. Ctr.	Former Presidents	Electronic Government	Total
FY 2007 Continuing Resolution Availability	**132,300**	**42,976**	**14,850**	**2,922**	**2,079**	**195,127**
FY 2007 Adjustments:						
Transfer:						
OCSC FTE transfer to Working Capital Fund	-147					-147
Funding from other Agencies for the Civilian Board of Contract Appeals	4,379					4,379
OCSC Web Manager University Transfer to FCIC	-450		450			
Decreases						
Former President Ford FY 2007 Allowance				-449		-449
Former President Clinton Security Contract				-38		-38
Decrease in goods and services for Former President Carter				-4		-4
Increases						
Part Year Incr. for FY 07 & FY 08 Pay Increases	2,072	885	176			3,133
Inflation	1,569	508	298			2,375
Federal Real Property Profile Security Upgrade	500					500
Increase for Forms.Gov	438					438
Suspension & Debarment Team		1,038				1,038
OIG Network Management System LAN Upgrade/Infrastructure Upgrade		951				951
Increase Payments to Working Capital Fund		1,024				1,024
Contractual services restoration	3,677		2,016			5,693
Benefits for Former Presidents				12		12
Increased cost of goods and services				13		13
Rent increase for Former President Clinton				18		18
Network Server for Former President Bush				20		20
Franking Privileges for the Widow of Former President Ford				6		6
Increase to Electronic Government Fund					2,921	2,921
FY 2008 Congressional Request	**144,338**	**47,382**	**17,790**	**2,500**	**5,000**	**217,010**

FEDERAL ACQUISITION SERVICE

GSA has an opportunity to lead by example in the area of Acquisition. We are committed to the growth and development of America's small businesses, which are vital for the nation's economic growth and we are a champion of all small businesses: minority-owned, service-disabled vets, women-owned, etc. GSA has committed to significantly reducing the time it takes to get on its Multiple Award Schedules. Regional Small Business Centers are a front door to contracting opportunities. GSA is committed to meeting federally mandated small business goals and helping match local small businesses with national contractors wherever possible, but especially in disaster scenarios. We are in the process of refining and improving oversight for proper small business certification.

The FY 2008 Congressional Justification is the first budget submitted since the Federal Acquisition Service (FAS) was established on October 6, 2006, pursuant to the General Services Administration Modernization Act of 2006 (P.L. 109-313) ("Modernization Act"). The FAS organization consolidates the Federal Supply Service (FSS) and Federal Technology Service (FTS). Prior to their merger into FAS, FSS provided commercial products and services to Federal customers, while FTS separately provided telecommunications and information technology (IT) services. The combined operations of these services better supports customer requirements by providing a single portal for all of the acquisition needs of the Federal Government

The FY 2008 FAS budget maximizes the flexibilities of the Modernization Act to improve the products and services GSA offers to our Federal customers. Like its predecessor organizations, the FAS organizational structure combines similar products and services into broad groupings, or "portfolios". However, FAS portfolios differ from those of the legacy FSS and FTS organizations, primarily because they focus on providing integrated solutions to customer acquisition needs, rather than disparate and independent products and services. FAS is currently organized into four portfolios:

- The Information Technology Services (ITS) portfolio combines the telecommunications services provided by the former FTS with the IT schedules and Government-wide Acquisition Contracts (GWACs) previously included in FSS to provide Federal agencies with a full range of end-to-end IT and telecommunications solutions.

- The Assisted Acquisition Services (AAS) portfolio merges three separate portfolios of the former FTS to create a single organization that effectively compliments the ITS portfolio by providing management services that assist agencies in acquiring and deploying ITS products and services, as well as a full range of other professional services.

- The General Supplies and Services (GSS) portfolio consolidates three business lines of the former FSS to provide a full line of personal property services, including maintaining stocks of supplies, procuring furniture, managing supply schedules, and disposing of surplus personal property.

- The Travel, Motor Vehicle and Card Services (TMVCS) portfolio combines several programs of the former FSS that are unified by their highly-leveraged purchases for the benefit of the entire Federal Government. Services provided include: travel and relocation services, freight management, motor vehicle acquisition, fleet management, and charge card services.

The FY 2008 FAS budget is based on a frank assessment of past business performance and realistic assumptions about the future. In FY 2006, GSA realized negative operating results in the (former) FTS organization, due in part to an unexpected downturn in business volumes. The FY 2008 FAS budget reflects these realities, in the form of reduced revenue estimates in FY 2007, and inflation-only increases in FY 2008 projected revenue. The budget also reflects GSA's efforts to mitigate these losses. Operating costs in the Assisted Acquisition Services portfolio will steadily decline from 2006 through 2008, and all 2008 increases are limited to the cost of inflation and the Federal pay raise. In addition, GSA will work jointly with the Office of Management and Budget (OMB) to conduct Program Assessment and Rating Tool (PART) reviews of three of FAS' four portfolios in FY 2007 (ITS, AAS, and GSS). The FY 2008 budget request reaffirms GSA's commitment to operating efficiently and effectively, ensuring financial accountability, and providing best value to customer agencies and the American taxpayer.

The FY 2008 FAS budget maintains GSA's position as a world-class provider of goods and services in the Federal sector. The legacy FTS and FSS organizations' FY 2006 performance against our long- and short-term goals generally exceeded the aggressive targets communicated in the FY 2007 Congressional Justification. The performance targets in the FY 2008 submission continue to drive towards increased customer satisfaction, increased access for vendors of all sizes, and increased efficiency in GSA operations. The FY 2008 FAS budget includes new measures of customer savings in telecommunications, IT solutions, travel and transportation; new surveys of customer satisfaction in long distance and credit card services; and aggressive goals to drive down operating costs in every portfolio. The FY 2007 and 2008 performance targets communicated in the FY 2008 budget reflect GSA's continued commitment to providing the best value for customer agencies and taxpayers.

FY 2008: Long-Term Outcome Goals
$ (Thousand)

PERFORMANCE BUDGET

GSA developed the Fiscal Year (FY) 2008 Performance Budget was developed through our Performance Management Process for strategic planning, budgeting and program evaluation. Through this process, we can define our strategic direction, as well as identify the specific strategies, actions, and funding requirements necessary to achieve the strategic direction. Through the process, we also set performance goals and targets to measure our success in achieving our strategic direction. This cyclical process allows for collaborative, crosscutting decision-making among senior leadership. GSA's performance goals emphasize improving customer service, improving product value and delivery, constraining costs, leveraging technology, and implementing responsible asset management. In FY 2008, GSA will continue to help agencies realize the benefits of technology and improve the Federal Government's IT infrastructure by supporting E-Gov initiatives.

This request contains the critical resources GSA needs to fulfill its primary mission of serving Federal customers. The long-term outcome goals, performance measures and targets, and related resource requests reflect GSA's continuing efforts to better fulfill its mission of helping Federal agencies better serve the public by offering, at best value, superior workplaces, expert solutions, acquisition services and management policies.

While Federal agencies comprise the majority of GSA's customers, our client base has grown to state and local governments, and international partners. The thousands of vendors with whom we exchange information and do business are critical to accomplishing our mission. In addition, the Office of Citizen Services and Communications supports a citizen-centric Federal Government by providing public access to Government information and services through multiple channels.

<u>Mission Statement</u>

> *GSA helps Federal agencies better serve the public by offering, at best value, superior workplaces, expert solutions, acquisition services, and management policies.*

To accomplish our mission GSA has adopted a set of values and goals to serve as our guide towards achieving our mission.

<u>Values</u>

- Ethics and integrity in all we do
- Respect for fellow associates
- Results orientation
- Teamwork
- Professionalism

FY 2008 Long-Term Outcome Goals
$ (Thousand)

Strategic Goals

- Provide best value for customer agencies and taxpayers
- Achieve responsible asset management
- Operate efficiently and effectively
- Ensure financial accountability
- Maintain a world-class workforce and a world-class workplace
- Carry out social, environmental, and other responsibilities as a Federal agency

PROGRAM ASSESSMENT RATING TOOL (PART)

GSA's FY 2008 Budget request addresses the various programmatic directions prescribed through PART performance evaluations. Since 2002, GSA and the Office of Management and Budget have conducted fourteen program performance assessments using the PART process. The major findings of the early PART reviews were that these programs needed meaningful long-term outcome goals which can be accurately measured. Since the initial assessments, GSA has made great strides in identifying and establishing meaningful long-term goals for its major programs. By the end of the 2006 PART cycle, fourteen programs have achieved successful evaluations.

Due to the improvement in the number of programs successfully evaluated, GSA was able to achieve "Green" in status on the Budget and Performance Integration (BPI) initiative of the President' Management Agenda. Additional information on the PART reviews may be found in the Acquisition Services Fund (ASF), Federal Buildings Fund (FBF), Federal Citizen Information Center Fund (FCIC), Policy & Operations (PO), Expenses of Transportation Audit Contracts and Contract Administration justification packages.

FY 2008: Long-Term Outcome Goals
$ (Thousand)

	FY 2006 Actual	FY 2007 TARGET	FY 2008 TARGET
GOVERNMENTWIDE POLICY			
• **Improved management effectiveness and efficiency of the Federal Government in providing "best value" administrative services through the implementation of government-wide policies and tools developed by OGP.**			
o Extent to which OGP policy initiatives achieved improved targets	100%	84%	88%
o Percentage of key policy stakeholders and agency users who rate OGP policy initiatives effective	54%	57%	60%
• **Policies are developed on-schedule and within "standard" cost parameters.**			
o Percentage of OGP initiatives meeting their scheduled development milestones	100%	84%	88%
o Percentage of OGP initiatives meeting cost targets	80%	100%	100%

FY 2008 Long-Term Outcome Goals
$ (Thousand)

• LONG-TERM OUTCOME GOALS o PERFORMANCE MEASURES	FY 2006 ACTUAL	FY 2007 TARGET	FY 2008 TARGET
OFFICE OF CITIZEN SERVICES AND COMMUNICATIONS			
Office of Citizen Services (Operating Expenses and FCIC)			
• **Provide citizens with easy access to accurate, timely and consistent information about the government. Whether the citizen uses a channel offered directly by FCIC, or one offered by another government agency that provides excellent service because it adheres to USA Services standards of quality, the result is the same: a correct, timely answer to the citizen's question.**			
o Citizen Touchpoints with USA Services (USAS) channels.	133.0M	168.6M	173.7M
o Governmentwide Website ACSI Satisfaction Benchmark	73.7	74.0	74.5
o FirstContact and Web Solutions Task Orders	14	5 new, total 19	5 new, total 24

FY 2008 Long-Term Outcome Goals
$ (Thousand)

• LONG-TERM OUTCOME GOALS o PERFORMANCE MEASURES	FY 2006 ACTUAL	FY 2007 TARGET	FY 2008 TARGET
PUBLIC BUILDINGS SERVICE			
New Construction			
• **Reduce average cycle time on new courthouse construction projects to 2,800 days or less by FY 2019**			
o Number of days to complete new courthouse construction projects	3458	≤ 3,100	≤ 3,100
• **Register 100% of the New Construction program for Leadership in Energy and Environmental Design (LEED) in the same fiscal year design funding is authorized and appropriated and certify 75% of the New Construction program for LEED within 18 months of substantial construction completion**			
o Percent of New Construction program registered for LEED	100%	50%	75%
o Percent of New Construction program that is certified for LEED	0%	25%	25%
• **Improve the operational and maintenance efficiency of GSA buildings by independently verifying newly constructed buildings for achievement of established operational requirements within eighteen months of substantial construction completion**			
o Percent of newly constructed buildings independently verified for achievement of established operational requirements	100%	35%	35%
• **GSA will execute the New Construction program on the schedule committed to our customers 90% of the time by FY 2010**			
o Construction projects on schedule	84%	87%	88%

FY 2008 Long-Term Outcome Goals
$ (Thousand)

• LONG-TERM OUTCOME GOALS o PERFORMANCE MEASURES	FY 2006 TARGET	FY 2007 TARGET	FY 2008 TARGET
PUBLIC BUILDINGS SERVICE - continued			
Leasing Program			
• **By FY 2010, the Leasing program will deliver new leases at least 9.5% below the industry average cost for office space, and deliver the space when the customer needs it 90% of the time or better**			
o Cost of leased space relative to industry market rates	-9.2%	-8.8 %	-9.0%
o Percent of customers who say they received their lease space when they needed it	67%	84%	86%
o Percent of expiring leases using the National Broker Contract	48%	70%	80%
• **By FY 2010, the Leasing program will receive satisfied tenant customer satisfaction scores (4's & 5's) 80% of the time and will incorporate the results of Lease Tiering into customer strategic planning where market data is available**			
o Satisfied tenant customer satisfaction rating (4 and 5 responses) in leased space surveyed	78%	74%	76%
o Percent of existing lease inventory reviewed for beneficial opportunities	100%	100%	100%
o Percent of vacant space in leased inventory	1.5%	≤1.5%	≤1.5%
o Percent of leased revenue available after administering the leased program	1.5%	0% - 2%	0% - 2%

FY 2008 Long-Term Outcome Goals
$ (Thousand)

• LONG-TERM OUTCOME GOALS o PERFORMANCE MEASURES	FY 2006 ACTUAL	FY 2007 TARGET	FY 2008 TARGET
PUBLIC BUILDINGS SERVICE - continued			
Asset Management			
• **Achieve a viable, self-sustaining inventory with an average Return on Equity of at least 6% by FY 2010 for 80% of our government owned assets**			
o Percentage of government-owned assets with a ROE of at least 6 percent	74%	74%	77%
o Percentage of government-owned assets achieving a positive FFO	81%	90%	90%
o R&A projects on schedule	83%	88%	89%
o Percent of minor R&A budget obligated on planned projects by the end of the fiscal year	85%	75%	75%
o Percentage of available and committed space in government-owned inventory	7%	7%	7%
o Percent of escalations on R&A projects	3.2%	≤1%	≤1%
• **Reduce energy consumption 20% by FY 2015 over the FY 2003 baseline while maintaining overall operating costs 3% below the private sector and customer satisfaction levels at or above 80%**			
o Percent reduction in energy consumption over the FY 2003 baseline	-4.4%	-4%	-6%
o Customer Satisfaction – tenants in owned space	83%	75%	76%
o Percent below private sector benchmarks for cleaning, maintenance, and utility costs in office and similarly serviced space	-4.2%	-3%	-3%

FY 2008 Long-Term Outcome Goals
$ (Thousand)

• LONG-TERM OUTCOME GOALS o PERFORMANCE MEASURES	FY 2006 ACTUAL	FY 2007 TARGET	FY 2008 TARGET
PUBLIC BUILDINGS SERVICE – continued			
Real Property Disposal			
• **To help Federal landholding agencies realize maximum utilization and efficiencies from real property holdings and, when appropriate, to redeploy their unneeded properties to benefit the Federal Government and surrounding communities or to sell on the open market.**			
o Percentage of Utilization & Donation property awarded within 240 days	97%	95%	95%
o Percentage of public sales awarded within 170 days	100%	100%	100%
o Percent of disposal transactions that “exceed” or “greatly exceed” customer expectations	97%	93%	93%
o Cost of reimbursable sales as a percentage of sales proceeds	.12%	1.08%	1.08%
o Sales proceeds as a percentage of estimated fair market value	132%	120%	120%
o Percentage of sales transactions equal to or greater than estimated fair market value	98%	90%	90%

FY 2008 Long-Term Outcome Goals
$ (Thousand)

• LONG-TERM OUTCOME GOALS o PERFORMANCE MEASURES	FY 2006 ACTUAL	FY 2007 TARGET	FY 2008 TARGET
WORKING CAPITAL FUND			
Office of Chief Financial Officer			
• **Deliver timely and accurate financial and performance management policies and services needed for management decision-making and financial reporting.**			
o Percentage of invoices received electronically	71%	80%	80%
Office of Chief Human Capital Officer			
• **Develop and deliver human capital programs, policies and services that promote GSA's strategic management of human capital, in order to enhance GSA's capability to achieve its mission, strategic goals, and performance outcomes.**			
o Number of days to fill a vacancy	30.1	45	45
o Percentage of employees that have individual performance plans and receive ratings at end of rating cycle	96%	95%	95%
Office of Chief Information Officer			
• **Ensure GSA's information technology investments increase Federal productivity, customer satisfaction, and legal compliance**			
o Percentage of IT systems that have a current certification and accreditation	100%	100%	100%
o Percentage of major IT initiatives rated highly by OMB for Enterprise Architecture – FY05 Exhibit 300 Submission	100%	100%	100%

FY 2008 Long-Term Outcome Goals
$ (Thousand)

• LONG-TERM OUTCOME GOALS o PERFORMANCE MEASURES	FY 2006 ACTUAL	FY 2007 TARGET	FY 2008 TARGET
FEDERAL ACQUISITION SERVICE – ITS Portfolio			
Regional Telecommunications Business Unit			
• **Satisfy the customer in terms of cost, quality and timeliness of the delivered product or service for the delivery of IT and Professional Services.**			
o Percentage of dollar value of eligible service orders awarded with performance-based statements of work.	89%	60%	60%
o Percentage of projects meeting agreed performance according to the Quality Assurance Surveillance Plan (QASP).	N/A	76%	77%
o Percentage of negotiated award dates for services and commodities that are met or bettered.	94%	77%	77%
o Percentage of solutions that are met at or below initial cost estimates.	N/A%	90%	90%
• **Conduct business with integrity, fairness, and openness.**			
o Percentage of task and delivery orders subject to the fair opportunity process.	86.8%	80%	81%
o Percentage of schedule task orders solicited using e-Buy.	N/A	80%	90%
• **Minimize administrative operating costs.**			
o Total Regional Telecommunications program expense as a percentage of gross margin.	52%	66%	66%
Long Distance Business Unit			
• **Satisfy the customer in terms of cost, quality and timeliness of the delivered product or service for the delivery of IT and Professional Services.**			
o Percentage of solutions reviewed compliant with policy and regulations and internal policies and procedures.	100%	100%	100%
o Overall customer satisfaction.	N/A	80%	81%
o Savings provided to customers.	$620M	$500M	$500M
• **Conduct business with integrity, fairness, and openness.**			
o Completed Networx Transition Planning planned versus actual.	N/A	0%	35%

FY 2008: Long-Term Outcome Goals
$ (Thousand)

• LONG-TERM OUTCOME GOALS o PERFORMANCE MEASURES	FY 2006 ACTUAL	FY 2007 TARGET	FY 2008 TARGET
FEDERAL ACQUISITION SERVICE – ITS Portfolio continued			
Long Distance Business Unit			
• **Minimize administrative operating costs.**			
o Total Long Distance program expenses as a percentage of gross margin.	43%	55%	55%
Professional Services Business Line			
• **Satisfy the customer in terms of cost, quality and timeliness of the delivered product or service for the delivery of IT and Professional Services.**			
o Percentage of dollar value of eligible service orders awarded with performance-based statements of work.	66%	52%	53%
o Percentage of negotiated award dates for services and commodities that are met or bettered.	93%	>95%	>95%
• **Conduct business with integrity, fairness, and openness.**			
o Percentage of task and delivery orders subject to the fair opportunity process.	N/A	>86%	>86%
o Percentage of Schedule task orders solicited using e-Buy.	93%	90%	90%
• **Minimize administrative operating costs.**			
o Total program expense as a percentage of gross margin.	86%	65%	64%

FY 2008: Long-Term Outcome Goals
$ (Thousand)

• LONG-TERM OUTCOME GOALS o PERFORMANCE MEASURES	FY 2006 ACTUAL	FY 2007 TARGET	FY 2008 TARGET
FEDERAL ACQUISITION SERVICE – ITS Portfolio continued			
National IT Solutions Business Line			
• **Satisfy the customer in terms of cost, quality and timeliness of the delivered product or service for the delivery of IT and Professional Services.**			
o Percentage of dollar value of eligible service orders awarded with performance-based statements of work.	4.56%	>50%	>50%
o Percentage of negotiated award dates for services and commodities that are met or bettered.	89%	>95%	>95%
• **Conduct business with integrity, fairness, and openness.**			
o Percentage of task and delivery orders subject to the fair opportunity process.	90%	>95%	>95%
• **Minimize administrative operating costs.**			
o Total program expenses as a percentage of gross margin.	89.4%	79%	78%
Regional IT Solutions Business Line			
• **Satisfy the customer in terms of cost, quality and timeliness of the delivered product or service for the delivery of IT and Professional Services.**			
o Percentage of negotiated award dates for services and commodities that are met or bettered.	95%	>95%	>95%
o Percentage of solutions that are met at or below initial cost estimates.	N/A	83%	86%
• **Conduct business with integrity, fairness, and openness.**			
o Percentage of task and delivery orders subject to the fair opportunity process.	92%	>95%	>95%
• **Minimize administrative operating costs.**			
o Total program expenses as a percentage of gross margin.	148.5%	94%	93%

FY 2008: Long-Term Outcome Goals
$ (Thousand)

• LONG-TERM OUTCOME GOALS o PERFORMANCE MEASURES	FY 2006 ACTUAL	FY 2007 TARGET	FY 2008 TARGET
FEDERAL ACQUISITION SERVICE – GSS			
Global Supply Program			
• **Provide supply chain solutions for the global needs of our customers (DoD, Homeland Security, USDA, et. al.) by delivering dependable, reliable and timely supplies at best value.**			
o Percentage of Supply blended mark-up.	32.71%	30.50%	30.0%
o Compliance rate with DoD Time Definite Delivery (TDD) shipment processing standards.	22.2%	10%>VBL	10%>VBL
o Direct cost as percentage of revenue.	10.5%	10.4%	10.3%
o External customer satisfaction survey score.	80.3	80	78
Personal Property Management Program			
• **Provide optimal property disposal solutions for Federal agencies to maximize cost avoidance (Utilization/Donation) while efficiently and effectively managing the exchange/sale of surplus property.**			
o Cycle time for disposal process (days).	52	55	55
o Direct cost of Sales Program as a percent of revenue.	49%	45%	44%
o Operating cost per $100 business volume.	$18.77	$21.50	$21.00
o External customer satisfaction survey score.	82.3	79	75.5

FY 2008: Long-Term Outcome Goals
$ (Thousand)

• LONG-TERM OUTCOME GOALS o PERFORMANCE MEASURES	FY 2006 ACTUAL	FY 2007 TARGET	FY 2008 TARGET
FEDERAL ACQUISITION SERVICE - TMVCS			
National Furniture Center			
• **Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.**			
o Timeliness to award new contracts (days).	73.5	80	79
o Timeliness to award contract modifications to add products and services (days).	18.1	12	11.75
• **Minimize administrative operating cost.**			
o Direct operating expenses as a percentage of gross margin.	52.09%	48.20%	43.80%
o Ratio of full-time equivalents (FTE) to business volume.	.0056%	.0052%	.0047%
• **Conduct business with integrity, fairness, and openness.**			
o Number of schedule task orders solicited using GSA e-Buy.	8,207	8,200	8,600
Fleet Program			
• **Continue to achieve leasing rates to customer agencies that offer 20% or more savings when compared to commercial rates.**			
o Percentage GSA Fleet leasing rates below commercial rates on the GSA Vehicle Leasing Schedule.	39.06%	=>29.25%	=>29.50%
o Program support and operational expenses per vehicle year of operations.	$496	$500	$495
o Number of vehicles managed per onboard associate.	352	340	345
o External customer satisfaction survey score.	84.5	83.1	83.2
Vehicle Acquisition Program			
• **Achieve acquisition cost savings for customer agencies by providing vehicles at 28% or more below manufacturers' invoice price.**			
o Percentage discount from invoice price.	39%	=>28.5%	=>28.7%
o Number of vehicles purchased per FTE.	1,676	1,310	1,320
o External customer satisfaction survey score.	77.9	80	80.1

FY 2008 Long-Term Outcome Goals
$ (Thousand)

• LONG-TERM OUTCOME GOALS o PERFORMANCE MEASURES	FY 2006 ACTUAL	FY 2007 TARGET	FY 2008 TARGET
FEDERAL ACQUISITION SERVICE – TMVCS Continued			
GSA Travel Program			
• **Provide an end-to-end and fully integrated travel management shared service that is: 1) Policy compliant, cost-effective and customer focused, 2) An enabler for agencies to better manage their individual travel businesses, and 3) Fulfills agency needs while delivering the best value to agencies (at discounts unattainable by individual agencies) by leveraging the government's purchasing power via strategic sourcing.**			
o Direct cost as a percent of revenue.	38%	63%	62%
o External customer satisfaction survey score.	75.4	75.5	75.6
o Percentage of vouchers services through the eTS (percent of total voucher population).	6.70%	18.41%	45.54%
o Percentage of Business Reference Model (BRM) agencies migrating to eTS.	54.20%	70.83%	100%
o FedRooms percentage off consortia rate.	29%	28%	27%
o City Pair Program percentage off the lowest published full economy fare.	N/A	67%	67%

FY 2008 Long-Term Outcome Goals
$ (Thousand)

• LONG-TERM OUTCOME GOALS o PERFORMANCE MEASURES	FY 2006 ACTUAL	FY 2007 TARGET	FY 2008 TARGET
FEDERAL ACQUISITION SERVICE – TMVCS continued ***GSA Transportation Programs***			
• **Provide end-to-end fully integrated management system/solutions to increase value for agency customers.**			
o External customer satisfaction survey score.	78.8	77.4	77.5
o Direct cost as a percent of revenue.	48%	51.5%	51.0%
o Freight savings.	N/A	40.5%	41.0%
o Household goods savings.	N/A	59.0%	59.5%
o Domestic delivery services savings.	N/A	70.0%	70.5%
o Percent of audits performed electronically.	92%	95%	95%
o Percent of claims processed within 120 days.	79%	80%	85%
FEDERAL ACQUISITION SERVICE – TMVCS Continued			
GSA SmartPay® (Card Services)			
• **Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.**			
o Overall customer satisfaction of GSA SmartPay® Program.	N/A	63%	65%
o GSA SmartPay® Conference satisfaction as determined by attendee survey results.	91.2%	93.0%	93.5%
o Timeliness of report submission.	N/A	>=85%	>=90%
• **Minimize administrative operating cost.**			
o Government-wide spend per GSA SmartPay® contract administration FTE.	$5.31B	$5.05B	$5.11B

E-Gov Benefits:

E-Gov initiatives are designed to make the Federal Government to be more citizen-centric and results oriented. GSA is a managing partner for seven E-Gov initiates, in addition to being a participant in nine other E-Gov initiatives. The benefits to GSA, as well as other Federal agencies, include:

- Improved agency performance by increasing the focus on performance metrics, establishing enterprise standards for performance, and requiring that all services reach these performance metrics in order to receive funding, the Federal Government can anticipate that agency service levels will improve over time. Services that are not being provided at the required performance level would be abandoned or transformed. Improved performance will have many positive consequences, including several indirect benefits such as enhanced productivity and improved mission delivery;

- Enhanced productivity as a result of improved information technology infrastructure, shared services, and automated processes;

- Improved mission delivery by the Federal Government will result from the improved productivity of Federal employees and higher performance levels for services; and

- Savings will accrue by reducing the number of service providers and the associated management overhead and by aggregating hardware purchases to obtain the lowest prices from industry.

GSA is the Managing Partner for the following E-Gov Initiatives**:**

- E-Gov Travel
- E-Authentication
- Federal Asset Sales (FAS)
- Integrated Acquisition Environment (IAE)
- USA Services
- Infrastructure Optimization Initiative Line of Business (IOILoB)
- Financial Management Line of Business (FMLoB)

E-Gov Travel

The E-Gov Travel Service (ETS) is a government-wide, web-based service that applies world-class travel management practices to consolidate federal travel, minimize cost and produce superior customer satisfaction. The ETS is commercially hosted to minimize technology costs to the government and guarantee refreshed functionality. Because ETS is a commercial service, there are no development costs to the government for the basic travel services included in the master contract.

The benefits of the ETS include:

- Increased cost savings associated with overall reduction in Travel Management Center (TMC) transaction service fees;
- Advantageous strategic source pricing through cross-government purchasing agreements;
- Improved business process functionality as a result of streamlined travel policies and processes;
- Enhanced security and privacy controls for the protection of government and personal data; and
- Superior agency oversight and audit capabilities.

As the ETS is a fully integrated, end-to-end travel solution, program cost avoidance is realized by a reduction of traveler and manager time for planning, arranging, authorizing, approving and post-travel reimbursement processing. Travelers also benefit from ETS' increased efficiency in the end-to-end electronic solution as their reimbursements are expedited. Additional initiative savings are realized from the elimination of costly paper-based systems, the decommissioning of legacy travel systems and the reduction of agency overhead by consolidating the number of travel contracts. Prior to ETS, the estimated overall government-wide on-line adoption rate for travel reservations was approximately 6%. By the end of FY06, for those agencies deploying, the on-line adoption rate was over 45% resulting in dramatic cost savings as a result of lowering travel agent service fees.

E-Authentication

E-Authentication is a cross-cutting E-Gov initiative, established to provide the critical capability of validating identity (via the presentation of electronic identity credentials) of a citizen, business, or government accessing an online Federal service/system. The E-Authentication initiative created a government-wide, standards-based National Institute of Standards and Technology (NIST), and an OMB compliant identity federation, the E-Authentication Federation. Federation member agencies allow their E-Gov users to conveniently and securely use credentials issued by trusted third party Federation credential providers (both government and commercial). This solution will enable the growth of E-Government as citizens, businesses, and other governments easily reuse credentials (e.g. pins/passwords and Public Key Infrastructure (PKI) certificates) across multiple government services. This approach provides a uniform process for establishing electronic identity and eliminates the need for each initiative to develop a redundant solution for the verification of identity and electronic signatures.

The benefits of E-Authentication include:

- Increased security and risk mitigation;
- Savings in time and money since agencies are not required to build individual authentication systems;
- Providing a secure, convenient, standardized, easy-to-use approach to authentication and improved access to government services (e.g., single sign-on);
- Assured privacy protection;
- Enhanced end-user experience; and
- Creating an efficient process for obtaining business information and complying with regulatory requirements.

In FY2008, the E-Authentication initiative will be moving to a fee-for-service business model. FY2008 benefits to the Agencies will be the same as the FY2007 benefits with the following additions:

- Increased cost savings as membership in the E-Authentication Identity Federation increases and economies of scale begin to be realized (e.g., cost per transaction decreases); and
- Increased flexibility/choice in products and services as (1) additional Federation Credential Service Providers and other products and services are added to the GSA schedule; and (2) the E-Authentication Identity Federation increases focus on communities of interest (e.g., law enforcement; healthcare; education; energy), resulting in targeted products and services.

Federal Asset Sales

The Federal Asset Sales Initiative has created a one-stop online marketplace for Federal agencies to sell underutilized, non-utilized, seized, and forfeited Federal assets. Federal Asset Sales enables the general public to search for personal and real property for sale across the Federal Government, through a single online marketplace, regardless of whether the item is available online or through an offline, live auction. Personal property assets include: business equipment, vehicles (fleet), furniture, general inventory, and other miscellaneous assets. Real property assets include: industrial, commercial, agricultural, and government-owned residential real estate. In September 2006, the initiative reached one of its major milestones – successfully launching the Federal Asset Sales portal (www.govsales.gov), which linked all participating selling agencies ("Sales Agencies") to a central website.

The benefits of Federal Asset Sales include:

- Providing Federal agencies with a standardized mechanism to sell government-owned property. Additionally it will enable agencies and bureaus with limited funds and resources, to leverage economies of scale to reach a broader customer base and receive greater exposure of their assets. An objective of the Initiative is also to reduce cycle time, in order to save agency storage and transportation expenses;

- Allowing oversight authorities the capability to identify all Federal Assets (personal and real property) disposed of by the government;

- Providing citizens with a single, user-friendly portal in which to search Federal assets. The portal reduced the number of websites and mouse "clicks" previously required to search assets for sale by the Federal community; and

- Providing multiple easy-to-use citizen access points saves the public time. The time citizens used to spend searching for the correct agency or finding information can be dedicated to activities of greater value to the citizen or business person.

Federal Asset Sales is currently funded solely by the General Services Administration. In FY2008, it is anticipated that the cost for Federal Asset Sales will be split equally amongst all participating Sales Agencies.

<u>Integrated Acquisition Environment (IAE)</u>

IAE offers an alternative to agencies building and maintaining their own specialized systems and is designed to provide the Federal acquisition community and government contractors the most efficient, competitive and transparent process possible.

In order to move towards interoperability, IAE's first phase identified the steps and data elements used in acquisition across the federal enterprise. The results strengthen the ability of all agencies to manage their procurement processes as well as implement improved, consistent procedures and controls. To reduce duplication, achieve economies of scale and leverage federal investments, IAE has also made optimal use of existing services. Consequently, agencies and vendors can make better business decisions. Ultimately, IAE will be a true Acquisition Central, a single point where federal buyers and sellers can access information and support services.

GSA is the managing partner for IAE and the system steward for the Excluded Parties List System (EPLS), Federal Business Opportunities (FedBizOps), and the Federal Procurement Data System – Next Generation (FPDS-NG). These systems allow consolidated postings of Federal procurement opportunities and recordings of Federal procurement transactions. Through these common systems, GSA is better able to track and report on purchasing activities across Federal agencies and ensure conformance with the Federal Acquisition Regulations (FAR).

The benefits of IAE include:

- Improved ability to make informed and efficient purchasing decisions;
- Replacing manual processes with automated processes;
- Eliminating the need to build and maintain separate systems to record vendor and contract information, and to post procurement opportunities; and
- Allowing agency purchasing officials to access databases which house multi-agency vendor performance data.

For FY06, GSA received estimated benefits of $13,785,476 based upon the processes, personnel, roles, steps, and actions involved. In addition, the Agency realized an estimated cost avoidance of $624,367 and estimated operational cost savings of $3,406,138.

USA Services

USA Services helps agencies offer quality services to citizens through award winning customer service offerings including USA.gov, GobiernoUSA.gov, the National Contact Center's 1 (800) FED INFO, and the Federal Citizen Information Center at Pueblo, Colorado. It accomplishes this by developing citizen-centric solutions that improve the ease with which citizens can interact with the government and acting as a citizen customer service solution provider for other federal agencies and E-Government initiatives.

The USA Services infrastructure provides direct service to citizens who have questions about the Federal government: via the web, telephone, and print. It provides two contract vehicles to agencies and other E-Gov initiatives that significantly reduce development and operating costs. The infrastructure has been a resource in times of crisis or unexpected events, most recently as a means to provide valuable information to Veterans after a data breach and to citizens after Hurricane Katrina.

Additionally, USA Services conducts market research on topics that government agencies can use to better understand how to improve the quality of services they provide to citizens and provides opportunities for knowledge sharing for Federal government employees.

The benefits of USA Services include:

- Providing an on-line capability for information sharing among federal agencies via www.usaservices.gov and www.webcontent.gov as portals for information both collected and created by USA Services and USA.gov;
- Providing assistance and software tools to federal agencies for estimating and analyzing the costs of creating and operating effective, efficient citizen contact centers and related citizen services activities (see http://www.usaservices.gov/calculator.htm);
- Providing direct services to citizens through easily accessible channels that deliver accurate, consistent and timely government information; and

USA Services programs such as FirstContact, Tier 1, Misdirects, Frequently Asked Question (FAQ) on USA.gov and 1-800 FED-INFO saved the Federal government an estimated $31,523,010 in FY 2006. The savings in expected to be increased by at least 5% in FY07 and again in FY08.

Infrastructure Optimization Initiative Line of Business (IOILoB)

The IT Infrastructure Line of Business (IOILoB) will identify the opportunities for IT infrastructure consolidation and optimization, and develop government-wide common solutions. This LoB will define specific common performance measures for service levels and costs, identify best practices, and develop guidance for transition plans within agencies and/or across agencies.

Consolidation and optimization of IT infrastructure represents a significant opportunity to realize future cost savings by taking a more coordinated approach to spending on commodity IT infrastructure. IT infrastructure consolidation and optimization case studies also demonstrate agencies could improve IT service levels and, when relieved of the burden of managing these non-core functions, can concentrate more on mission priorities and results.

Benefits of the IOILoB include:

- Refining opportunities for IT infrastructure consolidation and optimization and developing government-wide common solutions.
- Increasing cost efficiencies for commodity IT infrastructure and improvements in IT infrastructure service levels.
- Providing research and policy direction to define common performance measures for service levels and costs, identifying best practices and developing guidance for transition plans within agencies.
- Maximizing the buying power of the Federal government by aggregating purchases.

The Federal Government's commodity IT infrastructure costs approximately $22 billion per year (approximately 1/3 of the Federal IT budget). Based on industry benchmarks and analysis of department/agencies' FY 2007 IT budget requests for Office Automation, IT Infrastructure, and Telecommunications (OAIT) submissions. It is estimated that the Federal Government could save between 16% and 27% annually on its aggregate IT infrastructure budget (between $18 billion and $29 billion over ten years, based on a 5-year technology refresh cycle).

Consolidation and optimization of IT infrastructure represents a significant opportunity to realize future cost savings by taking a more coordinated approach to spending on commodity IT infrastructure, while maintaining or improving service levels across the Federal enterprise, allowing departments/agencies to restore focus on the execution of their respective missions.

Financial Management Line of Business (FMLoB)

The FMLoB is a long term project to improve the cost, quality, and performance of financial management systems by leveraging shared services solutions and implementing other Government-wide reforms that foster efficiencies in Federal financial operations. The FMLOB concept is built on the premise that all agencies will use common systems and standard financial business processes, and that system and process solutions will focus on not just standardizing business processes, but in making them more efficient and effective. An emphasis is being placed on business process *improvements* as opposed to pure technology improvements.

The General Services Administration's Federal Integrated Solutions Center (FSIC) is one of four current Federal Shared Service Providers. It hosts financial systems and business operations for over 43 external executive branch agencies, boards, and commissions, and one legislative branch agency.

Benefits of the FMLoB include:

- Leveraging IT and financial processing expertise to provide services to multiple agencies, boards, and commissions;
- Creating economies of scale to gain leverage with the financial management software vendor community;
- Achieving cost savings and cost avoidance through the standardization of business processes; and
- Ensuring that consistent and reliable financial data can be shared across agency business systems.

As the FMLoB increases standardization in the financial community, there will be more effective utilization in financial operations across the Federal Government. GSA will be able to improve its financial management decision making and program performance. Better decisions will lower risk, cost, and improve stewardship and accounting across the Federal Government.

Further information on these initiatives can be found at the following website which contains updated Exhibit 300's (Capital Asset Plans and Business Case Summaries): http://www.gsa.gov/exhibit300

GSA as a Participating Partner:

GSA is a participating partner in the following E-Gov initiatives:

- Budget Formulation and Execution Line of Business (BFE LoB)
- Business Gateway Initiative
- E-Rulemaking
- Geospatial Line of Business (LOB)

Budget Formulation and Execution (BFE LoB)

This initiative benefits GSA because the BFE LoB plans to make at least one Government Off The Shelf (GOTS) budget formulation system available for purchase or use via a fee-for-service arrangement. GSA will be able to utilize the procurement guide that the BFE LoB plans to develop for use when an agency is starting a procurement for a budget system. This guide will include a listing of agencies and their current budgeting systems, information on various budgeting systems that are currently available in the market place (both GOTS and COTS), and a decisional matrix that agencies can use in assessing budgeting systems. Additionally, agencies will have the ability to share lessons learned for budget formulation, execution, planning, performance measurement, and financial management information and activities across the government. In fiscal year 2007, the BFE LoB will provide all agencies with more information about collaboration tools and technologies that can ease communications in the Federal budget environment.

Business Gateway Initiative

By creating a single portal for business information, such as regulatory compliance information, Business Gateway directly benefits GSA's "customers" (e.g., office supply companies, government contractors, etc.), all of whom are subject to complex regulatory requirements across multiple agencies.

GSA's constituents could potentially receive significant benefits from Business Gateway including time and cost savings, assistance in compliance with Small Business Paperwork Reduction Act (SBPRA), and reduction in burden hours. Through increased outreach, more constituents will be able to realize these benefits.

GSA, the agency, will receive:

- Contact center savings: Savings are expected by the reduction of misdirected calls handled by GSA due to the use of Business.gov and Forms.gov.

- Maintenance savings: Business.gov's search technology will provide GSA with valuable user statistics and feedback, enabling it to simplify content management on its business compliance site.

- Increased forms management: By making 133 forms (to date) available on Forms.gov, GSA saves agency time in forms management, and is expected to produce significant savings in paper and postage.

- Increased exposure: Business.gov now houses 650 compliance GSA links (to date) providing cross-agency effectiveness to American businesses.

- Reduced burden on field offices: By directing compliance-related inquiries to Business.gov, agencies with field offices will save training and staff-time dollars.

- Data harmonization: Every Federal agency should have or participate in at least one "vertical" opportunity; in the case of GSA, for example, opportunities to harmonize forms and data collection processes exist with the intelligence community in the area of cyberspace security, and with DoT, DoE, and other agencies for other critical infrastructure protection. DoI and DoL together saved $341,000 in the first three years of their “vertical,” and are expected to save $570,000 over 5 years.

Furthermore, GSA has been a key partner to Business Gateway by assisting in the management of Forms.gov and the Forms Catalog. Business Gateway's online forms are instrumental in reducing burden and helping businesses find and submit forms. The Forms Catalog also helps GSA coordinate and manage government forms internally across the government. The Forms Catalog currently receives 47,250 unique visitors per month, contains information on 5,387 unique forms, and engages 52 agencies to actively populate the Forms Catalog.

E-Rulemaking

From January 2006 through September 2006, GSA published a total of 119 Federal Register documents. GSA also published a total of 74 Federal Register rule and notices during the same time period through executing their commitments associated with Federal Acquisition Regulations. These rules and notices need to be clearly understood by all parties that are affected by them, including Federal workers and parties currently or those considering providing contracted services to the U.S. Government. Because the rules and notices affect U.S. interest across the globe, the single access point the Federal Docket Management System (FDMS) is providing any interested party access to those announcements and their supporting materials at any time. In addition, personnel providing the highly specialized services Federal employees and their contracted counter parts provide to the U.S. Government can take advantage of the notification functionality FDMS has to simplify the process of being informed of the most current actions affecting them.

GSA will benefit in savings through their participation and reliance on FDMS and Regulations.gov. Direct budget cost savings and cost avoidance will be the results of GSA’s transition to FDMS Regulations.gov, while discontinuing agency specific efforts to develop, deploy and operate agency individual online docket and public comment systems.

Geospatial Line of Business (LoB)

The GSA is expecting to benefit from the Geospatial LoB’s coordinated approach to producing, maintaining, and using geospatial data within the Federal government. This approach will allow GSA to review and potentially leverage existing geospatial data created by the Managing Partner Agency (DoI) and LoB partner agencies, rather than initiating potentially redundant business-driven geospatial analysis within the agency. GSA’s participation and collaboration with the Geospatial

LoB closely supports the agency's mission of helping "federal agencies better serve the public by offering, at best value, superior workplaces, expert solutions, acquisition services, and management policies." While the LoB was just initiated in fiscal year 2006, the collaborative approach of the managing partner is likely to facilitate additional benefits in the coming years as the LoB establishes itself within the Federal community.

Human Resources Line of Business (HR LoB)

GSA benefits through its use of best-in-class HR services and systems provided by one of the approved service providers. Through its adoption of an approved service provider, the agency can achieve the benefits of "best-in-class" HR solutions without the costs of developing and maintaining their own HR systems. Employees across the agency benefit from improved HR services. GSA's involvement in the HR LoB allows them to help shape the government wide solution as well as best practices and lessons learned as developed by task force and other agencies.

The following tables display planned GSA expenditures for fiscal year 2007 and fiscal year 2008 for these initiatives.

General Services Administration
E-Gov Initiatives (Managing Partner)
Congressional Justification Tables
FY 2007 & FY 2008 Funding Requirements

FY 2007 GSA Managing Partner E-Gov Initiatives

Source of Funding / Account Code	E-Authentication 1/	E-Travel	Federal Asset Sales	Integrated Acquisition Environment	USA Services	Infrastructure Optimization Initiative (IOI)	Financial Management LoB
Working Capital Fund / 023-30-4540-0	$ -			$ 2,333,000		$ 20,000	$ 83,000
Governmentwide Policy Account / 023-30-0401-0				$ 1,572,000			
FCIC-Appropriated/Reimbursable / 023-30-4549-0					$ 7,861,000		
Acquisition Services Fund (ASF-(GSF)) Supply and Technology Activities / 023-10-4530-0		$ 6,594,000	$ 1,199,000				
Federal Buildings Fund (FBF) Real Property Activities / 023-05-4542-0			$ 633,000				
TOTAL GSA Funding Requirements	$ -	$ 6,594,000	$ 1,832,000	$ 3,905,000	$ 7,861,000	$ 20,000	$ 83,000
				TOTAL GSA AS MANAGING PARTNER:			**$ 20,295,000**

1/ No additional funding requested for FY 2007, carryover balance of approx. $9,391,000 will be used.

FY 2008 GSA Managing Partner E-Gov Initiatives

Source of Funding / Account Code	E-Authentication	E-Travel	Federal Asset Sales	Integrated Acquisition Environment	USA Services	Infrastructure Optimization Initiative (IOI)	Financial Management LoB
Working Capital Fund / 023-30-4540-0	$ 65,000			$ 1,992,000		$ 20,000	$ 44,000
Policy & Operations Account / 023-30-0401-0				$ 1,557,000			
FCIC-Appropriated/Reimbursable / 023-30-4549-0					$ 8,165,000		
Acquisition Services Fund (ASF-(GSF)) Supply and Technology Activities / 023-10-4530-0		$ 3,240,000	$ 176,000			$ 4,000,000	
Federal Buildings Fund (FBF) Real Property Activities / 023-05-4542-0			$ 176,000				
TOTAL GSA Funding Requirements	$ 65,000	$ 3,240,000	$ 352,000	$ 3,549,000	$ 8,165,000	$ 4,020,000	$ 44,000
				TOTAL GSA AS MANAGING PARTNER:			**$ 19,435,000**

General Services Administration
E-Gov Initiatives (Participating Agency)
Congressional Justification Tables
FY 2007 & FY 2008 Funding Requirements

FY 2007 GSA Participating Agency E-Gov Initiatives

Source of Funding / Account Code	E-Rulemaking	E-Training	Recruitment One-Stop	Security LoB	Human Resources Management LoB	Business Gateway	Enterprise Human Resources Integration	Geospatial LoB	Budget Formulation LoB
Working Capital Fund / 023-30-4540-0		$ 447,000	$ 65,452		$ 65,000		$ 30,000		$ 75,000
Governmentwide Policy Account / 023-30-0401-0	$ 280,000								
Federal Buildings Fund (FBF) Real Property Activities / 023-05-4542-0						$ 68,000		$ 35,000	
TOTAL GSA Funding Requirements	$ 280,000	$ 447,000	$ 65,452	$ -	$ 65,000	$ 68,000	$ 30,000	$ 35,000	$ 75,000
					TOTAL GSA AS PARTICIPATING PARTNER:				**$ 1,065,452**

FY 2008 GSA Participating Agency E-Gov Initiatives

Source of Funding / Account Code	E-Rulemaking	E-Training	Recruitment One-Stop	Security LoB	Human Resources Management LoB	Business Gateway	Enterprise Human Resources Integration	Geospatial LoB	Budget Formulation LoB
Working Capital Fund / 023-30-4540-0		$ 460,000	$ 80,000	$ 60,000	$ 65,000		$ 1,800,000		$ 85,000
Policy & Operations Account / 023-30-0401-0	$ 241,000					$ 438,000			
Federal Buildings Fund (FBF) Real Property Activities / 023-05-4542-0								$ 36,000	
TOTAL GSA Funding Requirements	$ 241,000	$ 460,000	$ 80,000	$ 60,000	$ 65,000	$ 438,000	$ 1,800,000	$ 36,000	$ 85,000
					TOTAL GSA AS PARTICIPATING PARTNER:				**$ 3,265,000**

Public Buildings Service
FY 2008 Congressional Justification

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Federal Buildings Fund (Fund 192)

Public Buildings Service
FY 2008 Congressional Justification

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Federal Buildings Fund (Fund 192)

PBS Background and Budget Summary Information

Background

The mission of GSA's Public Buildings Service is to provide a superior workplace for the Federal worker and superior value to the American taxpayer. PBS is the landlord for the civilian Federal government, with total inventory of over 346 million square feet of workspace for over a million Federal employees in 2,000 American communities. The inventory is comprised of over 1,500 government-owned buildings -- approximately 50 percent of GSA's total inventory. The remaining 50 percent is comprised of privately owned leased facilities.

Through the internationally recognized Design and Construction Excellence programs, PBS engages the best private sector architects, construction managers, and engineers to design and build award-winning courthouses, land ports of entry, Federal office buildings, laboratories, and data processing centers. PBS also repairs, alters, and renovates existing facilities. PBS is responsible for the disposal of property not only for GSA, but for other government agencies (see Policy and Operations). PBS is a leader in energy conservation, sustainability, recycling, and historic preservation, which includes maintaining over 400 historic properties in the Federal government's inventory.

Purpose of the Fund

The Federal Buildings Fund (FBF) is an intra-governmental revolving fund that finances PBS real property management and related activities. Principal activities include the operation, maintenance, and repair of GSA-owned and leased buildings, and the construction of Federal buildings, courthouses, and land ports of entry.

Authority for the Fund

The FBF was authorized and established by the Public Buildings Amendments of 1972 (Public Law 92-313, 40 U.S.C. 592).

Financing of the Fund

The FBF is financed by income from rent charged to occupants of GSA-controlled space. The charges are required by law to approximate commercial rates for comparable space and services. In addition, Congress may appropriate monies from the general funds of the Treasury to the FBF, as it deems necessary.

Each space assignment in GSA-controlled space is documented in an agreement between PBS and the customer agency, stating the financial terms and the conditions for occupancy. Leased space is generally priced to our customer agencies as a pass-through of the underlying PBS lease contract rent, plus a PBS fee. Government-owned space is priced by an appraisal, based on comparable properties that set a market rate rent for a five-year period. Due to efficiency improvements in service delivery, PBS is reducing the fee from 8% to 7% in FY 2008. This reduction will save GSA customers approximately $44 million. Services in addition to those covered by the rental agreement are provided on a reimbursable basis.

Budget Structure

Although it is a revolving fund, the FBF is subject to annual enactment of new obligational authority (NOA), a limitation on the use of revenue, by Congress. NOA is enacted in the following five budget activities, with funds available until expended:

- Construction and Acquisition
- Repairs and Alterations
- Installment Acquisition Payments
- Rental of Space
- Building Operations

The revenues of the FBF not authorized for use by Congress in a particular year remain in the Fund until authorized for use in future appropriation acts.

FY 2008 PBS Budget Summary

The fiscal year 2008 budget requests total New Obligational Authority (NOA) of $8,090,918 thousand, which includes an appropriation to the Federal Buildings Fund of $344,450 thousand in part to support its request for a $1,419,687 thousand capital investment program.

The capital program request has two components: Repairs and Alterations ($804,483 thousand), and New Construction ($615,204 thousand). Repairs and Alterations projects include phase III of the Eisenhower Executive Office Building in Washington, D.C., the Thurgood Marshall U. S. Courthouse in New York City, NY, and the Internal Revenue Service Enterprise Computing Center in Martinsburg, WV, as well as other major modernizations and basic repairs and alterations projects. Reinvestment in the existing inventory continues to be our highest priority within the capital program. The New Construction request includes $376,636 thousand for two agency consolidations (Food and Drug Administration in Montgomery County, Maryland and a new DHS headquarters at the St. Elizabeths Campus in Washington, DC). Also included in this request is one courthouse ($46,730 thousand) and seven land ports of entry ($154,688 thousand) as well as other new construction projects.

In addition, PBS is requesting $4,383,000 thousand for Rental of Space activities which involve acquiring and administering leasehold interests in privately owned buildings where Federally owned space is not available. $2,132,450 thousand is requested for the Building Operations program, which provides services for both Federally owned and leased facilities including cleaning, utilities and fuels, maintenance, and other services as well as administration and management of all PBS real property programs. $155,781 thousand is requested for Installment Acquisition Payments which provides for payments of interest for facilities constructed under borrowing authority. This budget requests a full-time equivalent (FTE) level of 5,834.

The PBS budget is presented and organized around three major program areas: Construction, Leasing, and Asset Management. Specific budget and program performance data is contained in each of these sections of the budget. Immediately following this narrative are the following detailed schedules:

- Schedule of Resources, New Obligational Authority, and Fund Balance, and an Explanation of FY 2007 NOA levels under the current CR, P.L. 109-289, Division B, as amended
- Crosswalk of the FY 2006 New Obligational Authority
- Indefinite Authorities
- Schedule of FTE, Obligations, and Net Outlays
- Obligations by Object Class
- Summary of Total Inventory, Government-Owned and Leased Space
- Summary of Space Assigned, Total Inventory

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

SCHEDULE OF RESOURCES, NEW OBLIGATIONAL AUTHORITY, AND FUND BALANCE
FY 2006 - FY 2008
(Dollars in Thousands)

	FY 2006 Actual	FY 2007 CR Availability	FY 2008 Request
Resources:			
Available from prior year for reauthorization	521,226	55,820	391,894
Redemption of Debt	(40,340)	(43,338)	(50,804)
Reprogramming Authority	132,871	0	0
Appropriation	75,000 [3]	0	344,450
Rescission/Lapsed	0	0	0
Revenue from operations:			
Rent	7,245,882	7,470,807	7,810,454
Indefinite Authority for Rental of Space	252,342	311,225	[316,046]
Other Indefinite Authorities	32,526	[38,800]	[42,100]
Miscellaneous	2,375	5,133	5,241
Outleasing	9,511	5,755	5,870
Retention of Proceeds/Sale of Real Property	51,891	63,896	80,000
SSA/CDC/CMS Payments	13,732	14,707	14,707
Subtotal, Revenue	7,608,259	7,871,523	7,916,272
Total Resources Available	8,297,016	7,884,005	8,601,812
New Obligational Authority:			
Construction and Acquisition	819,527 [4]	212,146	615,204
Repairs and Alterations	1,148,392 [1,3,4,5]	733,030 [2]	804,483 [2]
Installment Acquisition Payments	168,180	163,999	155,781
Rental of Space	4,177,130 [1,4]	4,379,106 [1]	4,383,000 [2]
Building Operations	1,932,255 [1,3]	2,003,830 [2]	2,132,450 [2]
Total New Obligational Authority	8,245,484	7,492,111	8,090,918
Fund Balance			
Total Resources Available	8,297,016	7,884,005	8,601,812
Total New Obligational Authority	(8,245,484)	(7,492,111)	(8,090,918)
Prior Year Recoveries	4,288	0	0
Fund Balance (Available for Reauthorization)	55,820	391,894	510,894
Net Budget Authority	540,406	(336,074)	225,450

Explanation of FY 2007 NOA Levels Under the Current CR, P.L. 109-289, Division B, as Amended:
As part of the presentation of the FY 2008 President's budget, the new obligational authority (NOA) for FY 2007 reflects the House passed aggregate NOA number for the Federal Buildings Fund of $7,180,886 thousand and includes $311,225 thousand associated with indefinite authority for the Rental of Space account. The NOA was derived based on the assumption that the current continuing resolution (Public Law 109-289, Division B, as amended) would be extended for the entire year. This presentation funds the individual operating accounts (Installment Acquisition Payments, Building Operations and Rental of Space) at the level necessary to make scheduled interest payment to the Federal Financing Bank, lease payments in existing space and provide basic building services. The remaining NOA amounts are allocated to the various capital programs.

Notes:

[1] Includes indefinite authority.
[2] Excludes indefinite authority.

[3] Includes $15,000 thousand for Building Operations and $60,000 thousand for Repairs and Alterations from the Defense Appropriation and Emergency Supplemental Appropriation Acts for hurricane relief efforts.
[4] Includes approved reprogramming of $279,250 thousand to Construction and Acquisition ($27,471 thousand) and Repairs and Alterations ($251,779 thousand).
[5] Includes approved reprogramming of $6,225 thousand (Repairs and Alterations - Goodfellow Federal Center, St. Louis, MO ($4,125 thousand) and FOB 10A Garage, Washington, DC ($2,100 thousand)).

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

Crosswalk of the FY 2006 New Obligational Authority
(Dollars in Thousands)

	P.L. 109-115 dated 11/30/05	P.L. 109-148 dated 12/30/05 and P.L. 109-234 dated 06/15/06	Approved Reprogramming /1,/2	Subtotal: FY 2006 Enacted Legislation	Proposed Reprogramming	Indefinite Authority	FY 2006 Current
New Obligational Authority:							
Construction and Acquisition	792,056		27,471	819,527			819,527
Repairs and Alterations	861,376	60,000	226,643	1,148,019		373	1,148,392
Installment Acquisition Payments	168,180			168,180			168,180
Rental of Space	4,046,031		(121,243)	3,924,788		252,342	4,177,130
Building Operations	1,885,102	15,000		1,900,102		32,153	1,932,255
Total New Obligational Authority	7,752,745	75,000	132,871	7,960,616	0	284,868	8,245,484

Notes:

1/ Approved reprogramming of $6,225 thousand for Repairs and Alterations (Goodfellow Federal Center, St. Louis, MO ($4,125 thousand) and FOB 10A Garage, Washington, DC ($2,100)). $2,000 thousand of pnor year funding reprogrammed from R&A project (Steam Distribution System, Washington, DC). The balance ($4,225 thousand) is from current year funding, which requires no increase in total new obligational authority.

2/ Approved reprogramming of $279,250 thousand to Repairs and Alterations ($251,779 thousand) and Construction and Acquisition ($27,471 thousand). $130,871 thousand is from carryover increasing total new obligational authority, and the balance ($148,379) is from current year funding, which requires no increase in total new obligational authority.

General Services Administration
PUBLIC BUILDINGS SERVICE
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FY 2008 BUDGET
INDEFINITE AUTHORITIES
(Dollars in Thousands)

	FY 2006 ACTUAL	FY 2007 CR AVAILABILITY	FY 2008 REQUEST
RESOURCES			
Repairs and Alterations (Line-Item)			
Recycling	($342)	[$400]	[$400]
Historical Outleasing	$606	[$3,500]	[$3,500]
Energy Rebates	$110	[$400]	[$400]
Total Repairs and Alterations	$374	[$4,300]	[$4,300]
Building Operations			
International Trade Center	$23,516	[$24,400]	[$27,000]
Cooperative Use Act - Outleasing	$6,753	[$7,000]	[$7,700]
National Antenna Program	$1,349	[$2,200]	[$2,200]
Teleworking	$534	[$900]	[$900]
Total Building Operations	$32,152	[$34,500]	[$37,800]
Rental of Space			
Leased Expansion Space	$252,342	$311,225	[$316,046]

Bracketed numbers are projections not included in budget totals.

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

SCHEDULE OF FTE, OBLIGATIONS, AND NET OUTLAYS
(Dollars in Thousands)

	FY 2006 Actual		FY 2007 CR Availability		FY 2008 Request		Increase/(Decrease) For FY 2008 Change	
	FTE	Obligations	FTE	Obligations	FTE	Obligations	FTE	Obligations
FTE and Obligations:								
1. Construction and Acquisition		638,830		1,059,849		684,933	-	(374,916)
2. Repairs and Alterations	-	1,265,634	-	939,688	-	1,014,154	-	74,466
3. Design and Construction Services	-	0	-	565	-	0	-	(565)
4. Installment Acquisition Payments	-	161,495	-	182,037	-	155,781	-	(26,256)
5. Construction of Lease Purchase Facilities	-	18,492	-	22,691	-	2,500	-	(20,191)
6. Pennsylvania Avenue Activities								
a) Repairs and Alterations		0		1,700		8,381	-	6,681
b) Building Operations		1,279		1,350		1,400	-	50
7. Rental of Space		4,128,216		4,461,883		4,383,000	-	(78,883)
8. Building Operations								
a) Cleaning	45	250,565	69	279,040	69	287,199	-	8,159
b) Utilities/Fuel	-	334,056	-	403,104	-	448,102	-	44,998
c) Maintenance	187	257,121	305	290,571	305	304,328	-	13,757
d) Other Building Services	989	220,840	1,122	255,375	1,122	249,964	-	(5,411)
e) Space Acquisition	1,624	209,932	1,363	200,005	1,363	185,271	-	(14,734)
f) Staff Support	2,641	380,058	2,648	366,530	2,656	355,306	8	(11,224)
g) CIO	144	150,790	202	156,166	202	156,166	-	0
h) Centralized Services	-	129,664	-	143,162	-	146,114	-	2,952
i) International Trade Center	-	20,518	-	4,950	-	0	-	(4,950)
Subtotal, Building Operations	5,630	1,953,544	5,709	2,098,903	5,717	2,132,450	8	33,547
9. Reimbursable	195	916,597	117	989,469	117	1,019,911	-	30,442
Total FTE/Obligations	5,825	9,084,087	5,826	9,758,135	5,834	9,402,510	8	-355,625
Net Outlays:		(79,298)		299,882		609,159		309,277

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

REAL PROPERTY ACTIVITIES
LIMITATIONS ON AVAILABILITY OF REVENUE

For an additional amount to be deposited in the Federal Buildings Fund, $344,450,000. Amounts in the Fund, including revenues and collections deposited into the Fund, shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, and any other obligations for public buildings acquired by installment purchase and purchase contract; in the aggregate amount of $8,090,918,000, of which: (1) $615,204,000 shall remain available until expended for construction (including funds for sites and expenses and associated design and construction services) of additional projects at the following locations:

New Construction:
Arizona:
San Luis, Land Port of Entry I, $7,053,000.
California:
San Ysidro, Land Port of Entry, $37,742,000.
District of Columbia:
DHS Consolidation and development of St. Elizabeths campus, $318,887,000.
St. Elizabeths West Campus Infrastructure, $20,752,000.
St. Elizabeths West Campus Site Acquisition, $7,000,000.
Maine:
Madawaska, Land Port of Entry, $17,160,000.
Maryland:
Montgomery County, Food and Drug Administration Consolidation, $57,749,000.
Minnesota:
Warroad, Land Port of Entry, $43,628,000.

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PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

REAL PROPERTY ACTIVITIES
LIMITATIONS ON AVAILABILITY OF REVENUE

New York:
    Alexandria Bay, Land Port of Entry, $11,676,000.
    Buffalo, United States Courthouse, $46,730,000.
Texas:
    El Paso, Tornillo-Guadalupe Land Port of Entry, $4,290,000.
Vermont:
    Derby Line, Land Port of Entry, $33,139,000.
Non-prospectus Construction, $9,398,000:

Provided, That all funds for direct construction projects shall expire on September 30, 2009 and remain in the Federal Buildings Fund except for funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date; (2) $804,483,000 shall remain available until expended for repairs and alterations, which includes associated design and construction services:

Repairs and Alterations:
District of Columbia:
    Eisenhower Executive Office Building, Phase III, $172,279,000.
    Joint Operations Center, $12,800,000.
    Nebraska Avenue Complex, $27,673,000.
Nevada:
    Reno, C. Clifton Young Federal Building and Courthouse, $12,793,000.
New York:
    New York, Thurgood Marshall United States Courthouse, $170,544,000.
West Virginia:
    Martinsburg, Internal Revenue Service Enterprise Computing Center, $35,822,000.
Special Emphasis Programs:
    Energy Program, $15,000,000
Design Program, $7,372,000.
Basic Repairs and Alterations, $350,200,000:

REAL PROPERTY ACTIVITIES
LIMITATIONS ON AVAILABILITY OF REVENUE

Provided further, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance notice is transmitted to the Committees on Appropriations: Provided further, That the amounts provided in this or any prior Act for "Repairs and Alterations" may be used to fund costs associated with implementing security improvements to buildings necessary to meet the minimum standards for security in accordance with current law and in compliance with the reprogramming guidelines of the appropriate Committees of the House and Senate: Provided further, That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading "Repairs and Alterations", may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: Provided further, That all funds for repairs and alterations prospectus projects shall expire on September 30, 2009 and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: Provided further, That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading "Repairs and Alterations" or used to fund authorized increases in prospectus projects; (3) $155,781,000 for installment acquisition payments including payments on purchase contracts which shall remain available until expended; (4) $4,383,000,000 for rental of space which shall remain available until expended; and (5) $2,132,450,000 for building operations which shall remain available until expended, of which up to $500,000 may be used as the Federal competitive contributions to entities which coordinate long-term siting of federal building and employment in the National Capital Region with State and local governments, the commercial sector and other major stakeholders in the region: Provided further, That funds made available in this or any previous Act in the Federal Buildings Fund for New Construction and Repairs and Alterations shall be limited to the amount identified for each line item, except, to the extent that savings are available in any Federal Buildings Fund activities, each line item may be increased by an amount not to exceed 10 percent unless advance notice is transmitted to the Committees on Appropriations of a greater amount: Provided further, That funds available to the General Services Administration shall not be available for expenses of any construction, repair, alteration and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses for the development of a proposed prospectus: Provided further, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance notice is transmitted to the Committees on Appropriations: Provided further, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 592(b)(2)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, shall be available from such revenues and collections: Provided further, That revenues and collections and any other sums accruing to this Fund during fiscal year 2008, excluding reimbursements under section 210(f)(6) of

REAL PROPERTY ACTIVITIES
LIMITATIONS ON AVAILABILITY OF REVENUE

the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 592(b)(2)) in excess of the aggregate new obligational authority authorized for Real Property Activities of the Federal Buildings Fund in this Act shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

REAL PROPERTY ACTIVITIES
LIMITATIONS ON AVAILABILITY OF REVENUE

Highlights of the Appropriation Language for fiscal year 2008.

For fiscal year 2008, the proposed language for the Federal Buildings Fund includes the following:

1. PBS is requesting a direct appropriation of $344,450,000

2. PBS's escalation authority will allow a 10 percent escalation for line-item New Construction and Repairs and Alterations projects from savings in any Federal Buildings Fund activities.

3. There are three instances in the appropriation language where the phrase "advance notice is transmitted to" the Committees has been used instead of the phrase "advance approval is obtained from" the Committees. The three instances include language providing authority to escalate Construction and Repairs and Alterations projects by an amount of 10 percent, authority to create additional repairs and alterations line-items within funds available, and authority to proceed with emergency repairs. With this change, the Committees will still retain control over projects while permitting GSA to conduct its capital program in a more timely and responsive manner.

General Services Administration

PUBLIC BUILDINGS SERVICE

FEDERAL BUILDINGS FUND

OBLIGATIONS BY OBJECT CLASS
(Dollars in Thousands)

		FY 2006 Actual	FY 2007 CR Availability	FY 2008 Request
	Personnel Compensation:			
11.1	Full-time permanent	442,353	452,597	465,645
11.3	Other than full-time permanent	(5)	(5)	(5)
11.5	Other personnel compensation	20,342	20,815	21,482
11.8	Special personnel service payments	206	211	211
11.9	Total personnel compensation	462,896	473,618	487,333
12.1	Civilian personnel benefits	119,096	121,451	125,687
13.0	Benefits for former personnel	1,370	1,399	1,399
21.0	Travel and transportation of persons	20,389	20,814	21,252
21.0	Motor pool travel	0	0	0
22.0	Transportation of things	2,117	2,155	2,203
23.1	Rental payments to GSA	0	0	0
23.2	Rental payments to others	4,131,551	4,463,040	4,384,181
23.3	Communications, utilities, and misc. charges	426,077	451,855	529,646
24.0	Printing and reproduction	2,312	2,314	2,340
25.1	Advisory and assistance services	437,068	515,365	430,881
25.2	Other services	2,135,684	835,593	847,412
25.3	Purchases of goods and services from government accounts	168,298	196,267	211,481
25.4	Operation and maintenance of facilities	839,503	349,447	356,785
25.6	Medical care	47	48	49
25.7	Operation and maintenance of equipment	3,774	3,850	3,931
25.8	Subsistence and suppport of persons	1	1	1
26.0	Supplies and materials	43,860	44,395	45,468
31.0	Equipment	79,036	80,728	82,391
32.0	Land and structures	28,074	2,011,971	1,709,643
33.0	Investments and loans	0	0	0
41.0	Grants, subsidies, and contributions	1,243	1,323	1,822
42.0	Insurance claims and indemnities	1,534	1,566	1,598
43.0	Interest and dividends	180,157	180,935	157,007
99.9	Total Obligations	9,084,087	9,758,135	9,402,510

Note: Due to a policy change effective 10/1/06, obligations for Construction and Repairs & Alterations that were previously classified under Object Class 25.2 are classified under Object Class 32.0 for FY 2007 and FY 2008

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

SUMMARY OF TOTAL INVENTORY, GOVERNMENT-OWNED AND LEASED SPACE
FY 2006 - FY 2008
(Rentable Square Feet in Thousands)

TYPE OF SPACE	FY 2006 ACTUAL	CHANGE FROM FY 2005	FY 2007 CR AVAILABILITY	CHANGE FROM FY 2006	FY 2008 REQUEST	CHANGE FROM FY 2007
Government Owned Space						
Assigned	161,651	(1,766)	158,410	(3,241)	157,435	(975)
Vacant	12,839	837	11,923	(916)	11,850	(73)
Total	**174,490**	**(929)**	**170,333**	**(4,157)**	**169,285**	**(1,048)**
GSA Leased Space						
Assigned	169,143	4,366	175,078	5,935	181,075	5,997
Vacant	2,902	598	2,666	(236)	2,757	91
Total	**172,045**	**4,964**	**177,744**	**5,699**	**183,832**	**6,088**
Government Owned and Leased						
Assigned	330,794	2,600	333,488	2,694	338,510	5,022
Vacant	15,741	1,435	14,589	(1,152)	14,607	18
Total Space in Inventory	**346,535**	**4,035**	**348,077**	**1,542**	**353,117**	**5,040**
% of Total Space Vacant	4.54%		4.19%		4.14%	
% of Govt-Owned Space Vacant	7.36%		7.00%		7.00%	
% of Leased Space Vacant	1.69%		1.50%		1.50%	

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

SUMMARY OF SPACE ASSIGNED, TOTAL INVENTORY
GOVERNMENT-OWNED AND LEASED SPACE
(Rentable Square Feet in Thousands)
FY 2006 - FY 2008

AGENCY	FY 2006 ACTUAL	FY 2007 CR AVAILABILITY	FY 2008 REQUEST	CHANGE FROM FY 2007
JUSTICE DEPARTMENT	42,156	44,583	45,068	485
U.S. COURTS	40,351	40,880	40,996	116
DEPARTMENT OF HOMELAND SECURITY	31,452	37,630	38,738	1,108
TREASURY DEPARTMENT	30,961	31,243	31,223	(20)
SOCIAL SECURITY ADMINISTRATION	28,037	28,852	29,198	346
DEPARTMENT OF DEFENSE	28,395	15,900	15,545	(355)
HEALTH AND HUMAN SERVICES	14,309	14,403	14,487	84
INTERIOR DEPARTMENT	14,038	13,500	13,886	386
ALL OTHERS	101,095	106,497	109,369	2,872
Total Space Assigned	**330,794**	**333,488**	**338,510**	**5,022**

Construction

- *Overview*

The Public Buildings Service (PBS) surveys the housing needs of its client agencies and the availability of Federal housing in communities nationwide. New construction is the recommended option to meet new or unique space needs, replace antiquated facilities, or consolidate agencies with long-term requirements when ownership is the low-cost solution. GSA contracts with architectural/engineering firms to design projects and general contractors to construct Federal buildings. PBS benchmarks construction project budgets against other similar projects and external data sources. PBS is committed to construct and maintain a modern portfolio of assets that meet the needs of Federal agencies while advancing GSA's commitment to fiscal responsibility, environmental stewardship, and the goals of our customers.

NEW CONSTRUCTION SUMMARY
($ in 000's)

FY 2006	FY 2007	FY 2008
$819,527	$212,146	$615,204

PROGRAM REQUIREMENTS
(in thousands)

- $376,636 for two agency consolidation projects
- $154,688 for seven land ports of entry
- $46,730 for one Courthouse
- $27,752 for general infrastructure and development
- $9,398 for non-prospectus construction projects

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

CONSTRUCTION AND ACQUISITION OF FACILITIES
SUMMARY OF FY 2008 PROGRAM
(Dollars in Thousands)
IN PRIORITY ORDER

	FUNDED TO DATE	FY 2007 CR AVAILABILITY	ESTIMATED TOTAL PROJECT COST					FY 2008 REQUEST				
			SITE	DESIGN	CONSTRUCTION	M&I	TOTAL	SITE	DESIGN	CONSTRUCTION	M&I	TOTAL
New Construction:												
Montgomery County, MD, Food and Drug Administration Consolidation	446,739	178,526	1,200	61,916	927,997	39,154	1,030,267	-	22,655	34,594	500	57,749
Washington, DC, DHS Consolidation and development of St. Elizabeths campus	24,900	306,139	-	60,333	885,015	42,839	988,187	-	35,433	269,475	13,979	318,887
Washington, DC, St. Elizabeths West Campus Infrastructure	13,095	6,444	-	10,645	35,348	1,876	47,869	-	3,000	17,069	683	20,752
Washington, DC, St. Elizabeths West Campus Site Acquisition (Ingress/Egress)	-	-	7,000	-	-	-	7,000	7,000	-	-	-	7,000
San Ysidro, CA, Land Port of Entry	34,211	-	34,300	31,204	423,496	27,044	516,044	8,670	14,822	13,315	935	37,742
Derby Line, VT, Land Port of Entry	10,390	-	3,800	3,350	32,639	3,740	43,529	2,547	333	26,519	3,740	33,139
Warroad, MN, Land Port of Entry	1,837	-	613	3,845	37,084	3,923	45,465	313	2,308	37,084	3,923	43,628
El Paso, TX, Tornillo-Guadalupe Land Port of Entry	-	-	-	4,290	39,050	4,790	48,130	-	4,290	-	-	4,290
San Luis, AZ, Land Port of Entry I	-	-	400	6,653	67,610	5,307	79,970	400	6,653	-	-	7,053
Alexandria Bay, NY, Land Port of Entry	8,884	-	2,965	17,595	136,396	17,050	174,006	2,765	8,911	-	-	11,676
Madawaska, ME, Land Port of Entry	1,760	-	14,406	4,514	36,411	4,186	59,517	13,906	3,254	-	-	17,160
Non-prospectus Program	-	-	-	-	9,398	-	9,398	-	-	9,398	-	9,398
Subtotal, Executive Agencies	541,816	491,109	64,684	204,345	2,630,444	149,909	3,049,382	35,601	101,659	407,454	23,760	568,474
Subtotal, Federal Judiciary	14,079	-	11,420	7,062	119,696	6,088	144,266	-	-	40,642	6,088	46,730
Total Construction and Acquisition of Facilities Program	555,895	491,109	76,104	211,407	2,750,140	155,997	3,193,648	35,601	101,659	448,096	29,848	615,204

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

CONSTRUCTION AND ACQUISITION OF FACILITIES
SUMMARY OF FY 2008 PROGRAM
(Dollars in Thousands)
IN PRIORITY ORDER

			ESTIMATED TOTAL PROJECT COST					FY 2008 REQUEST				
	FUNDED TO DATE	FY 2007 CR AVAILABILITY	SITE	DESIGN	CONSTRUCTION	M&I	TOTAL	SITE	DESIGN	CONSTRUCTION	M&I	TOTAL
Federal Judiciary:												
Buffalo, NY, United States Courthouse	14,079	-	11,420	7,062	119,696	6,088	144,266	-	-	40,642	6,088	46,730
Subtotal, Federal Judiciary	**14,079**	**-**	**11,420**	**7,062**	**119,696**	**6,088**	**144,266**	**-**	**-**	**40,642**	**6,088**	**46,730**

Construction and Acquisition of Facilities
FY 2008 Project Descriptions

ARIZONA

San Luis – Land Port of Entry I..$7,053,000

The General Services Administration (GSA) proposes the modernization and expansion of the existing San Luis, AZ Land Port of Entry (LPOE) to improve the functionality, operational capacity, and security of the facility, which is referred to as San Luis I.

The existing San Luis LPOE is inadequate to meet tenant operational requirements. It cannot accommodate required new technologies such as baggage screening devices, vehicle radiation detectors and license plate readers, and lacks proper levels of security and access control. The existing facilities do not provide adequate administrative space for the agencies, and the current space layouts are inefficient. Parking areas are both too small and unsafe as their capacity is far exceeded by the number of vehicles, resulting in vehicles competing for parking spots. Vehicles that are unable to park are left to disrupt traffic flow, overcrowd the site, and cause conflicts from standing and continual circulation.

Also, inadequate separation between commercial and non-commercial traffic and pedestrians cause conflicts that pose serious safety and security problems for tenants. Insufficient processing capacity cause traffic bottlenecks as large trucks must queue up while waiting for United States and Mexican processing, and appropriate facilities to implement the US-VISIT program that mandates that both northbound and southbound traffic be subject to inspection are lacking.

This proposed project includes the construction of the following components: eleven primary inspection booths, three inspection lanes with a canopy, three secondary inspection stalls, a headhouse, a secondary vehicle inspection area, expansion of the existing main operations building, roadway modifications, a primary vehicle inspection canopy, expansion of parking from 113 to 207 spaces, a new secondary vehicle inspection garage with a headhouse, an impound area, and commercial inspection facilities.

This project is part of a two-project scheme to address inspection needs in San Luis: 1) renovation of the existing LPOE, and 2) construction of a new commercial LPOE, referred to as San Luis II, five miles east of the existing station. San Luis II will be constructed first to relieve traffic congestion at the existing LPOE. Construction of this proposed San Luis I project will commence upon completion of the San Luis II facility and will serve only non-commercial pedestrian and vehicle traffic.

Upon completion, the proposed project will provide an enhanced security environment, modern office automation services, and efficient work space functionality.

This request is for site acquisition ($400 thousand) and design ($6,653 thousand). The balance of project funding, construction ($67,610 thousand) and management and inspection ($5,307 thousand) will be requested in a future fiscal year. The estimated total project cost is $79,970 thousand.

CALIFORNIA

San Ysidro – Land Port of Entry..$37,742,000

The General Services Administration (GSA) requests funding for additional site acquisition and design for the reconfiguration and expansion of the existing Land Port of Entry (LPOE) facility in San Diego, CA. Also included in this request is the construction of a 300 space parking garage.

Construction and Acquisition of Facilities
FY 2008 Project Descriptions

CALIFORNIA – continued

This request amends the FY 2004 site acquisition and design request to reflect updated agency requirements and real estate and construction market influences subsequent to the approval of the FY 2004 proposal. Changes from the original proposal include an increase of 38,537 square feet in building area, from 311,000 to 349,537 square feet; an increase of ten inspection booths, from 50 to 60 booths; and an increase in the budget of $347,274 thousand, from $168,770 thousand to $516,044 thousand. Cost changes do not proportionately reflect the scope changes because most of the cost is for site acquisition and development, which are the areas most impacted by the real estate and construction markets, which had strong surges in property values and construction materials costs.

The San Ysidro Land Port of Entry is a US-Mexico border visitor inspection facility constructed in 1973 to house the Federal inspection agencies. It is the busiest land border crossing in the world in legitimate passenger volume, narcotics seizure activity, criminal arrests and undocumented alien apprehensions. It processes approximately 50,000 northbound vehicles and 22,000 northbound pedestrians daily.

This project proposes the reconfiguration and expansion of the existing San Ysidro Land Port of Entry in two phases. Phase I work involves demolition of the port of entry, including the primary and secondary inspection areas, headhouses and agency office spaces. Phase I includes the widening of the northbound lanes, installation of up to 60 northbound primary inspection booths in lieu of 24 existing booths, construction of a new headhouse including a secondary inspection area with overhead canopies and new administrative office space for the inspection agencies. A new employee parking garage and a pedestrian bridge will also be built during Phase I.

Phase II involves the construction of a new southbound inspection facility. It will be a smaller version of the northbound facility, complete with primary and secondary inspection facilities and agency office space.

The current facility, constructed in 1973, no longer effectively supports the Customs and Border Protection (CBP) facilitation and enforcement missions. It is unsafe, undersized, outdated, unhealthy and unsightly. It neither adequately supports CBP's unified organization or other key programs, i.e., the USVISIT program. Public safety is compromised due to the lack of circulation separation between suspected offenders and other visitors, while Federal employee safety is compromised due to their offices being located directly above public traffic lanes. The facility is inadequate to timely process visitors as is, and will be even more so as its passenger and pedestrian volumes are projected to grow significantly during the coming years. Currently, northbound vehicle wait times are routinely 45 minutes and can reach up to two hours during peak traffic periods.

With its huge traffic volume and high seizure, arrest and apprehension rates, San Ysidro represents the best opportunity at a LPOE to reduce threats to the nation while facilitating legitimate travel. Among LPOE projects nationwide, this station is CBP's highest priority.

Since approval of FY 2004 site and design funding, the Department of Homeland Security's evolving border security needs, local real estate value and construction material price escalations have resulted in substantial upward changes in the scope and budget. The CBP inspection staff increased from a maximum of 50 to 60 personnel, causing a proportionate expansion of related support facilities; rising site acquisition costs led to the substitution of an employee parking garage for surface parking; and large increases in construction material costs, especially for steel, resulted in comparable increases in overall construction costs including management and inspection costs.

CALIFORNIA – continued

Site acquisition ($25,630 thousand) and design ($8,581 thousand) were funded in fiscal year 2004. This request is for additional site acquisition ($8,670 thousand) and additional design ($14,822 thousand) for the entire facility and construction ($13,315 thousand) and management and inspection ($935 thousand) for only the 300 space parking garage. The balance of project funding, design of phase II ($7,801 thousand), construction of phase I ($276,690 thousand) and phase II ($133,491 thousand), and management and inspection of phase I ($15,291 thousand) and phase II ($10,818 thousand) will be requested in future fiscal years. The estimated total project is $516,044 thousand.

DISTRICT OF COLUMBIA

DHS Consolidation & development of St. Elizabeths campus..$318,887,000

The General Services Administration (GSA) proposes the redevelopment of the West Campus of St. Elizabeths Hospital, a 176–acre site including 61 existing buildings with approximately 1.1 million gross square feet (gsf) of space. This request is for the construction of a new headquarters for the United States Coast Guard (USCG) and design of a new facility for headquarters elements of the Department of Homeland Security (DHS) at St. Elizabeths West Campus.

GSA proposes to construct the new headquarters facility for the USCG in two phases (Phase I-a and Phase I-b). Phase I-a will construct office space and structured parking to consolidate the USCG headquarters and Phase I-b will construct a USCG command center and shared use space to support the USCG and elements of DHS that will occupy the campus. GSA also proposes to design a facility (Phase II) for elements of DHS.

The goal of Phase I-a and I-b is to provide 1,338 thousand gsf of housing, plus a structured parking garage containing 1,000 spaces, for the USCG consolidation on federally-owned land. The project will be delivered in two phases. Phase 1-a will provide the headquarters building with 1,135 thousand gsf of housing and some special spaces, plus 650 spaces of structured parking. Phase 1-b will provide 203 thousand gsf of office and special spaces, many of which can be adapted for shared use with elements of DHS such as the child development center, auditorium, and cafeteria, plus 350 spaces of structured parking. Both Phase I-a and Phase I-b are required to fully support USCG's operations, and therefore are scheduled to be completed together.

The goal of Phase II is to provide 1,600 thousand gsf of highly-secure housing, plus structured parking garage(s) containing 2,000 spaces, to consolidate elements of DHS on Federally-owned land. Included in the overall square footage being provided is shared-use space to be developed in several of the historic buildings already on site that have been stabilized in preparation for their re-use. Also included is special space for communications equipment.

The major driving factors for this project include the tenant's need for more space, lack of large Federal land sites remaining for development in the District of Columbia, high-level security requirements, and existing deficiencies and deferred maintenance at St. Elizabeths West Campus. The proposed project will provide a cost efficient alternative to leasing. Due to recent hiring, the USCG has outgrown its current primary headquarters location at the Transpoint Building where it has been housed for more than 25 years. Other USCG locations will also be included in this consolidation.

Elements of DHS are located in more than 6 million usable square feet of Federally-owned and leased space throughout the National Capital Region (NCR). DHS's mission requires an integrated approach, yet legacy facilities

DISTRICT OF COLUMBIA – continued

occupied by agencies merged into the Department and dispersed locations do not maximize the Department's effectiveness and efficiency. Direct benefits of St. Elizabeths West Campus are enhanced communications, coordination, operational effectiveness, and physical security. Efficiencies could also be gained in direct support, shared services, and functional integration.

Many agencies require the highest security protection levels available including deep setbacks, blast protection, and progressive collapse mitigation. The West Campus currently provides deep setbacks from neighboring properties and limited facility access, reducing the cost of other security requirements.

Design of Phase I-a ($24,900 thousand) was funded in fiscal year 2006. The FY 2007 President's Budget request was for $306,139 thousand. However the FY 2008 request is based on FY 2007 funding for Phase I-a of $153,065 thousand; construction ($140,140 thousand) and management and inspection ($12,925 thousand). This request is for the design Phase I-b ($9,433 thousand), the balance of Phase I-a construction ($196,808 thousand), Phase I-b construction ($72,667 thousand) and management and inspection ($13,979 thousand). The request also includes the design ($26,000 thousand) of Phase II. The balance of Phase II construction ($475,400 thousand) and management and inspection ($16,000 thousand) will be requested in a future fiscal year. The estimated total project cost is $988,187 thousand.

St. Elizabeths West Campus Infrastructure............................ $20,752,000

The General Services Administration (GSA) proposes to redevelop the West Campus of St. Elizabeths Hospital, a 176-acre site including 61 buildings. GSA seeks additional funding for design and infrastructure repair/replacement costs that are necessary to prepare the site for future tenancy. Infrastructure costs primarily increased due to the inclusion of demolition costs and additional upgrading of the electric systems.

The site is suited to provide federal agencies with a high security campus due to its topography, limited access, and significant setbacks from neighboring properties. The site is easily accessible from the central employment area and is the last large developable site remaining under federal control in the District of Columbia.

The primary goal of this project is to prepare the West Campus for redevelopment as a Federal facility by providing a reliable infrastructure that will serve the needs of tenants for many years into the future. A secondary goal is to relocate Federal tenants currently in leased space to Federally owned space. The existing buildings contain approximately 1.1 million gross square feet (gsf) of space and the site has the potential to develop a total of 4.5 million gsf of federally constructed and rehabilitated space; plus structured parking of approximately 1.9 million gsf for a total of 6.4 million gsf. The major driving factors for this project include demand for space, current lack of large Federal sites to be developed in the District, high-level security requirements, existing deficiencies, and deferred maintenance at St. Elizabeths West Campus. The proposed alterations will provide a cost efficient alternative to leasing while preserving a National Historic Landmark.

Design ($7,645 thousand), construction ($5,080 thousand) and management and inspection ($370 thousand) were funded in fiscal year 2006. Additional construction ($5,912 thousand) and additional management and inspection ($532 thousand) are proposed for fiscal year 2007. This request is for additional design ($3,000 thousand), construction ($17,069 thousand) and additional management and inspection ($683 thousand). The balance of construction ($7,287 thousand) and management and inspection ($291 thousand) will be requested in a future fiscal year. The estimated total project cost is $47,869 thousand.

Construction and Acquisition of Facilities
FY 2008 Project Descriptions

DISTRICT OF COLUMBIA – continued

St. Elizabeths West Campus Site Acquisition............................$7,000,000

The General Services Administration (GSA) proposes to continue redeveloping the West Campus of St. Elizabeths Hospital, a 176-acre site including 61 buildings. GSA is requesting funds to purchase approximately two acres of land from both the District of Columbia and CSX Corporation. These purchases are necessary to develop an additional ingress/egress point to the West Campus to mitigate the increased traffic generated by the new Federal campus.

The goal of this project is to assist in the preparation of the West Campus for redevelopment as a secure Federal facility by providing additional means of ingress/egress to the site. This will improve the traffic flow around the site and minimize the time delays entering and exiting the site during peak hours. At full capacity, as many as 14,000 federal workers will be housed on site, and as many as 5,300 vehicles (including 640 spaces for visitors) will require access. This is a 3:1 parking ratio for employees and is the same as that being used by the District of Columbia at the Unified Communications Center on the East Campus. The proposed acquisition of land at Firth Sterling Avenue will provide necessary additional access for the U.S. Coast Guard's proposed relocation of approximately 4,000 employees.

This request is for site acquisition ($7,000 thousand). The estimated total project cost is $7,000 thousand.

MAINE

Madawaska – Land Port of Entry.................................... $17,160,000

The General Services Administration (GSA) proposes the acquisition of 12.45 acres of land and the design and construction of a new land port of entry (LPOE) at Madawaska, ME to replace the existing LPOE to provide additional inspection lanes and operational functions. The proposed project will replace the undersized main administration building, while addressing current safety, security, vehicular circulation, and operational efficiency deficiencies.

The proposed project will provide for the expanded operations of the LPOE's tenants on approximately 13.32 acres of land, of which 12.45 will be purchased and .87 will be integrated from the existing government-owned site. The scope of the project includes a total replacement of the original 6,000 gross square feet (gsf) of building space built in 1959, with new building space totaling 28,756 gsf, including a 10,423 gsf main administration building; 1,275 gsf of non-commercial inspection lanes and an enclosed secondary inspection bay; a 146 gsf outbound inspection booth; 12,753 gsf of commercial inspection office, dock, cargo, inspection booth, and non-intrusive inspection (NII) facility space; a 1,894 gsf pedestrian processing facility; and 2,265 gsf of indoor parking.

The existing facility is very small, situated on less than one acre of land and is geographically constrained by the St. Johns River, Nexfor Fraser Papers, and the Montreal Maine & Atlantic Railroad. The planned addition of radiation portal monitors and other on-site inspection equipment will only exacerbate the situation as the existing site lacks sufficient staging and queuing areas required by this equipment. Also, site parking and vehicle maneuvering areas are inadequate, and the commercial truck traffic pattern, and visitor and employee parking are not clear or well-defined. Existing site constraints imposed by the railroad and paper company require that an elevated roadway be constructed to

MAINE – continued

allow for a full inspection operation by the U.S. Customs and Border Protection. This project will likely have some negative impacts on the Montreal Maine & Atlantic Railroad, but the overall extent of these impacts cannot be fully determined until the start of the design.

Madawaska is New England's third busiest LPOE in automobile traffic and sixth busiest in truck traffic. On-site staffing has increased substantially since the terrorist attacks of September 11, 2001, resulting in the need for additional space. The facility lacks sufficient office and storage space, as well as a secure area to perform standard interview and search procedures. It also lacks sufficient space to perform proper secondary inspections - which at times involve unloading standard tractor-trailers - leaving such inspections to be performed at roadside. This effort often causes traffic congestion that backs up onto the bridge.

Site acquisition ($500 thousand) and design ($1,260 thousand) were funded in fiscal year 2005. This request is for site ($13,906 thousand) and design ($3,254 thousand). Construction ($36,411 thousand) and management and inspection ($4,186 thousand) will be requested in a future fiscal year. The estimated total project is $59,517 thousand.

MARYLAND

Montgomery County – FDA Consolidation $57,749,000

The General Services Administration (GSA) requests funding to construct a new headquarters and laboratory facility for the Food and Drug Administration (FDA) at the White Oak Federal Center in White Oak, MD.

FDA is currently being consolidated in Maryland's Montgomery (White Oak) and Prince George's Counties. FDA has consolidated two centers in Prince George's County, occupying approximately 584,000 gross square feet (gsf) of space. The proposed White Oak facility will provide approximately 5.1 million gsf of consolidated office, laboratory, and parking space for FDA headquarters. The increase in office space and parking is from programmatic growth over the years and recent legislation that added additional functions to FDA. Construction of the White Oak facilities has been subdivided into six phases. They are:

Phase I: Center for Drug Evaluation and Research (CDER) Lab
Phase II: Center for Drug Evaluation and Research Office & Prescription Drug User Fee Act (PDUFA)
Phase III: Center for Devices and Radiological Health (CDRH) & Medical Device User Fee & Modernization Act (MDUFMA)
Phase IV: Center for Biological Evaluation and Research (CBER) &
Phase V: Office of the Commissioner and Office of Regulatory Affairs (OC/ORA)
Phase VI: Center for Veterinary Medicine (CVM)

Since the September 11, 2001 terrorist attacks, Congress required that the proposed FDA consolidation include counter-terrorism support functions for Bio Terrorism. Additionally, FDA required office locations for the Centers for Veterinary Medicine (CVM) to be located at the White Oak facility. The Center for Drug Evaluation and Research (CDER) and the Center for Devices and Radiological Health (CDRH) were each tasked with a new program function. Through Public Law 107-188, CDER was tasked with implementing the Prescription Drug User Fee Act (PDUFA). Through Public Law 107-250, CDRH was tasked with implementing the Medical Device User Fee and Modernization Act (MDUFMA). In addition to FDA's programmatic growth, these new programs require staffing and space for operations. Since the support functions are analogous to the centers for biological sciences that are currently being consolidated at White Oak, they were incorporated into the development of the

Construction and Acquisition of Facilities
FY 2008 Project Descriptions

MARYLAND – continued

130-acre White Oak Federal Center. This and future funding requests will help GSA and FDA meet the total facility requirements at White Oak on an incremental basis.

Prior Authority and Funding

Fiscal Year 1992	$200,000,000
Fiscal Year 1994	73,921,000
Reprogramming from other construction project (1994)	6,000,000
Fiscal Year 1995	45,000,000
Rescission (P.L. 104-19)	(228,000,000)
Transfer (Seafood Research Facility, 1995)	(5,000,000)
Fiscal Year 1996	55,000,000
Fiscal Year 2000	35,000,000
Fiscal Year 2001	92,179,000
Fiscal Year 2002	19,060,000
Fiscal Year 2003	37,600,000
Fiscal Year 2004	42,000,000
Fiscal Year 2005	88,710,000
Fiscal Year 2006	127,600,000
Fiscal Year 2007	178,526,000
Total	$767,596,000

Prince George's County, MD

The Center for Veterinary Medicine (CVM) in Laurel ($43,842 thousand) and the Center for Food Safety and Applied Nutrition (CFSAN) in College Park ($86,123 thousand) were funded in fiscal year 1992. The CVM and CFSAN projects have been completed. The CVM project provides 174 thousand gsf and the CFSAN project provides 410 thousand gsf.

White Oak – Montgomery County, MD

Funding received prior to fiscal year 2000 for FDA White Oak included planning and technical support ($12,366 thousand) and infrastructure costs ($4,590 thousand). Funding for fiscal year 2000 for the CDER Life Sciences Laboratory included design ($2,120 thousand), construction ($30,800 thousand), and management and inspection ($2,080 thousand).

Funding for fiscal year 2001 included funds to complete construction ($8,800 thousand) of the CDER Life Sciences Laboratory and funds for the CDER Office Building construction ($83,379 thousand).

Funding for fiscal year 2002 included management and inspection costs ($2,960 thousand) for the CDER Office Building, design ($3,800 thousand) of the Center for Devices and Radiological Health (CDRH) laboratory, design ($3,600 thousand) of the Central Shared Use facilities - Phase I, design ($5,600 thousand) of the CDER Office Building, demolition and abatement ($1,500 thousand) for Building One, and funds to complete the CDER Office Building construction ($1,600 thousand).

Fiscal year 2003 funding included construction ($26,000 thousand) of the Central Shared Use facilities - Phase I, construction ($6,000 thousand) funds for converting the 3rd and 4th floors of the CDER Life Sciences Laboratory from office to laboratory space, construction ($2,800 thousand) of the CDRH Laboratory foundation, and design ($2,800 thousand) of the CDER Office Building expansion.

Fiscal year 2004 funding was provided for construction ($42,000 thousand) of the CDRH Laboratory.

Construction and Acquisition of Facilities
FY 2008 Project Descriptions

MARYLAND – continued

Fiscal year 2005 funding included the site acquisition ($1,200 thousand) for road and bridge, design ($5,500 thousand) for the road and bridge, CDRH office building, and Central Shared Use facilities, management and inspection costs ($1,710 thousand) for Central Shared Use facilities and CDER Office Building, and construction ($80,300 thousand) for partial costs of CDRH Laboratory, CDER Office Building expansion, Central Shared Use facilities, road and bridge, and parking garage.

Fiscal year 2006 funding of $127,600 thousand included; Phase III funding for construction ($3,724 thousand) of infrastructure (water/sewer/landscaping) for the north loop road which provides secondary access to the site, design ($4,100 thousand) and construction ($8,690 thousand) of infrastructure (water/sewer/landscaping) for the south loop road to the planned parking structure, management and inspection costs ($7,100 thousand) for construction of CDRH Laboratory and Office Building, infrastructure for north and south loop roads, CDER Office Building expansion, Building One front entrance, and parking structure; construction ($66,694 thousand) of CDRH Office Building; Phase IV funding for construction ($20,766 thousand) of Central Shared Use facilities – Phase II; Phase V funding for design ($6,900 thousand) of Office of the Commissioner (OC) and Office of Regulatory Affairs (ORA) office building, design ($1,500 thousand) for renovation of Building One, and construction ($8,126 thousand) of Building One front entrance and parking.

The fiscal year 2007 funding request of $178,526 thousand included; Phase III funding for construction ($2,595 thousand) of the northeast bridge, construction ($3,218 thousand) of Central Shared Use facilities - Phase I fit-out, construction ($10,693 thousand) of Central Shared Use facilities - Phase II fit-out, construction ($3,218 thousand) of CDRH Laboratory high bay areas, and the design, management and inspection, and construction ($9,340 thousand) of distribution tunnels from the Central Utility Plant; Phase V funding for design, management and inspection, and construction ($17,827 thousand) of southeast parking structures, construction ($7,268 thousand) of campus site infrastructure - Part 1, construction ($28,653 thousand) of Building One renovation, construction ($89,174 thousand) of OC and ORA office building, and management and inspection costs ($6,540 thousand).

The fiscal year 2008 funding request includes; Phase III funding for Data Center CSU I, design ($1,000 thousand), construction ($16,000 thousand) and management and inspection ($500 thousand); Phase IV funding for CBER Labs design ($11,005 thousand), CBER Bio Terror Office design ($1,361 thousand), CBER Office design ($5,025 thousand), and Southeast Parking Garage design ($816 thousand); Phase V funding for Northeast Parking Garage design ($1,067 thousand) and construction ($14,938 thousand), Final Campus Site. Infra Part 2 for construction ($3,656 thousand); Phase VI funding for CVM Office design ($1,134 thousand) and miscellaneous design wrap-up ($1,247 thousand).

Funding for the remaining project costs will be requested in future fiscal years.

MINNESOTA

Warroad – Land Port of Entry.. $43,628,000

The General Services Administration (GSA) proposes the acquisition of ten acres of land and the design and construction of a land port of entry (LPOE) in Warroad, MN to replace the existing Warroad LPOE. The Warroad, MN U.S. Land Port of Entry is a small six-acre commercial vehicle inspection facility with two buildings and vehicle surface parking. The LPOE was built in 1962 to house U.S. border inspection operations as it still does today. It contains a total of 1,990 gross square feet (gsf) of space in two buildings including a main

MINNESOTA – continued

operations building with a two-lane inspection canopy and a four-bay official vehicle parking garage.

This project proposes the acquisition of approximately ten acres of land for the construction of a new LPOE to replace the existing Department of Homeland Security (DHS) owned and operated facility. Construction of a new approximately 53,045 gsf facility is required to provide a modern and efficient LPOE facility, and to provide necessary expansion space for Customs and Border Protection (CBP). The facility will include a main administration building, non-commercial primary inspection stations, commercial primary inspection stations, a commercial non-commercial outbound bi-level primary inspection booth, a non-commercial secondary inspection building, a commercial inspection building, an outbound inspection area, a Vehicle and Cargo Inspection Facility (VACIS), a maintenance garage, a kennel, and a firing range.

The current facility is inadequate for the operational requirements of the tenants. Workspace is too small to accommodate an expanded staff, access and circulation road sizes and configurations are inadequate to efficiently handle current traffic volumes, parking capacity is insufficient to accommodate vehicle loads, and the facility inspection processing capacity is inadequate to provide timely and efficient processing. The facility does not meet the Federal Inspection Services' current or future requirements for size, operational efficiency, visitor and staff safety and security.

Workspace is critically overcrowded and the number of CBP employees at Warroad is projected to increase ever further, from 19 to 28 people by 2007, severely exacerbating already overcrowded conditions. With the integration of agencies under the Department of Homeland Security, personnel numbers may increase even further.

Site acquisition ($300 thousand) and design ($1,537 thousand) were funded in fiscal year 2005. This request is for additional site ($313 thousand), additional design ($2,308 thousand), construction ($37,084 thousand) and management and inspection ($3,923 thousand). The estimated total project cost is $45,465 thousand.

NEW YORK

Alexandria Bay – Land Port of Entry...............................$11,676,000

The General Services Administration (GSA) proposes the acquisition of additional site and the design of an expanded U.S. Land Port of Entry in Alexandria Bay, NY. The new facility will provide 138,517 gross square feet (gsf) of building and canopy space and 120 outside parking spaces on 60 acres of land to replace the existing land port of entry (LPOE), which does not meet the tenant agencies current or future requirements for a LPOE of size, efficiency, and security.

GSA owns approximately 5 acres of land and will purchase an additional 55 acres from the Thousand Island Bridge Authority and other private owners. The existing LPOE was constructed in the 1930's and expanded in the 1970's to approximately 51,613 gsf.

The proposed facility expansion includes: construction of a new administration building, a new commercial building, a new VACIS building, new maintenance and warehouse buildings, a secondary inspection building, additional primary commercial inspection lanes, a secondary commercial dock, and a new veterinary services building. Additionally, the project includes the construction and expansion of commercial queuing areas, additional commercial primary inspection booths, and a new bus passenger and passenger vehicle inspection lane. The expanded facility will include a commercial parking area and a new

Construction and Acquisition of Facilities
FY 2008 Project Descriptions

NEW YORK – continued

circulation pattern through the facility to reduce backup and allow safe and secure processing of the high volume of commercial vehicles entering from Canada awaiting inspection. The phasing of the construction will minimize interruption in service at the existing facility.

The proposed project is for a stand alone facility. However, it may later be modified to reflect the outcome of a pending joint US-Canadian feasibility study undertaken to evaluate the feasibility of joint facility.

As the seventh busiest crossing for U.S. bound commercial vehicles at the Canadian border, the existing port facility is both functionally and operationally obsolete. It has had no significant renovation or expansion since the 1970s. It is too small and does not meet the current or future requirements of the tenants in terms of size, efficiency, safety or security. All agencies have or will be increasing staffing levels. Increased commercial and passenger traffic since the passage of NAFTA has resulted in long waits and unsafe conditions at the LPOE.

The distance between the international border and the primary commercial inspection area is approximately 800 feet, resulting in unsafe traffic queuing conditions for commercial vehicles on the Canadian roadways. Traffic entering the crossing frequently backs all the way up to Highway 401, which is the major east-west highway between Toronto and Montreal. Due to structural limitations, trucks are not permitted to queue on the bridge linking Canada to the Port.

The existing main building no longer meets the operational needs of the tenants. This project provides an expansion and relocation of the main building to meet those needs.

Site acquisition ($200 thousand) and design ($8,684 thousand) were funded in fiscal year 2005. This request is for additional site ($2,765 thousand) and additional design ($8,911 thousand). The balance of project funding, construction ($136,396 thousand) and management and inspection ($17,050 thousand) will be requested in a future fiscal year. The estimated total project cost is $174,006 thousand.

Buffalo – U.S. Courthouse..$46,730,000

The General Services Administration (GSA) proposes the construction of a 265,073 gross square foot (gsf) U.S. Courthouse (CT), including 54 inside parking spaces, in Buffalo, NY. The new CT will accommodate the 10-year needs of the courts and the 30-year needs of the District Court. The Judicial Conference supports construction funding for the project, and it is their number one priority on their Courthouse Project Plan for both FY 2007 and FY 2008.

The Dillon CT located at 68 Court Street in Buffalo, NY was constructed in 1936, and is a significant historic landmark. It is structurally incapable of accommodating the courts' expanded program needs as defined in the Courts' Long Range Plan for the Western District of New York. The Dillon CT possesses inherent deficiencies that hinder the courts from performing their operations. The most significant shortcomings are the lack of secure space for and the ability to structurally accommodate courtrooms and the lack of separate, restricted and secure circulation within the courthouse. Currently, the public, the prisoners, and the judges all utilize the same corridors and elevators. The magistrate courtrooms are below the minimum standards in the U.S. Courts Design Guide (USCDG). The lack of space became so critical that the Bankruptcy Court moved to leased space in order to provide some additional space for the District Court.

Construction and Acquisition of Facilities
FY 2008 Project Descriptions

NEW YORK – continued

The new CT will accommodate the Court's Long Range Plan for the Western District of New York with courtrooms, chambers and support space for the court's 10 year needs. Nine courtrooms will accommodate 11 judges (4 active district, 2 senior district, 4 magistrate and 1 court of appeals). Construction of the new CT will provide proper security and separate circulation for the public, judges, and prisoners. Probation will be relocated to meet the 30-year District Court requirements. After completion of the new CT, the existing Michael Dillon U.S. Courthouse (Dillon CT) will be retained to provide space for the Bankruptcy Court, Public Defender, U.S. Trustee, Tax Court, and other executive agencies currently housed in leased space. The leases for these agencies will be extended or terminated to coincide with the occupancy date in the Dillon CT.

Site Acquisition ($8,404 thousand) and design ($5,675 thousand) were funded in fiscal years 2002 and 2003. The FY 2007 President's budget did not request funding for any new courthouse construction projects, as at that time the budget reflected a temporary funding hiatus for the construction of new courthouses. Since that time, the Judiciary has ensured GSA that it can support current courthouses under design and construction, and the Administration is now supportive of funding for new courthouses. Therefore, the FY 2008 request is based on FY 2007 funding of additional site ($3,016 thousand), design ($1,387 thousand) and partial construction ($79,054 thousand) in fiscal year 2007. This request is for the balance of construction ($40,642 thousand) and management and inspection ($6,088 thousand). The estimated total project cost is $144,266 thousand.

TEXAS

El Paso – Tornillo-Guadalupe Land Port of Entry........................$4,290,000

The General Services Administration (GSA) proposes the acquisition of 111 acres of land and the design of a new land port of entry (LPOE) to replace the existing Fabens-Casita Land Port of Entry in El Paso County, TX. The proposed LPOE will be known as the Tornillo-Guadalupe Land Port of Entry.

The County of El Paso and its counterpart in Mexico are attempting to provide border residents with economic development opportunities and relief from the traffic backups at the congested LPOE in downtown El Paso. A new federal border facility has been determined to be needed in this area, primarily due to the processing constraints at the Fabens-Casita LPOE. Also, the existing Fabens-Casita Bridge serving the existing LPOE is slated for an update to allow it to accommodate commercial vehicles which it cannot presently do. This will result in the existing LPOE having to process the new traffic type, which it cannot presently handle.

The existing facility is overcrowded and is unable to adequately support the needs of the tenants. The Fabens modular buildings lack of adequate space has hindered the ability of the tenants to process, interview, segregate, and detain visitors to the United States. The domestic water system is inadequate resulting in water having to be supplemented with water hauled from the nearby community; the water system is not sufficient to provide fire-fighting capability even though the buildings have fire sprinklers; the existing septic system is not designed for the number of employees at the facility; and the main building does not have a public restroom.

The proposed project will include sufficient infrastructure and facilities to support present and future north and southbound commercial and non-commercial

Construction and Acquisition of Facilities
FY 2008 Project Descriptions

TEXAS – continued

vehicle and pedestrian traffic. Facilities to process non-commercial vehicle, bus, pedestrian traffic, and inspections include: a main administration building; a headhouse; four primary non-commercial and eight secondary inspection stations; a screened secondary inspection area; bus disembarking and reloading areas; parking for staff, service, and visitors; a secondary inspection canopy; non-commercial vehicle return lanes to Mexico; a mobile non-commercial VACIS facility; a seized vehicle parking area; an outlease tenant booth for the Texas Alcoholic Beverage Commission; a sallyport; and a pedestrian parkway.

Facilities to support commercial traffic and inspections include: a commercial inspection building; ten covered commercial docks; two primary inspection booths with a canopy and a bypass lane; a VACIS II facility; a hazardous materials containment area; an exit booth; a bulk cargo bin; an incinerator; a kennel; and a heliport. Also included are inspection facilities for the Federal Motor Carriers Safety Administration (FMCSA), and perimeter security fencing and electronic surveillance. The existing Fabens-Casita LPOE will be demolished and its site integrated into the proposed LPOE site.

The proposed site of 111 acres of land will be donated by El Paso County. This request is for design ($4,290 thousand). The balance of project costs, construction ($39,050 thousand) and management and inspection ($4,790 thousand) will be requested in a future fiscal year. The estimated total project cost is $48,130 thousand.

VERMONT

Derby Line – Land Port of Entry......................................$33,139,000

The General Services Administration proposes the acquisition of 23 acres of land and the design and construction of a new land port of entry (LPOE) in Derby Line, VT. The proposed project will replace the undersized main administration building, and provide additional inspection lanes and other inspection functions, while addressing current safety, security, circulation, and efficiency deficiencies.

This project will provide for the improvement and expansion of the LPOE on approximately 23.25 acres of land, of which 23 will be purchased and one-quarter is presently owned. The proposed facility will include: a 22,053 gross square feet (gsf) main administration building; five primary inspection lanes and bi-level booths for non-commercial traffic; two inspection lanes and booths (one bi-level and one standard) for commercial traffic; a 3,065 gsf non-commercial secondary inspection building with two vehicle/bus drive through areas and one inspection bay with a lift; and a 7,019 gsf commercial secondary inspection area with a four-bay warehouse, an administration area, an additional work bay, and a pallet X-ray.

Also proposed is a two-lane outbound inspection area with one bi-level booth, exterior inspection areas with a primary outbound canopy; a 6,182 gsf vehicle cargo inspection facility (VACIS); a 6,170 gsf hazardous containment area; inspection canopies; a non-commercial referral inspection canopy; and 6,670 gsf of small support building space including a garage, a brokers building, and secure storage. In addition, this project includes the construction of highway interchange ramps and access roads that will be impacted as the result of this project.

Construction and Acquisition of Facilities
FY 2008 Project Descriptions

VERMONT – continued

The LPOE function has outgrown the existing facility, which is also deficient in safety and security measures, and space efficiency. Agency functions are housed in inadequate space to perform their mission. In addition to the increase in high-tech inspection equipment, on-site staffing has increased substantially since the terrorist attacks of September 11, 2001, resulting in overcrowded space conditions. The existing main building lacks sufficient office and storage space, and has limited secure areas to perform standard interview and search procedures. It also lacks sufficient space to accommodate the planned addition of Radiation Portal Monitors and other on-site inspection equipment, adequate parking, vehicle maneuvering areas, and a clear, well-defined traffic pattern for commercial trucks, and visitors.

The commercial secondary inspection areas are inadequate to perform proper inspections, which at times involve unloading typical tractor-trailers. The non-commercial secondary inspection garages are too small to inspect even a full size pickup truck and the vehicle lift is unusable due to the lack of height to allow the unit to function safely. The facility has no interior space for the inspection of buses and luggage, and for passenger interview.

Site Acquisition ($1,253 thousand) and design ($1,937 thousand) were funded in fiscal year 2005. Additional design ($900 thousand) and construction ($5,100 thousand) were provided by SAFETEA-LU Public Law 109-59. Design ($180 thousand) and construction ($1,020 thousand) were made available through Vermont Agency of Transportation 23 USC Section 120. This request is for additional site ($2,547 thousand), additional design ($333 thousand), construction ($26,519 thousand) and management and inspection ($3,740 thousand). The estimated total project cost is $43,529 thousand.

NATIONWIDE

Non-prospectus Program..$9,398,000

Funds in the amount of $9,398 thousand are requested for the development of projects below approximately $2,800 thousand. Non-prospectus funds have been used to erect special purpose storage buildings, land ports of entry, and depot service and warehouse buildings. In the past, the funds have also been used to build parking lots, purchase sites, build childcare facilities, and purchase property in conjunction with Presidential National Historic Sites.

Strategic Direction

The New Construction program, headed by the Office of the Chief Architect (OCA), has a clear purpose -- to meet client agency space needs in those cases where GSA, the client, the Office of Management and Budget (OMB), and Congressional stakeholders determine that new construction is preferred to leasing. The program is first and foremost a program of technical design and construction knowledge. All architectural and engineering efforts are focused on developing improved environments for Federal agencies. Moreover, OCA must continuously improve its core capabilities of design, construction, architecture, engineering, and project management, as well as keep current on issues and innovations in related industries.

Achieving GSA's fiscal and performance goals enables GSA to meet important social and environmental goals as well, such as constructing sustainable and Leadership in Energy and Environmental Design (LEED) certified buildings, improving energy efficiency, and reducing operational and maintenance costs throughout the Federal portfolio.

The top priority for PBS's New Construction program is delivering projects within the agreed upon scope, schedule, and budget. This is an essential component of PBS's overall mission to provide the highest possible quality buildings at the best value to the U.S. taxpayer.

The primary concern for the construction program is on-time, on-budget capital project delivery. Project status is being closely monitored throughout design and construction to identify and correct problems in a timely manner. For projects over $25 million, project evaluations by industry peers are scheduled at 15%, 60% and 100% of completion. In addition, an earned value performance measurement tool has been developed and implemented, which compares a project's construction schedule and outlays to industry standards, and reports variances of planned against actual for both schedule and budget measures.

To improve the quality of construction documents, PBS has implemented a quality assurance and control program for architectural/engineering (A/E) documents. This initiative has facilitated the recognition of mistakes earlier in the life of a project. PBS is continuing pre-project planning and the use of the Project Definition Rating Index (PDRI). The PDRI is an analytical tool used to identify whether a project has been sufficiently developed to merit submission for funding.

PBS uses independent government cost estimates throughout the new construction process. However, ongoing unstable construction market conditions continue to affect PBS's ability to execute projects on time and within budget. PBS is working with the construction industry to evaluate the volatility of costs in local markets where major projects are planned to assess the validity of cost estimate assumptions. Actual construction costs are being compared to design cost estimates for specific projects to assist in the development of a more accurate estimating process.

PART Status for Construction

The PBS New Construction program received an "Effective" rating in OMB's latest review. In response to recommendations from a previous review, PBS developed new program-specific long term outcome oriented goals and efficiency measures, and performed a review of the current organizational structure for the program.

Strategy and Action Plan – Construction

Long-Term Outcome Goals

- GSA will execute the New Construction program on the schedule committed to our customers 90% of the time by FY 2010.
- Reduce average cycle time on new courthouse construction projects to 2,800 days or less by FY 2019.
- Improve the operational and maintenance efficiency of GSA buildings by independently verifying newly constructed buildings for achievement of established operational requirements within eighteen months of substantial construction completion.
- Register 100% of the New Construction program for Leadership in Energy and Environmental Design (LEED) in the same fiscal year design funding is authorized and certify 75% of the New Construction program for LEED within 18 months of substantial construction completion.

Strategies

The FY 2008 action items and initiatives proposed by the Office of the Chief Architect are designed to support the improved successful delivery of quality projects on time and within budget constraints.

1. **Refine pre-project planning activities and ensure appropriate procurement and delivery methods are selected.**

PBS will define customer and program requirements more effectively, develop detailed schedule projections and project cost estimates, and identify and mitigate project risks prior to the selection of procurement and delivery methods to limit changes in project scope.

2. **Increase risk management and cost avoidance activities to reduce cost and time impacts and improve financial performance.**

GSA will take measures to effectively analyze project cost impacts and causes of contractor financial claims and will identify risk management and cost avoidance strategies, as well as business process improvements to reduce the number and magnitude of cost and time impacts on projects. PBS will improve current practices for capturing contractors' past performance data and increase the use of this data in A/E selections.

3. **Enhance tools, resources and business practices to improve program execution.**

PBS will consolidate existing tools and documents required for project managers to improve the efficiency of the program. It will also continue to develop new tools, evaluate existing business processes, identify improvements, and implement enhancements to improve project delivery.

4. **Develop greater skills and competencies for project managers and improve core capabilities.**

PBS will continue to improve the delivery of capital construction projects through increased training opportunities for program and project managers. PBS is also conducting skill assessments and is developing core competencies and a standard national curriculum for project managers.

5. **Review the organizational structure to enhance project delivery.**

To ensure that the capital construction program takes advantage of best industry practices, PBS is benchmarking its organizational structure against private and public organizations. Based upon the results of the study, PBS will identify and implement business practice improvements and organizational structure changes that will enhance program delivery.

Impact on Performance:

With the implementation of these strategies and initiatives, PBS expects to see improvement in the skill sets of its project managers and its processes that will result in a higher percentage of projects being delivered on time, within scope, and within budget.

Leasing

- *Overview*

The Leasing program, managed by the Office of National Customer Services Management, is responsible for acquiring and administering leasehold interests when client space requirements cannot be met with available Federal space and new construction is not merited for the requirement. Over the last 40 years, PBS leased square footage has more than tripled, growing from less than 50 million square feet in 1965 to over 172 million square feet in 2006, located in 7,140 locations across the United States and its territories. The Leasing program provides the flexibility required to meet the dynamic housing needs of customer agencies and for managing the PBS portfolio and temporary space to allow renovations, consolidations and other strategic realignments within agencies housed in Government-owned space.

RENTAL OF SPACE SUMMARY
($ IN 000'S)

PROGRAM REQUIREMENTS (in thousands)

FY 2006 [1]	FY 2007 [1]	FY 2008 [2]
$4,177,130	$4,379,106	$4,383,000

[1] Includes indefinite authority for leased space
[2] Does not include indefinite authority for leased space

- $4,264,142 for annual rent for leases in the inventory at the beginning of the fiscal year
- $91,383 for one-time payments for claims, taxes, buyouts, etc.
- $59,581 for rent increases, usually associated with expiring leases
- ($46,442) for cancellations, the amount of space leaving the inventory
- $14,336 for expansions. This is the amount of space entering the inventory for temporary leases in support of major repair and alteration projects and relocations due to forced moves or health and safety conditions.

Rentable Square Feet (rsf) in 000's: 183,832

- A 3.4 percent increase in rsf is projected
- Expansion 8,863 rsf
- Cancellation (2,775) rsf
- Net increase 6,088 rsf

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

RENTAL OF SPACE
Explanation of Budget Changes
(Dollars in Thousands)

	New Obligational Authority (NOA)
Fiscal Year 2007 Program	**4,067,881**
Full year cost of Lease Expansions acquired through IA in FY 2006	177,776
Part year cost of Lease Expansions acquired through IA in FY 2007	133,449
Fiscal Year 2007 CR Availability	**4,379,106**
Unobligated balance carryover to FY 2007	82,777
Part year cost of Lease Expansions acquired through IA in FY 2007	(133,449)
Annualization of remaining FY 2007 program changes	(64,292)
Fiscal Year 2008 Base	**4,264,142**
Rental Rate Increases	59,581
Lump Sum Payments for real estate taxes and lease buyouts	91,383
Lease Cancellations	(46,442)
Full year cost of Lease Expansions acquired through IA in FY 2007	[194,392]
Part year cost of Lease Expansions acquired through IA in FY 2008	[121,654]
Lease Expansions (other than indefinite)	14,336
Fiscal Year 2008 Request	**4,383,000**

Note: The FY 2008 request excludes lease expansions acquired through Indefinite Authority (IA).
Amounts reflected in brackets are projections not included in budget totals.

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

CHANGES IN RENTAL OF SPACE
(Dollars and Square Feet in Thousands)

	FISCAL YEAR 2006 ACTUAL		FISCAL YEAR 2007 CR AVAILABILITY		FISCAL YEAR 2008 REQUEST	
	SQ FT	OBLIGATIONS	SQ FT	OBLIGATIONS	SQ FT	OBLIGATIONS
PRIOR YEAR COST	167,081	$3,917,444	172,045	$4,128,216	177,744	$4,461,883
Annualization of Rental Increases	[159,454]	34,399	[162,875]	69,039	[167,849]	28,484
Lump Sum - Real Estate Taxes; Lease Buyouts	-	(73,461)	-	(71,022)	-	(80,439)
Annualization of Lease Cancellations	[-4,650]	(43,518)	[-4,206]	(27,043)	[-4,196]	(31,496)
Annualization of Lease Expansion - Indefinite	[5,234]	34,960	[5,824]	46,792	[6,648]	[60,943]
Lease Expansion acquired in FY 2007	-	-	-	-	-	(133,449)
Annualization of Lease Expansion - All Other	[1,954]	14,499	[3,346]	31,323	[3,247]	19,159
BASE COST	**167,081**	**$3,884,323**	**172,045**	**$4,157,844**	**177,744**	**$4,264,142**
Current Year Cost of Rental Increases	[162,875]	48,971	[167,849]	88,363	[174,969]	59,581
Lump Sum - Real Estate Taxes; Lease Buyouts	-	71,022	-	80,439	-	91,383
Current Year Cost of Lease Cancellations	(4,206)	(37,687)	(4,196)	(46,068)	(2,775)	(46,442)
Current Year Cost of Lease Expansion - Indefinite	5,824	130,984	6,648	133,449	7,699	[121,654]
Current Year Cost of Lease Expansion - All Other	3,346	30,603	3,247	47,856	1,164	14,336
CURRENT YEAR COST	**172,045**	**$4,128,216**	**177,744**	**$4,461,883**	**183,832**	**$4,383,000**
Additional Information:						
New Obligational Authority (NOA)		$4,046,031		$4,067,881		$4,383,000
Reprogrammings		(121,243)		0		0
Indefinite Authority for Leased Expansion Space		252,342		311,225		[316,046]
TOTAL CURRENT YEAR AUTHORITY		4,177,130		4,379,106		4,383,000
Prior Year Balances/Recoveries		160,738		82,777		0
Obligations (-)		(4,128,216)		(4,461,883)		(4,383,000)
Reprogrammings from FY 2005 Carryover		(126,875)		0		0
Unobligated Balances		$82,777		$0		$0

Note: Bracketed numbers are projections not included in budget totals.

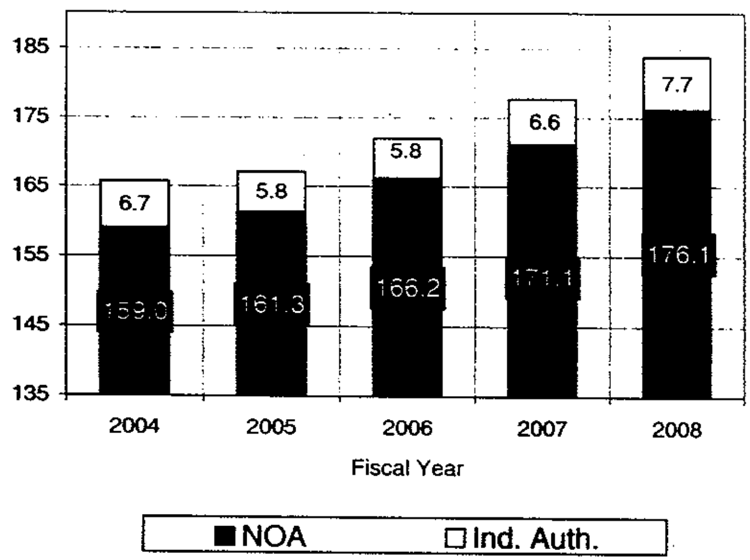
RENTAL OF SPACE DELEGATION OBLIGATIONS INCLUDED IN GSA APPROPRIATIONS
(Dollars in Thousands)

AGENCY	FY 2006 ACTUAL	FY 2007 CR AVAILABILITY	FY 2008 REQUEST
Department of Commerce	46,009	45,801	46,763
Department of Defense	113,753	110,803	113,130
Total	159,762	156,604	159,893

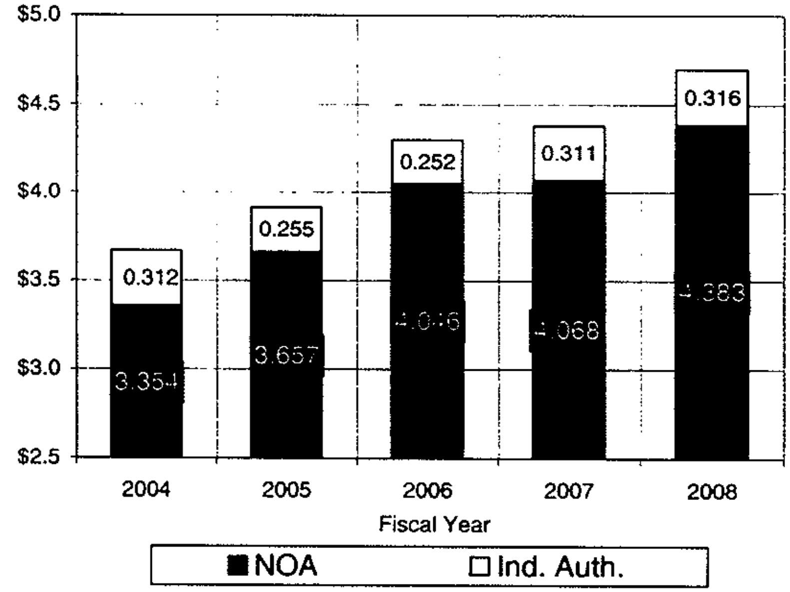
The obligations reflected are part of the Administrative Contracting Officer (ACO) Delegation Program. Currently, only two agencies have this ACO authority and it is not anticipated that any additional lease administration delegations will be granted. Delegated agencies bear the primary responsibility for making rental payments to lessors in accordance with the provisions of the delegation agreements.

Rental of Space

Leased Inventory (Square Feet in Millions)



Lease Obligations ($ in Billions)



The FY 2008 year-end inventory and obligations will be different than the amounts shown to the extent that GSA utilizes indefinite authority for expansion space.

The Leased Inventory for indefinite authority represents only new space entering the inventory.

Strategic Direction

The Leasing program has a clear purpose and mission: *Help Federal agencies better serve the public by offering superior workplaces at best value.* In order to meet changing customer needs, PBS has refocused its core value proposition from being a "provider of space" to being a "workplace solutions provider" with a customer-centric focus. The primary goals of the Leasing program are to provide solutions to meet customers' workplace needs in a manner that responds to changing missions, security concerns, and the technological needs of the 21st century. Strategies include addressing advanced customer requirements development, project delivery and customer demand forecasting, increasing competition through earlier procurement starts, using published market sources for sub-market information and partnering with the private sector for brokerage services. Data integrity is critical to ensuring rent bills are accurate, providing consistent financial data for program administration, and satisfying customer requirements.

The top priority for the Leasing program is to continue the partnership established with commercial brokers through expanded use of the National Broker Contract (NBC) to allow GSA to leverage the size of the leased inventory and take advantage of economies of scale. The NBC assists the realty specialist community by allowing PBS to address workforce capacity issues, enabling realty specialists to focus more on project management, and providing a higher level of customer service and satisfaction.

PBS is addressing the critical issue of improving relationships with major customers through implementation of the Transaction Management Playbook. As part of this strategy, PBS has completed a skill assessment of the leasing workforce. The data from these skill assessments will be used to develop recruitment, outsourcing, and training strategies focused on reducing skill gaps throughout the Leasing program.

PART Status for Leasing

In its first PART analysis for this program, OMB recommended that PBS develop program specific long-term, outcome oriented goals and efficiency measures. It was also recommended that PBS implement brokerage service contracts with provisions designed to hold contractors and managers accountable for achieving program goals. PBS has awarded four national broker contracts for space procurement services, which include provisions for holding brokers accountable for the same performance goals as those set for the Leasing program. This program was reassessed in 2005, achieving a "Moderately Effective" rating.

Strategy and Action Plan

Long-term Outcome Goal:

By FY 2010, the Leasing program will deliver new leases at 9.5% below the industry average cost for office space, and deliver the space when the customer needs it 90% of the time or better.

By 2010, the Leasing program will receive satisfied tenant customer satisfaction scores (4's and 5's) 80% of the time and will incorporate the results of Lease Tiering into customer strategic planning where market data is available.

Strategies

- Concentrate on customer relationships and address agency budgetary concerns.

- Integrate expanded requirements development techniques to proactively define customer needs and improve customer agency acquisition planning.
- Apply consistency to customer relationship management and transactions through the use of eTools and HCAM initiatives.
- Maintain a strong Realty Program by performing workplace planning, recruitment, and training to ensure proper staffing and skill levels.
- Expand customer awareness of contracting requirements and responsibilities in lease acquisition delegations and demonstrate value of PBS contracting expertise.
- Manage the NBC to derive full value from realty associates as they fulfill the role of workplace solution providers.

Action Plan and Performance

PBS has identified five key areas of focus for FY 2008 to improve the effectiveness of the Leasing program.

1. Demand Planning

Demand Planning is critical to understanding the impact of customer aggregate requirements and leveraging PBS's resources years in advance of receiving customer-specific requirements. During FY 2008, a pilot program for the development of customer demand profiles will be implemented.

2. Workforce Planning

PBS is developing a capacity review and modeling approach to better understand resource needs and requirements for the Leasing program. By better understanding the business processes that go into the complete transaction cycle, PBS will develop the appropriate processes to deliver the services required to meet customers' future requirements. This model will be used in concert with customer demand planning to augment workforce planning and projections.

3. eLease Budget Module

eLease enables consistent process management and allows critical data to be entered into the database only once, reducing errors and data inconsistencies. The NBC module of eLease provides a guide for brokers and GSA associates by achieving consistent process management, public/private partnership, and knowledge management in one initiative.

The eLease Budget Module will improve the Rent Estimate and budget process by replacing the desktop Galaxy legacy system with an application that will provide more accurate and timely budget projections for the Leasing program. It will also facilitate GSA's ability to respond to agencies or lessors in the event of a catastrophe involving leased buildings by having all documents available electronically.

4. Training and Certification Programs

PBS will establish minimum knowledge, training, certification, and experience requirements for Leasing program associates. Existing Contracting Officer Warrant Program courses will be reviewed and new courses developed as needed to reflect current business practices. This training will include existing professional development courses and array of specialty courses designed to address the specific needs for all areas of the leasing process.

5. Contract Procurement and Management

PBS will maintain active participation in the GSA Office of the Chief Acquisition Officer's development of acquisition management initiatives, continue our efforts to clarify acquisition policies, regulations, and procedures, improve education and training, and ensure compliance with Federal acquisition policies, regulations, and procedures.

Impact on performance:

By focusing on customer account management and addressing advanced customer requirements development, project delivery and customer demand forecasting, the Leasing program will be well positioned to meet changing customer demands.

Asset Management

- *Overview*

The purpose of the Asset Management program is to provide quality workplaces and enhance the asset value of our real estate portfolio for the benefit of the American taxpayer. PBS accomplishes this by analyzing current and historical asset performance in an effort to develop and implement strategies and processes aimed at targeted reinvestment in the existing inventory, efficient operation of buildings, and disposal of unneeded assets. These strategies are funded by the Repairs and Alterations and Building Operations budget activities.

REPAIRS & ALTERATIONS SUMMARY
($ IN 000's)

FY 2006 [1]	F 2007 [2]	FY 2008 [2]
$1,148,392	$733,030	$804,483

[1] Includes indefinite authority
[2] Does not include indefinite authority

PROGRAM REQUIREMENTS (in thousands)

- $350,200 for Basic Program
- $76,288 for Limited Scope Program
- $355,623 for Major Modernizations
- $15,000 for Energy Program
- $7,372 for Design Program

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

REPAIRS AND ALTERATIONS
SUMMARY OF FY 2008 PROGRAM
(Dollars in Thousands)
IN PRIORITY ORDER

	FUNDED TO DATE	FY 2007 CR AVAILABILITY	ESTIMATED TOTAL PROJECT COST DESIGN	CONSTRUCTION	M&I	TOTAL	FY 2008 REQUEST DESIGN	CONSTRUCTION	M&I	TOTAL
Nonprospectus (Basic) Repairs and Alterations Program	-	-	-	350,200	-	350,200	-	350,200	-	350,200
Limited Scope Program										
Martinsburg, WV, Internal Revenue Service Enterprise Computing Center	2,893	-	2,893	33,409	2,413	38,715	-	33,409	2,413	35,822
Washington, DC, Nebraska Avenue Complex	-	1,200	2,487	24,756	1,630	28,873	1,287	24,756	1,630	27,673
Reno, NV, C. Clifton Young Federal Building and Courthouse	-	-	806	10,897	1,090	12,793	806	10,897	1,090	12,793
Subtotal, Limited Scope Program	2,893	1,200	6,186	69,062	5,133	80,381	2,093	69,062	5,133	76,288
Full Scope Repairs and Alterations										
New York, NY, Thurgood Marshall U.S. Courthouse	13,500	46,385	16,393	204,187	9,849	230,429	-	165,020	5,524	170,544
Washington, DC, Eisenhower Executive Office Building Phase III	-	8,447	12,439	146,337	21,950	180,726	3,992	146,337	21,950	172,279
Washington, DC, Joint Operations Center	-	-	1,500	11,800	1,000	14,300	-	11,800	1,000	12,800
Subtotal, Full Scope Repairs and Alterations	13,500	54,832	30,332	362,324	32,799	425,455	3,992	323,157	28,474	355,623
Design Program (see attached listing for specific projects)	73,876	96,608	17,510	248,504	24,395	290,409	7,372	-	-	7,372
Energy Program	159,422	15,000	23,748	264,400	17,070	305,218	-	15,000	-	15,000
Subtotal, Special Emphasis Programs	159,422	15,000	23,748	264,400	17,070	305,218	-	15,000	-	15,000
Total Repairs and Alterations Program	249,691	167,640	77,776	1,294,490	79,397	1,451,663	13,457	757,419	33,607	804,483

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

REPAIRS AND ALTERATIONS
SUMMARY OF FY 2008 DESIGN PROGRAM
(Dollars in Thousands)
(In Priority Order)

			ESTIMATED TOTAL PROJECT COST				FY 2008 REQUEST			
	FUNDED TO DATE	FY 2007 CR AVAILABILITY	DESIGN	CONSTRUCTION	M&I	TOTAL	DESIGN	CONSTRUCTION	M&I	TOTAL
Design Program										
Washington, DC, Heating, Operations, and Transmission District	-	-	1,593	22,744	2,162	26,499	1,593	-	-	1,593
Kansas City, MO, Richard Bolling Federal Building	73,876	96,608	15,917	225,760	22,233	263,910	5,779	-	-	5,779
Total Design Program	73,876	96,608	17,510	248,504	24,395	290,409	7,372	-	-	7,372

Repairs and Alterations
FY 2008 Construction Phase Project Descriptions

DISTRICT OF COLUMBIA

Eisenhower Executive Office Building Phase III......................$172,279,000

The General Services Administration (GSA) proposes repair and alterations to the Eisenhower Executive Office Building (EEOB) located at Pennsylvania Avenue and 17th Street, NW, Washington, DC. This request is for additional funding for design and construction for the modernization of Phase III, the Pennsylvania Avenue Wing (Northeast Quadrant- approximately 237,000 gross square feet (gsf) which will complete the modernization of the entire building (691,783 gsf).

The EEOB, completed in 1888, is on the National Register of Historic Places. Functioning as the principal support facility within the White House complex, this building contains 691,783 gsf along with 46 outside parking spaces.

EEOB is a highly ornate and historic building. Built before air conditioning was invented, the building has never been unoccupied long enough to allow installation of a central air conditioning system. There are no existing concealed pathways to allow installation of modern HVAC, electrical, telecommunication, plumbing and sprinkler distribution systems without either changing the look of the ornately-decorated, historic ceilings, or stealing space from existing chases to create risers. Overall, the outdated engineering systems adversely affect tenant comfort and productivity, building operations, and energy efficiency.

The EEOB project was originally developed as a security project for the 17th Street Wing only because one third of the building was vacated for security reasons after the September 11th terrorist incident. Over time, the scope of the project increased to fully modernize the 17th Street wing. As the project was formulated, GSA realized that this would be the only opportunity to have enough vacant space in the building to modernize the balance of the building in three sequential phases.

The proposed project will modernize the Northeast Quadrant (Pennsylvania Avenue Wing) of the EEOB and deliver a restored building that meets current standards for power, telecommunications, comfort, and safety. Proposed construction will start after tenants vacate the Northeast Quadrant and backfill the newly modernized Southeast Quadrant of the building (State Place Wing). The project will completely modernize the interior spaces while providing a complete update of the mechanical, electrical, and plumbing systems throughout the Northeast Quadrant. Exterior construction will include cleaning the exterior, re-pointing the masonry, and creating an ADA compliant entrance.

A new central HVAC system will be provided and new windows and doors with blast and ballistic protection will be installed. The project will also provide a new telecommunication and cabling system and an interior security system that includes an emergency notification system, intrusion detection system, access controls, and a video assessment system. The existing fire alarm and sprinkler systems will be upgraded and hazardous material abatement and containment will be performed where necessary.

Design ($8,447 thousand) is proposed to be funded in fiscal year 2007. This request is for additional design ($3,992 thousand), construction ($146,337 thousand) and management and inspection ($21,950 thousand). The estimated total project is $180,726 thousand.

Nebraska Avenue Complex..$27,673,000

The General Services Administration (GSA) proposes to upgrade the electrical distribution system at the Nebraska Avenue Complex (NAC), located at 3801 Nebraska Avenue, NW, Washington, DC.

Repairs and Alterations
FY 2008 Construction Phase Project Descriptions

DISTRICT OF COLUMBIA - continued

The NAC is a 32-building complex constructed on 37.55 acres of land in northwest Washington, DC, at the intersection of Nebraska and Massachusetts Avenues. The buildings consist of approximately 600,000 gross square feet (gsf) of space that was built between 1916 and 1997. Originally a girls' seminary, the property was sold to the US Navy in 1943. It has been occupied by the Navy, until passage of P.L. 108-268 in July 2004, when the property was transferred to GSA.

The existing primary electrical distribution system is inadequate to supply DHS with the level of electrical service that is required to carry out their mission. The current system is served from underground feeders and maintains the capacity to support the entire complex under the present power loading of four watts per square foot. The current electrical capacity does not meet DHS requirements of 18 watts per square foot.

GSA proposes upgrades to the primary electrical distribution system that serves 22 buildings in the complex. The proposed project will involve primary voltage distribution upgrades, individual building service upgrades, and the replacement of the primary distribution system in order to meet DHS standards. The project also includes repair work of the exterior walls of most of the buildings that will be damaged due to the removal and replacement of old switchboards and security upgrades. Sitework will include demolition, trenching, excavation, paving, and landscape repairs.

Design ($1,200 thousand) is proposed to be funded in fiscal year 2007. This request is for additional design ($1,287 thousand), construction ($24,756 thousand) and management and inspection ($1,630 thousand). The estimated total project is $28,873 thousand.

Joint Operations Center..$12,800,000

The General Services Administration (GSA) proposes alterations to a currently leased location in Washington, DC. This project would allow for design and construction of space alterations to accommodate the relocation of the Joint Operations Center (JOC) from the Eisenhower Executive Office Building (EEOB).

JOC is the central command, call, coordination, and response center for activities in, on and around the White House Center Buildings and 14 acre campus. It is the hub of the first line of defense to protect the President of the United States, and it must remain operational at all times.

JOC is currently located in the Phase III area of the EEOB modernization project and despite best efforts to protect its operations, the construction presents an unacceptable security risk for potentially interrupting its operations. The permanent relocation out of EEOB to a currently leased location will increase the operational security as the possibility of an interruption in service and other potential issues related to construction will be removed. Construction funding is required in 2008 to avoid delay to the Phase III construction start.

No funds were included in the FY 2007 President's Budget for this project, however, the FY 2008 request is based on design funding in FY 2007 of $1,500 thousand. This request is for construction ($11,800 thousand) and management and inspection ($1,000 thousand). The estimated total project cost is $14,300 thousand.

Repairs and Alterations
FY 2008 Construction Phase Project Descriptions

NEVADA

Reno – C. Clifton Young Federal Bldg & U.S. Courthouse.........$12,793,000

The General Services Administration (GSA) proposes alterations to the C. Clifton Young Federal Building and Courthouse (FB-CT), located at 300 Booth Street, Reno, NV. The FB-CT is a five-story, 133,438 gross square feet (gsf) office building and courthouse completed in 1966 on a site of 4.24 acres. Adjacent parking areas provide 264 parking spaces. The building's primary tenant is the Bankruptcy Court.

GSA performed a study which concluded that a complete renovation of the building was not feasible, due primarily to the high cost of the seismic retrofit needed for occupancy beyond the year 2022. The relatively high cost of alternative housing for the Bankruptcy Court, however, led to consideration of this limited scope project, which involves only the work necessary to house the Bankruptcy Court and other tenant agencies.

The electrical system is at or near the end of its useful life and needs to be upgraded. Both friable and non-friable asbestos exists throughout the building. There is one fire sprinkler system located on the first floor of the building. The existing roof surface is uneven, primarily due to the numerous patches that have been installed over the last few years as new leaks develop. Severe deterioration of the existing parking surface requires that the smaller of two parking areas be resurfaced and resealed.

The project proposes to abate asbestos and install fire sprinklers except on the first floor, where the work has been completed. One floor will be prepared for occupancy for tenants, while other areas of the building will require only repair and partial replacement of tenant improvements following installation of the fire sprinkler system and spot abatement of the asbestos. A new roof and drainage system will be installed, the electrical system will be upgraded, and the small parking area will be resealed and resurfaced.

This design/build request is for design ($806 thousand), construction ($10,897 thousand) and management and inspection ($1,090 thousand). The estimated total project is $12,793 thousand.

NEW YORK

Thurgood Marshall U.S. Courthouse......................................$170,544,000

The General Services Administration (GSA) proposes Phase II construction of a two-phased modernization of the Thurgood Marshall U.S. Courthouse that will extend the useful life of the asset. The project will also address life safety and accessibility issues.

The Thurgood Marshall U.S. Courthouse, built in 1936 was designed by the architect Cass Gilbert. It is listed on the National Register for Historic Places and is a New York City Landmark. The 730,533 gross square foot (gsf) building is located in the Civic Center of lower Manhattan, New York City, near the entrance to the Brooklyn Bridge. The courthouse consists of a six-story base with a mechanical basement and a 26-story tower which includes two mechanical floors at the top of the tower.

The major building systems have deteriorated. The HVAC system has exceeded its useful life and is not energy efficient. The electrical distribution system does not meet current code and has insufficient capacity to meet the power demands of the tenant agencies. The plumbing system has exceeded its useful life and requires replacement. The existing freight elevator presently terminates at the ground level. The elevator will be extended to serve the basement level of the building.

Elevator cabs will be reprogrammed to allow the capability to lock out individual stops with overrides by keys or card readers for security purposes. The circulation patterns for the building are not consistent with the requirements of the US Courts Design Guide. The required separation between judicial staff, and in-custody defendants and public traffic is not being provided.

Repairs and Alterations
FY 2008 Construction Phase Project Descriptions

NEW YORK - continued

The façade, roofs and windows are in need of repairs/upgrades to prevent further deterioration of the building infrastructure and historic interior finishes from water infiltration and leaks. Fire and life safety code violations need to be remedied, including the fire alarm and sprinkler systems which are not in compliance with codes for high-rise structures. Existing stairs and egress also do not meet current codes.

The proposed project includes the replacement and/or upgrade of many of the Courthouse's outdated and deteriorating building systems, including HVAC, electrical distribution, fire protection, domestic water, and lighting systems. As a result of the building infrastructure improvements, some finishes will have to be removed in order to access and install the new systems and may require repairs if damaged by the installation of the new systems.

The project also includes the correction of major egress issues to bring the building up to current code, reconfiguration of circulation patterns to meet U.S. Court Design Guide and U.S. Marshals Service security requirements. The public rest-rooms will be selectively modernized to meet ADA requirements while respecting the historic fabric of the courthouse. The freight elevator will be extended to provide access to the basement.

This is a two phased project. Phase I consists of interior demolition, hazardous material abatement, and repair of the building envelope. Phase II will consist of the remaining interior work such as the replacement/upgrade of the building systems, public restroom upgrades and reconfiguration of interior space to address egress and circulation issues.

Design ($13,500 thousand) was funded in fiscal year 2005. Additional design ($2,893 thousand), phase I construction ($39,167 thousand), and phase I management and inspection ($4,325) is requested in FY 2007. This request is for phase II construction ($165,020 thousand) and phase II management and inspection ($5,524 thousand). The estimated total project is $230,429 thousand.

WEST VIRGINIA

Martinsburg – IRS Enterprise Computing Center.................. $35,822,000

The General Services Administration (GSA) proposes to construct a Mechanical/Electrical plant to replace the plant currently located within the IRS Enterprise Computing Center in Martinsburg, WV. The existing plant is progressively becoming unusable due to continued heaving of the floor slab. The new plant will be located near the existing ADP/Warehouse wing of the facility.

The IRS Enterprise Computing Center, constructed in 1999, is located on 42 acres. The facility is situated within an interrelated context of owned and leased properties which support the mission of the IRS and other government agencies. The primary structure of the facility and focus of this prospectus is a 378,313 rentable square foot (RSF) state-of-the-art data processing center.

The existing plant, which is located in the basement of the ADP/Warehouse wing of the building, continues to experience significant heaving of the floor slab due to expansive soil conditions. Expansive soil conditions are exerting vertical pressures on the slab causing it to heave upward. The slab heaving has already caused considerable stress on walls, and mechanical equipment, thereby putting key IRS programs at risk.

The basement was built with a slab on grade construction, and the slab began to heave. The slab has heaved more than 3 inches in some places which resulted in the plant being subjected to significant levels of stress. The facility operates 24/7/365 and the IRS reports that a system or facility failure may result (depending on the time of year and duration required to recover from the event) in the disruption of billions of dollars worth of collections and refunds. Ongoing

Repairs and Alterations
FY 2008 Construction Phase Project Descriptions

WEST VIRGINIA - continued

intermediate remediation efforts will not forestall nor resolve the need for a replacement structure.

To prevent a shutdown of the facility due to the diminished operability of the physical plant, it must be relocated from its current location. The replacement of the physical plant must provide for minimal interruption to the IRS tax collection and refund distribution activities, which take place on site throughout the year, 24 hours a day.

GSA proposes to construct a mechanical/electrical plant and to relocate existing plant equipment at the IRS Enterprise Computing Center, Martinsburg, WV. The three-story expansive building is separated into two components, office and ADP/Warehouse. The main entrance and circulation spine serve as the point of transition/linkage between the components. The office wing is located on the south side of the lobby and the ADP/Warehouse wing is located on the north side of the lobby. The focus of the proposed project centers upon the ADP/Warehouse wing of the building.

The project involves the reuse of existing plant equipment, where feasible, located in a newly constructed plant on government-owned land at the Center. It also includes the work necessary at the existing plant to facilitate the migration of systems to the new plant and demolition and restoration necessary for preservation of the existing asset.

Design ($2,893 thousand) was funded in fiscal year 2006. This request is for construction ($33,409 thousand) and management and inspection ($2,413 thousand). The estimated total project is $38,715 thousand.

NATIONWIDE

Energy Program...$15,000,000

This request will provide for the implementation of energy retrofits in government-owned buildings during fiscal year 2008. The projects to be funded will have savings-to-investment ratios greater than one and will provide reasonable payback periods that average six years. The estimated energy savings that would result from funding of these projects is 140,000 million BTUs and $2.25 million annually. Projects will address facility HVAC systems, lighting and controls, building automation systems, increased efficiency for motors and variable frequency drives, distributed generation, as well as other energy saving technologies.

The Energy Policy Act of 2005 requires federal agencies to take actions to reduce consumption by 2 percent (as measured by btu/gsf) each year starting in 2006 until 2015, over the baseline year of 2003. Historically, the Federal Energy Management Improvement Act (Public Law 100-615) required Federal agencies to reduce energy consumption by 10 percent (as measured by btu/gsf) by the end of fiscal year 1995. Further, the Energy Policy Act of 1992 required that all Federal agencies reduce energy consumption by 20 percent (as measured by btu/gsf) by the year 2000. In addition, Executive Order 13123 requires federal agencies to take actions to reduce energy consumption by 30 percent (as measured by btu/gsf) by the year 2005 and by 35 percent by fiscal year 2010 over 1985 baseline. GSA met the 10 percent (as measured by btu/gsf) goal in 1995, the 20 percent (as measured by btu/gsf) goal in 2000 and the 30 percent (as measured in btu/gsf) goal in 2005. GSA is now pursuing actions to address the fiscal year 2006 through 2015 goal.

Repairs and Alterations
FY 2008 Construction Phase Project Descriptions

NATIONWIDE - continued

The estimated total program cost (in thousands) is as follows:

	Design	Construction	M&I	Total
Current Funding	$ 5,373	$147,441	$ 6,608	$159,422
FY 2007 Request	$ 0	$ 15,000	$ 0	$ 15,000
FY 2008 Request	$ 0	$ 15,000	$ 0	$ 15,000
Future Years	$18,375	$ 86,959	$10,462	$130,796
Total	$23,748	$264,400	$17,070	$305,218

Repairs and Alterations
FY 2008 Design Phase Project Descriptions

DISTRICT OF COLUMBIA

Heating, Operations and Transmission.....................................1,593,000

The General Services Administration proposes replacement of the old and deteriorated underground main steam and condensate lines in the GSA Heating, Operations and Transmission District (HOTD) system. HOTD is a mechanical structure of steam production equipment and distribution and condensate return piping of largely steel and wrought iron components. It is an energy utility constructed in the 1930s and 1940s to provide steam heating to Federal and District of Columbia government buildings in downtown Washington, DC. A previous HOTD project in FY 2006 focused on replacing secondary steam lines and condensate return lines in the HOTD system.

The FY 2008 proposed project consists of the replacement of old and deteriorated primary underground main steam and condensate lines in the system that are the trunk lines leading to the individual building steam supply and condensate return service lines. It also includes other site-work such as shoring, restoring the sidewalk, curbs and pavement, temporary lighting and ground heating for winter work. Replacing these lines will improve steam service reliability, prevent future line ruptures, and improve overall system efficiency through better-insulated lines, and increased condensate return to the heating plant.

This request is for design ($1,593 thousand). The balance of funding, construction ($22,744 thousand) and management and inspection ($2,162 thousand), will be requested in a future fiscal year. The estimated total project cost is $26,499 thousand.

MISSOURI

Kansas City – Richard Bolling Federal Bldg (Phase IV).............$5,779,000

The General Services Administration (GSA) proposes to modernize and improve vital building systems in the Richard Bolling Federal Building. The project will complete all floors, including the upgrading of the HVAC, electrical, and plumbing systems, reconfiguring and remodeling of interior space, refurbishment of the windows, improvement of overall accessibility, modification of the structural system, and abatement of asbestos and lead paint.

The Richard Bolling Federal Building is an 18-story pre-cast concrete clad office building constructed in 1965, and situated on a 2-block site at 601 East 12th Street in the central business district. The building has 1,236,435 gross square feet (gsf), (797,103 usable square feet), a basement, a first floor parking garage for 124 vehicles, and an adjacent 432-space visitor and employee parking lot. It presently houses 4,500 government employees.

This project will continue the planned full modernization of the Bolling FB begun in fiscal year 2001. Phase I modernization of floors 15-18 (excluding 17) include the abatement of asbestos and lead paint, replacement of the roof, refurbishment of the windows, upgrading of the mechanical, electrical, and lighting systems, and alteration of interior space. Phase II modernization of floors 10-14 includes the same scope of work as Phase I excluding the roof work. Phase III & IV will continue renovating the remainder of the building to the same standard as the completed phases. Phase III modernization will cover floors four through nine and Phase IV modernization will cover floors one through three, sub-basement, and basement.

Repairs and Alterations
FY 2008 Design Phase Project Descriptions

MISSOURI - continued

Phase I design ($1,890 thousand) was funded in fiscal years 1999 and 2001. Phase I construction ($24,010 thousand) and management and inspection ($1,805 thousand) were funded in fiscal year 2001. Phase II design ($2,773 thousand) was funded in fiscal year 2004. Phase II construction ($36,335 thousand) and management and inspection ($3,713 thousand) were funded in fiscal year 2005. Phase III design ($3,350 thousand) was provided in fiscal year 2005. Additional Phase III design ($2,125 thousand), Phase III construction ($84,786 thousand) and management and inspection ($9,697 thousand) is proposed to be funded in the FY2007 budget request. This request is for Phase IV design ($5,779 thousand). Phase IV construction ($80,629 thousand) and management and inspection ($7,018 thousand) will be requested in a future fiscal year. The estimated total project cost is $263,910 thousand.

BUILDING OPERATIONS SUMMARY
($ in 000's)

FY 2006[1]	F 2007[2]	FY 2008[2]
$1,932,255	$2,003,830	$2,132,450

[1] Includes indefinite authority
[2] Does not include indefinite authority

PROGRAM REQUIREMENTS (in thousands)

Inflationary Increases

- $16,838 for Building Services in New Space
- $23,714 for Increased Cost of Supplies, Materials, and Service Contracts (2.1%)
- $3,118 for Part-Year Increase for FY 2007 Pay Act (2.2%), Effective January, 2007
- $13,814 for Pay Increases (3.0%), Effective January, 2008
- $66,474 for Increased Utilities and Fuel Rates
- $2,330 for Increase for Cleaning and Maintenance Contract Labor Rates and Benefits

New Initiatives

- $26,960 for Security Charges from Homeland Security for Vacant Space
- $7,886 for Homeland Security Presidential Directive-12
- $625 for Transfer of Office of Management Services
- $450 for Federal Contribution to Coordinate Long-Term Siting of Federal Building and Employment

Reductions

- $4,290 reduction for Relocation of the Department of Navy
- $19,200 reduction for Progressive Collapse Studies
- $4,500 reduction for Environmental Studies at the Denver Federal Center
- $4,999 reduction for Green Power
- $600 reduction for Capital Projects Delivery System

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

BUILDING OPERATIONS
EXPLANATION OF BUDGET CHANGES
(Dollars in Thousands)

	FTE	Dollars
Fiscal Year 2007 CR Availability	**5,709**	**2,003,830**
Building Services in New Space		16,838
Increase Cost of Supplies, Materials, and Service Contracts (2.1%)		23,714
Part-Year Increase for FY 2007 Pay Act (2.2%), Effective January, 2007		3,118
Pay Increase (3.0%), Effective January, 2008		13,814
Increase for Utilities and Fuel Rates		66,474
Increase for Cleaning and Maintenance Contract Labor Rates and Benefits		2,330
Security Charges from Homeland Security for Vacant Space		26,960
Homeland Security Presidential Directive-12		7,886
Transfer of Office of Management Services	8	625
Federal Contribution to Coordinate Long-Term Siting of Federal Building and Employment		450
Relocation of the Department of Navy		(4,290)
Progressive Collapse Studies		(19,200)
Environmental Studies at the Denver Federal Center		(4,500)
Green Power		(4,999)
Capital Projects Delivery System		(600)
Fiscal Year 2008 Request	**5,717**	**2,132,450**

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

CHANGES IN BUILDING OPERATIONS
(Dollars in Thousands)

	Cleaning	Utilities and Fuels	Main-tenance	Other Building Services	Space Acquisition	Staff Support	CIO	TOTAL
FY 2007 CR AVAILABILITY	**279,040**	**378,104**	**290,571**	**235,375**	**180,005**	**484,569**	**156,166**	**2,003,830**
Building Services in New Space	2,491	8,523	5,649	175				16,838
Increase Cost of Supplies, Materials, and Service Contracts (2.1%)	5,336		5,215	3,155	1,424	8,584		23,714
Part-Year Increase for FY 2007 Pay Act (2.2%), Effective January, 2007	24		141	728	818	1,407		3,118
Pay Increase (3.0%), Effective January, 2008	105		625	3,225	3,624	6,235		13,814
Increase for Utilities and Fuel Rates		66,474						66,474
Increase for Cleaning and Maintenance Contract Labor Rates and Benefits	203		2,127					2,330
Security Charges from Homeland Security for Vacant Space				26,960				26,960
Homeland Security Presidential Directive-12				7,886				7,886
Transfer of the Office of Management Services						625		625
Federal Contribution to Coordinate Long-Term Siting of Federal Building and Employment				450				450
Relocation of the Department of Navy				(4,290)				(4,290)
Progressive Collapse Studies				(19,200)				(19,200)
Environmental Studies at the Denver Federal Center				(4,500)				(4,500)
Green Power		(4,999)						(4,999)
Captial Projects Delivery System					(600)			(600)
FY 2008 REQUEST	**287,199**	**448,102**	**304,328**	**249,964**	**185,271**	**501,420**	**156,166**	**2,132,450**

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

Justification of Building Operations Program Increases for FY 2008
(Dollars in Thousands)

Security Charges from Homeland Security for Vacant Space **$26,960**
Due to a change in the terms of the Memorandum of Understanding signed with DHS, PBS will be required to pay security charges for vacant space in PBS controlled buildings. This request will fund security charges for vacant space controlled by PBS and approved rate increases for PBS occupied space.

Homeland Security Presidential Directive-12 **$7,886**
Homeland Security Presidential Directive-12 (HSPD-12), signed on August 27, 2004, is a Policy for a Common Identification Standard for Federal Employees and Contractors. The Directive requires the development and agency implementation of a mandatory, government wide standard for secure and reliable forms of identification for Federal employees and contractors.

Transfer of the Office of Management Services **$625**
GSA Order ADM 5440.575 transferred the Facilities Management Branch of the Office of Management Services from the Chief People Office to the Public Buildings Service. This transfer includes 8 FTE.

Federal Contribution to Coordinate Long-Term Siting of Federal Building and Employment **$450**
PBS requests $450 thousand for a competitive contribution to entities that coordinate the long-term siting of Federal, State, and local government buildings and employment in the National Capital Region.

Relocation of the Department of Navy **-$4,290**
The PBS fiscal year 2007 budget included a one-time increase of $4,290 thousand to move the Department of Navy from the Nebraska Avenue Complex. Therefore, funding for this one-time initiative is no longer needed.

Progressive Collapse Funding **-$19,200**
This funding has been removed from the FY 2008 budget for Progressive Collapse studies because it no longer requires that level of funding. Prior year funding is sufficient to fund this initiative.

Environmental Studies for the DFC **-$4,500**
Building Operations previously had $7,000 thousand in its base for environmental studies on the Denver Federal Center sites. Beginning is FY 2008, PBS requires only $2,500 thousand as part of its base budget for this initiative.

Green Power Initiative **-$4,999**
Funding was removed for Green Power. Little or no credit is currently being given for Green Power initiatives, thus the funding is no longer needed.

Capital Projects Delivery System Funding **-$600**
Funding is no longer needed for development of the Capital Projects Delivery System.

Strategic Direction

In FY 2008, PBS will continue to restructure its portfolio of real property assets in order to ensure that PBS's portfolio consists mainly of financially balanced assets that are well positioned to meet customer needs. PBS will also continue implementing its Real Property Asset Management Plan and the associated 3-Year Rolling Timeline to maintain "Green" status on the President's Management Agenda scorecard.

PBS will continue to leverage its market position to provide best value to its customer agencies and the American taxpayer. PBS will accomplish this by aggregating service contracts, identifying and targeting cost-reducing real property solutions through market analysis, and expanding energy contracts for government use. Increased customer budget constraints, increased operating costs, and changing customer demands means that leveraging GSA's resources to provide best value is particularly important.

Increased security requirements and reduced budgets continue to be an important issue for PBS and its customers. PBS has instituted construction design changes to provide for increased building security, which has led to a significant increase in the cost of protection and security. Implementing interagency Security Standards (ISC) and Homeland Security Presidential Directive-12 (HSPD-12) requirements will also contribute to elevated rental rates.

GSA has seen indications of some executive branch agencies reducing the size of their government-owned space holdings. Eight of our ten largest customers in government-owned space currently have less square footage with GSA than five years ago.

PBS understands the value of providing not only quality service, but also consistent service, so PBS has begun to implement initiatives focused on improving and ensuring the services provided to our customers are consistent nationwide. Through the standardization of operation and maintenance contracts, implementing a national call center, and improving the transparency of rent, PBS will improve customer service and satisfaction. Additionally, strategies in FY 2008 will focus on the value we provide to our customers by ensuring that operation and maintenance costs remain at an appropriate level, energy costs and consumption are reduced, and security costs and risks are balanced.

PART Status for Asset Management

PBS has developed new long-term outcome goals and related performance measures and targets, and has demonstrated significant progress in achieving them. As a result, this program has been rated "Effective" in OMB's latest analysis.

Long-term Outcome Goals:

Achieve a viable, self-sustaining inventory with an average Return On Equity of at least 6% by FY 2010 for 80% of our government-owned assets.

Reduce energy consumption by 20% by FY 2015 over the FY 2003 baseline, while maintaining overall operating costs 3% below the private sector and customer satisfaction levels at or above 80%.

Strategies

- Implement GSA's Real Property Asset Management Plan
- Continue Restructuring/Rightsizing GSA's Portfolio of Real Property Assets
- Identify Core Real Property Assets and Target Reinvestment

- Advance Customer and Market Portfolio Analysis to Develop Cost Effective Workplace Solutions
- Facilitate Customer Decision Making and Balancing Security Risk with Associated Costs
- Ensure the Cost of Operations and Maintenance Remains at the Appropriate Level
- Reduce Energy Costs/Consumption
- Support the Federal Real Property Council

Action Plan and Performance

PBS has identified eight key areas where it must improve in order to achieve the overall goal of a sustainable inventory of owned buildings.

1. **Implement GSA's Real Property Asset Management Plan**

In FY 2008, PBS will continue implementing its Real Property Asset Management Plan and the associated 3-year rolling improvement plan to advance its asset management practices and to maintain "Green" status on the scorecard for the President's Management Agenda. PBS will also continue to work closely with the Office of Management and Budget and the Federal Real Property Council to ensure that GSA remains attentive to any changes in direction and guidance for Federal real property asset management. To meet this goal, PBS will accomplish the following:

- Annually update and re-evaluate GSA's Real Property Asset Management Plan
- Implement action items from the 3-year rolling improvement plan
- Continue to identify gaps in GSA's asset management business model and incorporate solutions into the 3-year rolling improvement plan.

2. **Continue Restructuring/Rightsizing GSA's Portfolio of Real Property Assets**

PBS strives to ensure that its portfolio mainly consists of financially balanced assets that are well positioned to meet customer requirements. The portfolio restructuring will near completion in FY 2008. To continue the success of this initiative in FY 2008, PBS will:

- Perform annual financial tiering analysis to monitor portfolio performance
- Update and implement asset strategies
- Monitor disposal forecasts and execution.

3. **Identify Core Real Property Assets and Target Reinvestment**

Building on work initiated in FY 2006, PBS will refine its identification of core real property assets in FY 2008 to ensure that reinvestment dollars are targeted to the correct assets. Implementing this strategy will require upgrades to source databases that provide asset, market, and customer information. To achieve this goal, PBS will:

- Continue to examine long-term customer needs and commercial market alternatives
- Establish a holding period for the asset (>15 yrs/5-15 yrs/ <5 years)
- Determine an adequate reinvestment level for each asset based on future demand.

4. Advance Customer and Market Portfolio Analysis to Develop Cost Effective Workplace Solutions

In FY 2008, PBS will enhance its customer and market portfolio analysis, identifying and targeting opportunities for cost effective solutions and savings for customers. PBS must effectively track and utilize information collected in the Customer Relationship Management (CRM) system and coordinate closely with brokers to take advantage of identified market opportunities. To achieve this, PBS will:

- Update detailed occupancy analyses of key customer portfolios
- Assist customers in developing strategies to minimize rental costs
- Improve data collection, analysis, and reporting at the customer level.

5. Facilitate Customer Decision Making and Balancing Security Risk with Associated Costs

PBS will implement the revised long-term Memorandum of Understanding (MOU) that will formalize our relationship with DHS-FPS by outlining the roles and responsibilities of each agency. GSA is also establishing new operating criteria for Building Security Committees, as well as a national programmatic Security Liaison. PBS expects to solidify its working relationship with DHS-FPS and develop tools to facilitate decision making to help mitigate risks and balance the costs with associated benefits of providing security protection and countermeasures. To achieve this, PBS will:

- Staff and support the PBS Security Office
- Develop tools to frame decision-making to balance risk and costs
- Provide up-front analysis of location-specific security costs.

6. Ensure the Cost of Operations and Maintenance Remains at an Appropriate Level

Recent localized and nationwide fluctuations in operating costs have made it difficult for PBS to benchmark its costs against the private sector, so PBS is currently reexamining the benchmarking data to develop an appropriate measure for operations and maintenance costs. Additionally, PBS expects to implement several cost-reducing initiatives in response to current and future market conditions. In FY 2008, PBS will:

- Work closely with Regional Property Managers, Asset Managers, and Realty Specialists to collect and evaluate the operating cost data and compare that data with the private sector
- Develop and update equipment inventories and building operating plans to determine the most effective operations and the most efficient equipment and systems used in our buildings
- To streamline building Operations and Maintenance, PBS is exploring the use of a National Call Center for service related calls as well as a Computerized Maintenance Management System (CMMS) through our contractors to manage the equipment and building systems.

7. Reduce Energy Costs/Consumption

In FY 2008, PBS will continue to reduce energy costs and consumption by enhancing existing processes and tools currently used to procure, monitor, and consume energy. Technological advances and deregulation of the electricity industry may require

GSA to increase contracting staff responsible for the administration of GSA's government-wide utility acquisition responsibilities and price monitoring. Increased complexity in electricity markets associated with deregulation will require the development of market-based demand response programs, as well as the technology to support such an initiative. As a result of the Energy Policy Act of 2005, GSA building operators will require funding to improve metering capabilities in significant portions of GSA's inventory. Finally, GSA Repairs and Alterations energy retrofit funding must continue at current levels to ensure GSA buildings meet 2010 energy reduction goals.

8. Support the Federal Real Property Council

PBS strives to be a leader of Federal real property asset management. To that end, PBS has made it a goal to incorporate guidance and directives issued by the Federal Real Property Council. In FY 2008, PBS will:

- Capture and report on the 23 data elements for the building inventory
- Implement the disposition decision tree.

Impact on Performance:

PBS fully expects portfolio performance to improve as a result of implementing these strategies. The ultimate outcome of the PBS Strategy for Restructuring and Reinvesting in the Owned Inventory is to provide quality workplaces, increase customer satisfaction, constrain operating costs, and enhance the value of our real estate portfolio for the benefit of the taxpayer.

INSTALLMENT ACQUISITION PAYMENTS EXPLANATION OF BUDGET CHANGES (Dollars in Thousands)	
FY 2007 CR Availability	**163,999**
Decrease in Capitalized Interest Payments	(2,070)
Decrease in Interest Payments	(6,148)
FY 2008 Request	**155,781**

General Program Description

The Public Buildings Amendment of 1972 enabled GSA to contract for the construction of a backlog of authorized but unfunded new construction projects. PBS was granted borrowing authority for a selected number of these projects. Congress has also provided authority on numerous occasions to borrow funds to construct specific Federal facilities. This program funds payments for interest, including capitalized interest, for facilities constructed under borrowing authority.

REIMBURSABLE PROGRAM
EXPLANATION OF BUDGET CHANGES
(Dollars in Thousands)

	FTE	Dollars
FY 2007 CR Availability	117	**989,469**
Workload adjustment for FY06 (+)	--	17,138
Subtotal FY 2007 CR Availability	--	**1,006,007**
Inflation	--	15,811
Workload Increases (+)	--	55,116
Workload Decreases (-)	--	(57,623)
FY 2008 Request	**117**	**1,019,911**

General Program Description

GSA provides tenant agencies with space and building services (e.g., cleaning, maintenance, utilities, and protection) commensurate with those offered in the private sector. When requested by a tenant, we also provide building services which exceed commercially equivalent levels on a reimbursable basis. The reimbursable program allows us to be fully responsive to the special needs of our tenants in the Government-owned and leased space that we operate. Reimbursable services include space adjustments, facility security, utilities, large projects, and janitorial services required for above standard levels of operations, as well as administrative support costs associated with providing the service.

FY 2008 Congressional Justification
Public Buildings Service
Federal Buildings Fund
Performance Section

PBS Performance Plan Goals and Measures

FY2008 Budget Program	Long-term Goal	2008 Performance Goal	Performance Measure	2006 Actual	2007 Target	2008 Target
New Construction	**Reduce average cycle time on new courthouse construction projects to 2,800 days or less by FY 2019.**	Average cycle time on new courthouse construction projects is 3,100 days or less by FY 2008	Number of days to complete new courthouse construction projects	3,458	≤3100	≤3100
	Register 100% of the New Construction program for Leadership in Energy and Environmental Design (LEED) in the same fiscal year design funding is authorized and certify 75% of the New Construction program for LEED within 18 months of substantial construction completion.	By FY 2008, register 75% of the New Construction program for LEED in the same fiscal year design funding is authorized	Percent of New Construction program registered for LEED	100%	50%	75%
		By FY 2008, certify 25% of the New Construction program for LEED within 18 months of substantial construction completion	Percent of New Construction program that is certified for LEED	0%	25%	25%
	Improve the operational and maintenance efficiency of GSA buildings by independently verifying newly constructed buildings for achievement of established operational requirements within eighteen months of substantial construction completion.	Verify 35% of newly constructed buildings for achievement of established operational requirements by FY 2008	Percent of newly constructed buildings independently verified for achievement of established operational requirements	100%	35%	35%
	GSA will execute the New Construction program on the schedule committed to our customers 90% of the time by FY 2010.	New construction projects on schedule 88% of the time by FY 2008	Construction projects on schedule	84%	87%	88%

PBS Performance Plan Goals and Measures

FY2008 Budget Program	Long-term Goal	2008 Performance Goal	Performance Measure	2006 Actual	2007 Target	2008 Target
Leasing Program	**By FY 2010, the Leasing program will deliver <u>new leases</u> at 9.5% below the industry average cost for office space, and deliver the space when the customer needs it 90% of the time or better.**	Award leases at an average rental rate of not less than 9% below industry averages for comparable office space by FY 2008	Cost of leased space relative to industry market rates	-9.20%	-8.8%	-9.0%
		Deliver lease space when the customer needs it 86% of the time or better by FY 2008	Percent of customers who say they received their lease space when they needed it	67%	84%	86%
		Use National Broker Contract for at least 80% of expiring leases by FY 2008	Percent of expiring leases using the National Broker Contract	48%	70%	80%
	By FY 2010, the Leasing program will receive satisfied tenant customer satisfaction scores (4's & 5's) 80% of the time and will incorporate the results of Lease Tiering into customer strategic planning where market data is available.	Achieve a satisfied customer satisfaction rating (4's & 5's) 76% of the time by FY 2008	Satisfied tenant customer satisfaction rating (4 and 5 responses) in leased space surveyed	78%	74%	76%
		Analyze 100% of leases expiring within 3 years for market opportunities to reduce rental payments where market data is available	Percent of existing lease inventory reviewed for beneficial opportunities	100%	100%	100%
		Maintain percent of vacant space in leased buildings less than or equal to 1.5% by FY 2008	Percent of vacant space in leased inventory	1.50%	≤1.5%	≤1.5%
		Manage the costs of administering leased space so that leased Funds From Operations (FFO) is greater than 0% and no more than 2% of the leased inventory revenue	Percent of leased revenue available after administering the lease program	1.50%	0% - 2%	0% - 2%

PBS Performance Plan Goals and Measures

FY2008 Budget Program	Long-term Goal	2008 Performance Goal	Performance Measure	2006 Actual	2007 Target	2008 Target
Asset Management	**Achieve a viable, self-sustaining inventory with an average Return on Equity of at least 6% by FY 2010 for 80% of our government owned assets.**	Increase to 77% the percentage of government-owned assets with a Return on Equity of at least 6% by FY 2008	Percentage of government-owned assets with an ROE of at least 6 percent	74%	74%	77%
		Increase the percentage of government-owned assets with a positive FFO to 90% by FY 2008	Percentage of government-owned assets achieving a positive FFO	81%	90%	90%
		89% of R&A projects on schedule by FY 2008	R&A projects on schedule	83%	88%	89%
		Obligate 75% of minor Repairs and Alterations budget for planned projects by the end of FY 2008	Percent of minor R&A budget obligated on planned projects by the end of the fiscal year	85%	75%	75%
		Decrease the vacant (available and committed) space to 7% of the owned inventory by FY 2005 and maintain thereafter.	Percentage of available and committed space in government-owned inventory	7%	7%	7%
		Maintain the percent of escalations on R&A projects less than or equal to 1% by FY 2008	Percent of escalations on R&A projects	3.2%	≤1%	≤1%
	Reduce energy consumption 20% by FY 2015 over the FY 2003 baseline while maintaining overall operating costs 3% below the private sector and customer satisfaction levels at or above 80%.	Reduce energy consumption in GSA federal buildings by 6% (as measured by Btu/GSF) over the FY 2003 baseline by FY 2008	Percent reduction in energy consumption over the FY 2003 baseline	-4.4%	-4%	-6%
		Execute energy conservation goals while increasing GSA's Customer Satisfaction scores to 76% by FY 2008	Customer Satisfaction – tenants in owned space	83%	75%	76%
		Maintain operating service costs in office and similarly serviced space at 3% or more below private sector benchmarks by FY 2008	Percent below private sector benchmarks for cleaning, maintenance and utility costs in office and similarly serviced space	-4.2%	-3%	-3%

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

FY 2008 Budget Request
Performance Plan
Budget Link Summary
(Dollars in Thousands)

	FY 2006 Actual	FY 2007 CR Availability	FY 2008 Request	Change FY 2007 to FY 2008
Linked Budget Summary				
Asset Management	*$2,887,684*	*$2,537,236*	*$2,734,482*	*197,246*
Repairs and Alterations:	*$1,148,019*	*$733,030*	*$804,483*	*71,453*
Basic	$447,993	$374,913	$350,200	(24,713)
Line-Item	$700,026	$358,117	$454,283	96,166
Building Operations	$1,707,139	$1,804,206	$1,929,999	125,793
Total Indefinite Authority	$32,526	[$38,800]	[$42,100]	[$3,300]
New Construction	*$1,025,383*	*$414,903*	*$808,335*	*393,432*
New Construction	$819,527	$212,146	$615,204	403,058
Installment Acquisition Payments	$168,180	$163,999	$155,781	(8,218)
Building Operations	$37,676	$38,758	$37,350	(1,408)
Leasing	*$4,332,417*	*$4,539,972*	*$4,548,101*	*8,129*
Rental of Space	$3,924,788	$4,067,881	$4,383,000	315,119
Building Operations	$155,287	$160,866	$165,101	4,235
Rental of Space - Indefinite Authority	$252,342	$311,225	[$302,625]	(311,225)
Total New Obligational Authority:	**$8,245,484**	**$7,492,111**	**$8,090,918**	**598,807**
Indefinite Authority Not Included in NOA				
Asset Management		$38,800	$42,100	3,300
Leasing			$316,046	316,046
Total Obligational Authority (NOA + IA)	**$8,245,484**	**$7,530,911**	**$8,449,064**	**918,153**

Long-term Outcome Goal:

Reduce average cycle time on new courthouse construction projects to 2,800 days or less by FY 2019.

Performance Goal: Average cycle time on new courthouse construction projects is 3,100 days or less by FY 2008.

Performance Measure

- Number of days to complete new courthouse construction projects.

The New Construction program business line established an efficiency measure for the cycle time of new courthouse construction projects. This measure evaluates the construction program's ability to efficiently deliver new courthouse projects. Reduced cycle time results in cost savings and more efficient program execution. This efficiency measure is evaluated by calculating the average cycle time for new courthouse construction projects with results aggregated over a three-year period. Cycle time measures the number of days from the authorization/appropriation of design funds to substantial construction completion.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
2,928	*3,458*	*≤3,100*	*≤3,100*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
≤3,100	*≤3,100*	*≤3,100*	*≤3,100*

Long-term Outcome Goal:

Register 100% of the New Construction program for Leadership in Energy and Environmental Design (LEED) in the same fiscal year design funding is authorized and certify 75% of the New Construction program for LEED within 18 months of substantial construction completion.

Performance Goal: By FY 2008, register 75% of the New Construction program for LEED in the same fiscal year design funding is authorized.

Performance Measure

- Percent of New Construction program registered for LEED.

This measure tracks the level of sustainability achieved by the New Construction program. Projects must be registered for LEED with the U.S. Green Building Council in the same fiscal year design funding is authorized.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
9%	*100%*	*50%*	*75%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
90%	*100%*	*100%*	*100%*

Performance Goal: By FY 2008, certify 25% of the New Construction program for LEED within 18 months of substantial construction completion.

Performance Measure

- Percent of New Construction program that is certified for LEED.

This measure tracks the level of sustainability achieved by the New Construction program. Projects must achieve LEED certification within 18 months of substantial construction completion. Sustainable design principles are incorporated throughout GSA's building processes, beginning with design. The result is an optimal balance of cost, environmental, societal, and human benefits, while continuing to meet the needs of the client agency. GSA's intent is to integrate sustainable design as seamlessly as possible into existing design and construction processes, to maximize efficiency and achieve cost effective sustainability. One of PBS's goals is to increase the number of buildings that are registered for LEED, but this effort to register buildings will not affect the certification of buildings until the buildings are completed in several years.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
17%	*0%*	*25%*	*25%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
25%	*25%*	*50%*	*60%*

Long-term Outcome Goal:

Improve the operational and maintenance efficiency of GSA buildings by independently verifying newly constructed buildings for achievement of established operational requirements within eighteen months of substantial construction completion.

Performance Goal: Verify 35% of newly constructed buildings for achievement of established operational requirements by FY 2008.

Performance Measure

- Percent of newly constructed buildings independently verified for achievement of established operational requirements.

For the new construction program, PBS adopted a quality assurance process to achieve, validate, and document that the performance of each building and its systems meet the design intent and owner requirements. This process, called commissioning, assures GSA that the facilities it is developing meet or exceed program requirements and expectations for performance, efficiency, safety, sustainability, security and occupant satisfaction. This independent verification process leads to reductions in building operating costs, enhanced energy efficiency, improved environmental/health conditions, improved maintenance of building systems and a significant extension of equipment/systems life cycle.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
22%	*100%*	*35%*	*35%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
35%	*35%*	*35%*	*35%*

Long-term Outcome Goal:

GSA will execute the New Construction program on the schedule committed to our customers 90% of the time by FY 2010.

Performance Goal: New construction projects on schedule 88% of the time by FY 2008.

Performance Measure

- Construction projects on schedule.

GSA anticipates it will deliver and complete construction of new projects on the schedule committed to its customers 90% of the time by 2010. The earned value technique is used to assess construction project performance on all prospectus level construction. Results are measured as the percent of project dollars on or ahead of the planned schedule of project expenditures. This measurement method is designed to provide greater weight to larger construction projects.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
100%	*84%*	*87%*	*88%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
89%	*90%*	*90%*	*90%*

FY 2008 Budget Request / Performance Plan
Budget Links
New Construction
(Dollars in Thousands)

Long-term Outcome Goal(s)

Reduce average cycle time on new courthouse construction projects to 2,800 days or less by FY 2019.

Performance Goal	Performance Measure	FY 2006			FY 2007			FY 2008			Change FY 2007 to FY 2008		
		Actual	Dollars		Target	Dollars		Target	Dollars		Target	Dollars	
Average cycle time on new courthouse construction projects is 3,100 days or less by FY 2008	Number of days to complete new courthouse construction projects	3,458	$	301,984	≤3100	$	-	≤3100	$	40,642	0%	$	40,642
Budget Links:	New Construction		$	301,984		$	-		$	40,642		$	40,642
Budget Activities:													
New Construction			$	301,984		$	-		$	40,642		$	40,642
Total New Obligational Authority			**$**	**301,984**		**$**	**-**		**$**	**40,642**		**$**	**40,642**

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

FY 2008 Budget Request / Performance Plan
Budget Links
New Construction
(Dollars in Thousands)

Long-term Outcome Goal(s)

Register 100% of the New Construction program for Leadership in Energy and Environmental Design (LEED) in the same fiscal year design funding is authorized and certify 75% of the New Construction program for LEED within 18 months of substantial construction completion.

Performance Goal	Performance Measure	FY 2006		FY 2007		FY 2008		Change FY 2007 to FY 2008	
		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
By FY 2008, register 75% of the New Construction program for LEED in the same fiscal year design funding is authorized	Percent of New Construction program registered for LEED	100%	$ 17,346	50%	$ 4,891	75%	$ 17,909	25%	$ 13,018
Budget Links:	New Construction		$ 17,346		$ 4,891		$ 17,909		$ 13,018
By FY 2008, certify 25% of the New Construction program for LEED within 18 months of substantial construction completion	Percent of New Construction program that is certified for LEED	0%	$ 11,564	25%	$ 3,261	25%	$ 11,939	0%	$ 8,678
Budget Links:	New Construction		$ 11,564		$ 3,261		$ 11,939		$ 8,678
Budget Activities:									
New Construction			$ 28,910		$ 8,152		$ 29,848		$ 21,696
Total New Obligational Authority			**$ 28,910**		**$ 8,152**		**$ 29,848**		**$ 21,696**

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

FY 2008 Budget Request / Performance Plan
Budget Links
New Construction
(Dollars in Thousands)

Long-term Outcome Goal(s)

Improve the operational and maintenance efficiency of GSA buildings by independently verifying newly constructed buildings for achievement of established operational requirements within eighteen months of substantial construction completion.

Performance Goal	Performance Measure	FY 2006		FY 2007		FY 2008		Change FY 2007 to FY 2008	
		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Verify 35% of newly constructed buildings for achievement of established operational requirements by FY 2008	Percent of newly constructed buildings independently verified for achievement of established operational requirements	100%	$ 216,574	35%	$ 103,292	35%	$ 237,628	0%	$ 134,336
Budget Links:	New Construction		$ 195,453		$ 81,598		$ 217,886		$ 136,288
	Building Operations		$ 21,121		$ 21,694		$ 19,742		$ (1,952)
Budget Activities:									
New Construction			$ 195,453		$ 81,598		$ 217,886		$ 136,288
Building Operations			$ 21,121		$ 21,694		$ 19,742		$ (1,952)
Total New Obligational Authority			**$ 216,574**		**$ 103,292**		**$ 237,628**		**$ 134,336**

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

FY 2008 Budget Request / Performance Plan
Budget Links
New Construction
(Dollars in Thousands)

Long-term Outcome Goal(s)

GSA will execute the New Construction program on the schedule committed to our customers 90% of the time by FY 2010.

Performance Goal	Performance Measure	FY 2006		FY 2007		FY 2008		Change FY 2007 to FY	
		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
New construction projects on schedule 88% of the time by FY 2008	Construction projects on schedule	84%	$ 477,915	87%	$ 303,459	88%	$ 500,217	1%	$ 196,758
Budget Links:	New Construction		$ 293,180		$ 122,396		$ 326,828		$ 204,432
	Installment Acquisition		$ 168,180		$ 163,999		$ 155,781		$ (8,218)
	Building Operations		$ 16,555		$ 17,064		$ 17,608		$ 544
Budget Activities:									
New Construction			$ 293,180		$ 122,396		$ 326,828		$ 204,432
Installment Acquisition Payments			$ 168,180		$ 163,999		$ 155,781		$ (8,218)
Building Operations			$ 16,555		$ 17,064		$ 17,608		$ 544
Total New Obligational Authority			**$ 477,915**		**$ 303,459**		**$ 500,217**		**$ 196,758**

Long-term Outcome Goal:

By FY 2010, the Leasing program will deliver new leases at 9.5% below the industry average cost for office space, and deliver the space when the customer needs it 90% of the time or better.

Performance Goal: Award leases at an average rental rate of not less than 9% below industry averages for comparable office space by FY 2008.

Performance Measure

- Cost of leased space relative to industry market rates.

PBS benchmarks its leasing costs in office space to the private sector. By consistently paying lease rates at or below comparable market rates, PBS ensures that it is achieving the best value for the taxpayer. When calculated by contract, this measure will provide information as to the effectiveness of our brokers in negotiating favorable contract rates.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
-9.2%	*-9.2%*	*-8.8%*	*-9.0%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
-9.3%	*-9.5%*	*-9.5%*	*-9.5%*

Performance Goal: Deliver lease space when the customer needs it 86% of the time or better by FY 2008.

Performance Measure

- Percent of customers who say they received their lease space when they needed it.

Each year PBS conducts the Realty Transaction Survey, which includes questions for overall satisfaction with the transaction, getting space when needed, providing advance notice, space meeting needs, keeping the customer informed and value provided.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
82%	*67%*	*84%*	*86%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
88%	*90%*	*90%*	*90%*

Performance Goal: Use the National Broker Contract for at least 80% of expiring leases by FY 2008.

Performance Measure

- Percent of expiring leases using the National Broker Contract.

By comparing the number of task orders issued against the number of leases expiring in each contract year, PBS will be able to measure the increase in its capacity to meet customer needs through the use of the NBC.

FY05 Actual	FY06 Actual	FY07 Target	FY08 Target
N/A*	48%	70%	80%
FY09 Target	FY10 Target	FY11 Target	FY12 Target
90%	90%	90%	90%

* FY06 is the first year of the measure

Long-term Outcome Goal:

By FY 2010, the Leasing program will receive satisfied tenant customer satisfaction scores (4's and 5's) 80% of the time and will incorporate the results of Lease Tiering into customer strategic planning where market data is available.

Performance Goal: Achieve a satisfied customer satisfaction rating (4's & 5's) 76% of the time by FY 2008.

Performance Measure

- Satisfied tenant customer satisfaction rating (4 and 5 responses) in leased space surveyed.

PBS, in partnership with The Gallup Organization, polls one-third of its eligible leased buildings each year. The survey, developed in conjunction with the International Facilities Management Association, measures customer satisfaction and allows building managers to target problem areas and develop strategies to improve scores.

FY05 Actual	FY06 Actual	FY07 Target	FY08 Target
78%	78%	74%	76%
FY09 Target	FY10 Target	FY11 Target	FY12 Target
78%	80%	80%	80%

Performance Goal: Analyze 100% of leases expiring within 3 years for market opportunities to reduce rental payments where market data is available.

Performance Measure

- Percent of existing lease inventory reviewed for beneficial opportunities.

FY05 Actual	FY06 Actual	FY07 Target	FY08 Target
N/A	100%	100%	100%
FY09 Target	FY10 Target	FY11 Target	FY12 Target
100%	100%	100%	100%

Performance Goal: Maintain percent of vacant space in leased buildings less than or equal to 1.5% by FY 2008.

Performance Measure

- Percent of vacant space in leased inventory.

This measure evaluates our effectiveness at maximizing the use of leased space in the inventory. Vacant space includes any space for which we currently have no tenant, including space that we have committed to a customer, but is not yet occupied.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
1.2%	*1.5%*	*≤ 1.5%*	*≤ 1.5%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
≤ 1.5%	*≤ 1.5%*	*≤ 1.5%*	*≤ 1.5%*

Performance Goal: Manage the cost of administering leased space so that leased Funds from Operations (FFO) is greater than 0% and no more than 2% of the leased inventory revenue.

Performance Measure

- Percent of leased revenue available after administering the lease program.

This measure ensures that all costs associated with the leasing program are covered through the rent and the leasing fee charged to customers. By keeping unexpended revenue between 0% and 2% of leased inventory revenue, PBS ensures recovery of all costs associated with the leasing program without overcharging its customers.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
2.2%	*1.5%*	*0% - 2%*	*0% - 2%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
0% - 2%	*0% - 2%*	*0% - 2%*	*0% - 2%*

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND
FY 2008 Budget Request / Performance Goal
Budget Links
Leasing Program
(Dollars in Thousands)

Long-term Outcome Goal(s)

By FY 2010, the Leasing program will deliver new leases at 9.5% below the industry average cost for office space, and deliver the space when the customer needs it 90% of the time or better.

Performance Goal	Performance Measure	FY 2006		FY 2007		FY 2008		Change FY 2007 to FY 2008	
		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Award leases at an average rental rate of not less than 9% below industry averages for comparable office space by FY 2008	Cost of leased space relative to industry market rates	-9.2%	$ 252,342	-8.8%	$ 311,225	-9.0%	[$316,046]	-0.2%	$ (311,225)
Budget Links:	Rental of Space Indefinite Authority		$ 252,342		$ 311,225		[$316,046] 1/		$ (311,225)
Deliver lease space when the customer needs it 86% of the time or better by FY 2008	Percent of customers who say they received their lease space when they needed it	67%	$ 57,472	84%	$ 59,547	86%	$ 60,997	2%	$ 1,450
Budget Links:	Building Operations		$ 57,472		$ 59,547		$ 60,997		$ 1,450
Use National Broker Contract for at least 80% of expiring leases by FY 2008	Percent of expiring leases using the National Broker Contract	48%	$ -	70%	$ -	80%	$ -	10%	$ -
Budget Activities:									
Rental of Space - Indefinite Authority			$ 252,342		$ 311,225		[$316,046] 1/		$ (311,225)
Building Operations			$ 57,472		$ 59,547		$ 60,997		$ 1,450
Total New Obligational Authority			**$ 309,814**		**$ 370,772**		**$ 60,997**		**$ (309,775)**

1/ Indefinite Authority not included in the New Obligational Authority amount

FY 2008 Budget Request / Performance Goal
Budget Links
Leasing Program
(Dollars in Thousands)

Long-term Outcome Goal(s)

By 2010, the Leasing program will receive satisfied tenant customer satisfaction scores (4's and 5's) 80% of the time and will incorporate the results of Lease Tiering into customer strategic planning where market data is available.

Performance Goal	Performance Measure	FY 2006		FY 2007		FY 2008		Change FY 2007 to FY 2008	
		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Achieve a satisfied customer satisfaction rating (4's & 5's) 76% of the time by FY 2008	Satisfied tenant customer satisfaction rating (4 and 5 responses) in leased space surveyed	78%	$ 45,732	74%	$ 48,176	76%	$ 49,505	2%	$ 1,329
	Building Operations		$ 45,732		$ 48,176		$ 49,505		$ 1,329
Analyze 100% of leases expiring within 3 years for market oppportunities to reduce rental payments where market data is available	Percent of existing lease inventory reviewed for beneficial opportunities	100%	$ -	100%	$ -	100%	$ -	0%	$ -
Maintain percent of vacant space in leased buildings less than or equal to 1.5% by FY 2008	Percent of vacant space in leased inventory	1.5%	$ 51,851	≤1.5%	$ 52,906	≤1.5%	$ 54,357	0%	$ 1,451
	Building Operations		$ 51,851		$ 52,906		$ 54,357		$ 1,451
Manage the costs of administering leased space so that leased Funds From Operations (FFO) is greater than 0% and no more than 2% of the leased inventory revenue	Percent of leased revenue available after administering the lease program	1.5%	$ 3,925,020	0%-2%	$ 4,068,118	0%-2%	$ 4,383,242	0%	$ 315,124
	Rental of Space		$ 3,924,788		$ 4,067,881		$ 4,383,000		$ 315,119
	Building Operations		$ 232		$ 237		$ 242		$ 5
Budget Activities:									
Building Operations			$ 97,815		$ 101,319		$ 104,104		$ 2,785
Rental of Space			$ 3,924,788		$ 4,067,881		$ 4,383,000		$ 315,119
Total New Obligational Authority			**$ 4,022,603**		**$ 4,169,200**		**$ 4,487,104**		**$ 317,904**

Long-term Outcome Goal:

Achieve a viable, self-sustaining inventory with an average Return on Equity of at least 6% by FY 2010 for 80% of our government-owned assets.

Performance Goal: Increase to 77% the percentage of government-owned assets with a Return on Equity of at least 6% by FY 2008.

Performance Measure

- Percentage of government-owned assets with an ROE of at least 6 percent.

Return on Equity is the ratio of annual net operating income to the amount of "equity" (generally fair market value) in the asset. Assets with an ROE of at least 6% are solid financial performers that fulfill the long-term needs of our customers by generating enough money to fund their own operations, repairs and capital requirements.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
74%	*74%*	*74%*	*77%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
80%	*80%*	*80%*	*80%*

Performance Goal: Increase the percentage of government-owned assets with a positive FFO to 90% by FY 2008.

Performance Measure

- Percentage of government owned assets achieving a positive FFO.

Funds from Operations (FFO) is a measure of PBS's rent revenue minus all expenses (excluding depreciation) associated with running PBS's owned and leased buildings, such as salaries, supplies, lease payments, cleaning, maintenance, utilities and other costs. Increasing the percentage of buildings with a positive FFO will ultimately result in a self-sustaining inventory, improved quality of space for our customers, and superior value for taxpayers.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
80%	*81%*	*90%*	*90%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
90%	*90%*	*90%*	*90%*

Performance Goal: 89% of R&A projects on schedule by FY 2008.

Performance Measure

- R&A projects on schedule

It is critical that projects be completed on time to meet commitments to customers, avoid changes in scope and meet financial plans. This measure shows the percentage of projects on schedule, weighted so that more costly projects will have a greater impact on the measure.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
95%	*83%*	*88%*	*89%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
90%	*90%*	*90%*	*90%*

Performance Goal: Obligate 75% of minor Repairs and Alterations budget for planned projects by the end of FY 2008.

Performance Measure:

- Percent of minor R&A budget obligated on planned projects by the end of the fiscal year

This measure will encourage strategic reinvestment and disciplined spending that rewards sound financial planning and budgeting. This measure focuses on how well PBS plans and executes the minor Repair and Alteration program.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
87%	*85%*	*75%*	*75%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
75%	*75%*	*75%*	*75%*

Performance Goal: Decrease the vacant (available and committed) space to 7% of the owned inventory by FY 2005 and maintain thereafter.

Performance Measure:

- Percentage of available and committed space in government-owned inventory

This measure evaluates our effectiveness at maximizing the use of the government-owned buildings in our inventory. Vacant space includes any space for which we currently have no tenant, including space that we have committed to a customer, but is not yet occupied.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
6.8%	*7%*	*7%*	*7%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
7%	*7%*	*7%*	*7%*

Performance Goal: Maintain the percent of escalations on R&A projects less than or equal to 1% by FY 2008.

Performance Measure

- Percent of escalations on R&A projects

PBS manages the capital program with budgets provided by Congress. Projects are considered within budget until PBS escalates, requests a reprogramming, or requests additional appropriations for a project. By remaining within original budgets on R&A projects, PBS ensures that taxpayers are getting the best value.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
0.4%	*3.2%*	*≤1%*	*≤1%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
≤1%	*≤1%*	*≤1%*	*≤1%*

Long Term Outcome Goal:

Reduce energy consumption 20% by FY 2015 over the FY 2003 baseline while maintaining overall operating costs 3% below the private sector and customer satisfaction levels at or above 80%.

Performance Goal: Reduce energy consumption in GSA Federal buildings by 6% (as measured by Btu/GSF) over the FY 2003 baseline by FY 2008.

Performance Measure

- Percent reduction in energy consumption over the FY 2003 baseline

PBS is a responsible steward of the environment and supports implementation of Executive Order 13123. PBS is committed to implementing energy saving solutions that improve the efficiency of operations and save taxpayer dollars.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
N/A	*-4.4%*	*-4%*	*-6%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
-8%	*-10%*	*-12%*	*-12%*

Performance Goal: Execute energy conservation goals while increasing GSA's Customer Satisfaction scores to 76% by FY 2008.

Performance Measure:

- Customer Satisfaction - tenants in owned space.

This measure tracks the percentage of tenants in owned space that are satisfied with the building services they receive. The survey assists PBS managers with targeting problem areas within individual buildings.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
78%	*83%*	*75%*	*76%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
78%	*80%*	*80%*	*80%*

Performance Goal: Maintain operating service costs in office and similarly serviced space at 3% or more below private sector benchmarks by FY 2008.

Performance Measure:

- Percent below private sector benchmarks for cleaning, maintenance and utility costs in office and similarly serviced space

This measures PBS performance against the BOMA experience exchange report to ensure that PBS's operating costs are below the industry average. The methodology for this measure changed in FY 2006 so that PBS now measures itself in major markets where actual Building Owners and Managers Association (BOMA) data is available.

FY05 Actual	*FY06 Actual*	*FY07 Target*	*FY08 Target*
-11%	*-4.2%*	*-3%*	*-3%*
FY09 Target	*FY10 Target*	*FY11 Target*	*FY12 Target*
-3%	*-3%*	*-3%*	*-3%*

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

FY 2008 Budget Request / Performance Plan
Budget Links
Asset Management of Federally-owned Real Property
(Dollars in Thousands)

Long-term Outcome Goal(s)

Achieve a viable, self-sustaining inventory with an average Return on Equity of at least 6% by FY 2010 for 80% of our government owned assets.

Performance Goal	Performance Measure	FY 2006		FY 2007		FY 2008		Change FY 2007 to FY 2008	
		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Increase to 77% the percentage of government-owned assets with a Return on Equity of at least 6% by FY 2008	Percentage of government-owned assets with an ROE of at least 6 percent	74%	$ 111,998	74%	$ 93,728	77%	$ 87,550	3%	$ (6,178)
Budget Links:	Basic Repairs & Alterations		$ 111,998		$ 93,728		$ 87,550		$ (6,178)
Increase the percentage of government-owned assets with a positive FFO to 90% by FY 2008	Percentage of government-owned assets achieving a positive FFO	81%	$ 2,665	90%	$ 2,721	90%	$ 2,778	0%	$ 57
Budget Links:	Building Operations		$ 2,665		$ 2,721		$ 2,778		$ 57
89% of R&A projects on schedule by FY 2008	R&A projects on schedule	83%	$ 623,529	88%	$ 306,698	89%	$ 438,036	1%	$ 131,338
Budget Links:	Line Item Repairs & Alterations		$ 593,467		$ 276,199		$ 406,676		$ 130,477
	Building Operations		$ 30,062		$ 30,499		$ 31,360		$ 861

FY 2008 Budget Request / Performance Plan
Budget Links
Asset Management of Federally-owned Real Property
(Dollars in Thousands)

Long-term Outcome Goal(s)

Achieve a viable, self-sustaining inventory with an average Return on Equity of at least 6% by FY 2010 for 80% of our government owned assets.

Performance Goal	Performance Measure	FY 2006		FY 2007		FY 2008		Change FY 2007 to FY 2008	
		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Obligate 75% of minor Repairs and Alterations budget for planned projects by the end of FY 2008	Percent of minor R&A budget obligated on planned projects by the end of the fiscal year	85%	$ 340,046	75%	$ 285,911	75%	$ 268,964	0%	$ (16,947)
Budget Links:	Basic Repairs & Alterations		$ 335,995		$ 281,185		$ 262,650		$ (18,535)
	Building Operations		$ 4,051		$ 4,726		$ 6,314		$ 1,588
Decrease the vacant (available and committed) space to 7% of the owned inventory by FY 2005 and maintain thereafter	Percentage of available and committed space in government-owned inventory	7%	$ 45,056	7%	$ 14,783	7%	$ 14,980	0%	$ 197
Budget Links:	Building Operations		$ 12,530		$ 14,783		$ 14,980		$ 197
	Indefinite Authority		$ 32,526		[$38,800]		[$42,100]		[$3,300]

FY 2008 Budget Request / Performance Plan
Budget Links
Asset Management of Federally-owned Real Property
(Dollars in Thousands)

Long-term Outcome Goal(s)

Achieve a viable, self-sustaining inventory with an average Return on Equity of at least 6% by FY 2010 for 80% of our government owned assets.

Performance Goal	Performance Measure	FY 2006		FY 2007		FY 2008		Change FY 2007 to FY 2008	
		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Maintain the percent of escalations on R&A projects less than or equal to 1% by FY 2008	Percent of escalations on R&A projects	3.2%	$ 77,258	≤ 1%	$ 65,787	≤ 1%	$ 57,352	0%	$ (8,435)
Budget Links:	Line Item Repairs & Alterations		$ 52,859		$ 36,918		$ 32,607		$ (4,311)
	Building Operations		$ 24,399		$ 28,869		$ 24,745		$ (4,124)
Budget Activities:									
Basic			$ 447,993		$ 374,913		$ 350,200		$ (24,713)
Line-Item			$ 646,326		$ 313,117		$ 439,283		$ 126,166
Indefinite Authority			$ 32,526		[$38,800]		[$42,100]		[$3,300]
Building Operations			$ 73,707		$ 81,598		$ 80,177		$ (1,421)
Total New Obligational Authority:			**$ 1,200,552**		**$ 769,628**		**$ 869,660**		**$ 100,032**

General Services Administration
PUBLIC BUILDINGS SERVICE
FEDERAL BUILDINGS FUND

FY 2008 Budget Request / Performance Plan
Budget Links
Asset Management of Federally-owned Real Property
(Dollars in Thousands)

Long-term Outcome Goal(s)

Reduce energy consumption 20% by FY 2015 over the FY 2003 baseline while maintaining overall operating costs 3% below the private sector and customer satisfaction levels at or above 80%.

Performance Goal	Performance Measure	FY 2006		FY 2007		FY 2008		Change FY 2007 to FY 2008	
		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Reduce energy consumption in GSA federal buildings by 6% (as measured by Btu/GSF) over the FY 2003 baseline by FY 2008	Percent reduction in energy consumption over the FY 2003 baseline	-4.4%	$ 35,941	-4%	$ 30,108	-6%	$ 26,217	-2%	$ (3,891)
Budget Links:	Line Item Repairs & Alterations		$ 28,000		$ 15,000		$ 15,000		$ -
	Building Operations		$ 7,941		$ 15,108		$ 11,217		$ (3,891)
Execute energy conservation goals while increasing GSA's Customer Satisfaction scores to 76% by FY 2008	Customer Satisfaction - tenants in owned space	83%	$ 773,988	75%	$ 794,886	76%	$ 798,976	1%	$ 4,090
Budget Links:	Building Operations		$ 748,288		$ 764,886		$ 798,976		$ 34,090
	Line Item Repairs & Alterations		$ 25,700		$ 30,000		$ -		$ (30,000)
Maintain operating service costs in office and similarly serviced space at 3% or more below private sector benchmarks by FY 2008	Percent below private sector benchmarks for cleaning, maintenance and utility costs in office and similarly serviced space	-4.2%	$ 877,203	-3%	$ 942,614	-3%	$ 1,039,629	0%	$ 97,015
Budget Links:	Building Operations		$ 877,203		$ 942,614		$ 1,039,629		$ 97,015
Budget Activities:									
Line-Item Repairs and Alterations			$ 53,700		$ 45,000		$ 15,000		$ (30,000)
Building Operations			$ 1,633,432		$ 1,722,608		$ 1,849,822		$ 127,214
Total New Obligational Authority:			**$ 1,687,132**		**$ 1,767,608**		**$ 1,864,822**		$ 97,214

General Services Administration
POLICY AND OPERATIONS

INTRODUCTION

From FY 2004 through FY 2007, the activities funded under this account were funded under the Operating Expenses Account and the Governmentwide Policy Account. From FY 1997 through FY 2003, these activities were funded from a single Policy and Operations account and GSA proposes to return to this single account funding approach in FY 2008. Merging the accounts will provide the flexibility needed to allow for the efficient management of the programs and activities funded by this appropriation.

Policy and Operations provides direct appropriations for a variety of activities, which are not feasible or appropriate for a user fee arrangement. The major programs include the Office of Congressional and Intergovernmental Affairs and Governmentwide Policy, which acts as GSA's liaison with Congress and other Governmental entities and carries out government-wide policy and regulatory functions as assigned by Congress; Office of Citizen Services and Communications (OCSC), which promotes increased access to Government information; Office of the Chief Acquisition Officer, which establishes policies, processes, metrics, and oversight for acquisition programs; the personal property utilization and donation activities of the Federal Acquisition Service; and the real property utilization and disposal activities of the Public Buildings Service. This account also provides for select Management and Administration activities including administrative support of Congressional District and Senate State offices, support of government-wide emergency response and recovery activities, top-level agency-wide management and administration, and the Civilian Board of Contract Appeals.

EXPLANATION OF ESTIMATES

Appropriated Program

The FY 2008 budget request of $144,338 thousand reflects a net increase of $12,038 thousand above the amount available for FY 2007 under the current continuing resolution (CR) for Operating Expenses and Governmentwide Policy, $132,300 thousand.

The request includes increases of:

- $500 thousand for the Federal Real Property Profile security enhancements (see page PO-17); and,
- $438 thousand for Forms.Gov to support the Business Gateway E-Gov initiative.
- $4,379 thousand for the creation of the Civilian Board of Contract Appeals in FY 2007 (which consolidated 7 agencies' Boards of Contract Appeals) (see page PO-44);
- $3,677 thousand to restore funding for contractual support services deferred under the CR at the 2007 House – passed level.

Partially offset by decreases for:

- $450 thousand Usability University transfer to Federal Citizen Information Center Fund;
- $147 thousand transfer to the Working Capital Fund for teleproductions staff.

Other cost increases include $2,072 thousand for pay raises and $1,569 thousand for inflation.

Reimbursable Program

Policy and Operations provides reimbursable services to other Federal agencies in the amount of $43,413 thousand. This amount includes:

- $10,550 thousand for the Office of Governmentwide Policy (see page PO-9);
- $1,450 thousand for the Office of the Chief Acquisition Officer (see page PO-21);
- $17,000 thousand for Management Councils (see page PO-20);
- $2,913 thousand for personal property services (see page PO-32); and
- $11,500 thousand for real estate disposal services for: (a) specialized properties outside the purview of the Federal Property and Administrative Services Act of 1949; and, (b) real property seized, forfeited, or foreclosed on by other agencies (see page PO-36).

General Services Administration
POLICY AND OPERATIONS

EXPLANATION OF CHANGES
APPROPRIATION
(In Thousands)

	FTE	$
FY 2007 Continuing Resolution Availability Operating Expenses (House passed level)..............................	**424**	**80,032**
FY 2007 Continuing Resolution Availability Governmentwide Policy……………………………...........	**159**	**52,268**
Subtotal………	**583**	**132,300**
FY 2007 Adjustments:		
OCSC FTE transfer to Working Capital Fund Teleproductions………………………………………………	-1	-147
OCSC FTE transfer to Working Capital Fund Web Presence………………………………………………	-8	
OCSC FTE transfer to Federal Citizen Information Center…………………………………………………..	-1	
Funding and FTE from other Agencies for consolidation of the Civilian Boards of Contract Appeals........	24	4,379
FY 2007 Adjusted Base……………………………………………………………………………………………	**597**	**136,532**
Increases:		
Part Year Increase for FY 2007 Pay Act (2.2%), Effective January 2007………………………………….		474
Pay Act Increase (3.0%), Effective January 2008………………………………………………………….		1,598
Inflation……		1,569
Increase for Contract Support……………………………………………………………………………....		3,677
Federal Real Property Profile security enhancement………………………………………………………		500
Support for Forms.Gov………………………… …………………………………………………………………		438
Transfer:		
OCSC Web Manager University Transfer to Federal Citizen Information Center Fund……………………	-2	-450
FY 2008 Budget Request..	**595**	**144,338**

POLICY AND OPERATIONS
FY 2008 Congressional Justification
Explanation of Changes by Program
(In Thousands)

	Management & Administration	Office of Congressional & Intergovernmental Affairs & Governmentwide Policy	Chief Acquisition Officer	Citizen Services & Communications	Personal Property Program	Real Property Disposal	Civilian Board of Contract Appeal	TOTAL
FY 2007 Continuing Resolution Availability	**$23,518**	**$42,711**	**$9,557**	**$24,682**	**$11,860**	**$15,738**	**$4,234**	**$132,300**
FY 2007 Adjustments:								
OCSC FTE transfer to Working Capital Fund Teleproductions				-147				**-147**
Funding from other Agencies for the Civilian Board of Contract Appeals							4,379	**4,379**
Congressional and Intergovernmental Affairs funding from Management and Administration	-1,917	1,917						**0**
Increases:								
Support for Forms.Gov		438						**438**
Federal Real Property Profile Security Enhancement		500						**500**
Increase for Contract Support	907	282		910	445	590	543	**3,677**
Part Year Increase for FY 2007 Pay Act (2.2%), Effective January 2007	71	110	37	72	61	81	42	**474**
Pay Act Increase (3.0%), Effective January 2008	237	370	125	242	206	273	145	**1,598**
Inflation	299	573	88	374	73	98	64	**1,569**
Transfer:								
OCSC Web Manager University Transfer to FCIC				-450				**-450**
FY 2008 Congressional Justification	**$23,115**	**$46,901**	**$9,807**	**$25,683**	**$12,645**	**$16,780**	**$9,407**	**$144,338**

POLICY AND OPERTIONS
FY 2008 Structure

Old Structure:	**Governmentwide Policy Accounts**		**Operating Expenses Account**					
	Office of Governmentwide Policy	**Chief Acquisition Officer**	**Management & Administration[1]**	**Citizen Services & Communications**	**Personal Property Program**	**Real Property Disposal**	**Civilian Board of Contract Appeal**	**TOTAL**
FY 2008 Budget Request	$44,984	$9,807	$25,032	$25,683	$12,645	$16,780	$9,407	$144,338
New Structure:	**Policy and Operations**							
	Office of Congressional & Intergovernmental Affairs & Governmentwide Policy	**Chief Acquisition Officer**	**Management & Administration**	**Citizen Services & Communications**	**Personal Property Program**	**Real Property Disposal**	**Civilian Board of Contract Appeal**	**TOTAL**
FY 2008 Budget Request	$46,901	$9,807	$23,115	$25,683	$12,645	$16,780	$9,407	$144,338

[1] Includes Office of Congressional & Intergovernmental Affairs.

Justification of Policy and Operations Changes for FY 2008
(Dollars in Thousands)

Contract Support **$3,677**

The FY 2008 request reflects FY 2007 Funding at the House Passed level. If GSA remains at the House Passed level, contract support of $3,677 thousand will be cut in FY 2007. The $3,677 thousand is a restoration of the contract support associated with the FY 2007 Continuing Resolution Availability (at the House passed level).

Forms.Gov **$438**

The Forms.gov application was previously developed and funded through the Business Gateway E-Gov initiative which had the Small Business Administration as the managing partner and principal funding agency. Since GSA hosts Forms.Gov, it is deemed more appropriate for GSA to resume its financial support for this activity. Therefore, GSA is requesting $438 thousand to fund the contract management, help desk support, and outreach associated with this website.

Federal Real Property Profile (FRPP) **$500**

The FRPP serves as the only centralized database of government-wide real property inventory information, and agencies are able to use the data in the system to measure their assets' performance, including comparing and benchmarking across various types of real property assets, and identify potential pieces of property (i.e., un-needed and/or underutilized) for disposal. The $500 thousand will address database security concerns related to sharing portions of the data among agencies and with the public.

Civilian Board of Contract Appeals $4,379

The National Defense Authorization Act for FY 2006 (P.L. 109 - 163) consolidated the Boards of Contract Appeals from the Departments of Agriculture, Energy, Housing and Urban Development, Interior, Transportation, and Veterans Affairs into GSA's Board of Contract Appeals, creating the Civilian Board of Contract Appeals. The $4,379 thousand represents the full year budget authority transferred from other agencies.

General Services Administration
POLICY AND OPERATIONS

BUDGET AUTHORITY
(In Thousands)

	FY 2006 Actual Obligations	FY 2007 Budget	FY 2008 Request	FY 2007/FY 2008 Change
APPROPRIATED PROGRAM:				
New Budget Authority				
Governmentwide Policy Account	51,267	52,268	N/A	N/A
Operating Expenses Account	82,592	80,032	N/A	N/A
TOTAL NEW BUDGET AUTHORITY	**133,859**	**132,300**	**144,338**	**12,038**
TOTAL APPROPRIATED (Obligations)	**134,334**	**134,748**	**144,338**	**9,590**
REIMBURSABLE PROGRAM:				
REIMBURSABLE PROGRAMS – GP ACCOUNT	3,313	6,000	N/A	N/A
REIMBURSABLE PROGRAMS – OE ACCOUNT	4,596	14,334	N/A	N/A
REIMBURSABLE - P&O[1]			26,413	6,079
TRANSFERS FOR MANAGEMENT COUNCILS[2]	8,844	10,000	17,000	7,000
TOTAL REIMBURSABLE (Obligations)	**16,753**	**30,334**	**43,413**	**13,079**
NET OUTLAYS	**139,158**	**141,362**	**134,821**	**-6,541**
EMPLOYMENT (FTE):				
APPROPRIATED - GP	152	159	N/A	N/A
APPROPRIATED - OE	334	438	N/A	N/A
TOTAL APPROPRIATED FTE	**486**	**597**	**595**	**-2**
REIMBURSABLE - GP	0	2	N/A	N/A
REIMBURSABLE - OE	17	17	N/A	N/A
TOTAL REIMBURSABLE FTE	**17**	**19**	**21**	**2**

[1] The Reimbursable P&O FY 2007 / FY 2008 Change column represents the total change between the old structure and the new structure.
[2] FY 2007 President's Budget requested $17,000 thousand for transfers for Management Council. Under a full year CR, transfers for Management Council are projected at $10,000 thousand.

OBLIGATIONS BY OBJECT CLASS $(Thousands)		FY 2006 Actual	FY 2007 Budget	FY 2008 Request
	Personal Compensation and Benefits			
11.1	Full-time permanent	45,253	52,153	56,153
11.3	Other than full-time permanent	47	79	101
11.5	Other personnel compensation	2,451	3,338	3,592
11.9	**Total personal compensation**	**47,751**	**55,570**	**59,846**
12.1	Civilian personnel benefits	9,987	11,683	12,496
21.0	Travel and transportation of persons	1,626	2,080	2,148
22.0	Transportation of things	38	38	38
23.1	Rental payments to GSA	5,296	6,461	7,632
23.2	Rental payments to others	129	200	204
23.3	Communications, utilities, and miscellaneous charges	1,033	1,235	1,247
24.0	Printing and reproduction	698	797	829
25.1	Advisory and assistance services	26,783	20,782	22,546
25.2	Other services	7,232	7,885	6,572
25.3	Other purchases of goods and services from Government accounts	32,171	27,024	29,771
25.7	Operation and maintenance of equipment	49	51	68
26.0	Supplies and materials	549	530	542
31.0	Equipment	843	412	399
41.0	Grants, subsidies, and contributions	149	0	0
99.0	**Appropriated Program**	**134,334**	**134,748**	**144,338**
99.0	Reimbursable Program	16,753	30,334	43,413
99.9	**Total Appropriated & Reimbursable**	**151,087**	**165,082**	**187,751**

Policy and Operations
Appropriation Language

For expenses authorized by law, not otherwise provided for, for government-wide policy and evaluation activities associated with the management of real and personal property assets and certain administrative services; government-wide policy support responsibilities relating to acquisition, telecommunications, information technology management, and related technology activities; government-wide activities associated with utilization and donation of surplus personal property; disposal of real property; providing Internet access to Federal information and services; agency-wide policy direction and management; the Civilian Board of Contract Appeals; services as authorized by 5 U.S.C. 3109; and not to exceed $7,500 for official reception and representation expenses, $144,338,000, of which $44,984,000 is for the Office of Government-wide Policy: Provided, That any change in the amount specified herein for the Office of Government-wide Policy may only be made 15 days following notification of the Committees on Appropriations.

POLICY

OFFICE OF CONGRESSIONAL AND INTERGOVERNMENTAL AFFAIRS AND GOVERNMENTWIDE POLICY

In December 2006, GSA established the Office of Congressional and Intergovernmental Affairs and Governmentwide Policy, under which are the Office of Congressional and Intergovernmental Affairs and the Office of Governmentwide Policy.

Office of Congressional and Intergovernmental Affairs

The Office of Congressional and Intergovernmental Affairs acts as GSA's liaison with Congress and other Governmental entities. The Office coordinates meetings and testimony before Congressional Committees for the Administrator and other agency senior staff, helps congressional offices solve GSA-related problems, coordinates responses to congressional inquiries, and manages the GSA legislative program. The Office also coordinates activities with the Judiciary and Federal, State and local governments.

Office of Governmentwide Policy (OGP)

Strategic Assessment

OGP's mission is to improve management Government-wide. OGP's policymaking authority and policy support cover the areas of personal and real property management, travel and transportation, information technology, regulatory information and use of Federal advisory committees. OGP's strategic direction has been focused on management improvements in these major areas. To reach the goal of improving Government-wide management of property, technology, and administrative services, OGP builds and maintains a policy framework, by (1) incorporating the requirements of Federal laws, Executive Orders, and other regulatory material into policies and guidelines, (2) facilitating Government-wide reform to provide Federal managers with business-like incentives and tools and flexibility to prudently manage their assets, and (3) identifying, evaluating, and promoting best practices, performance measures, and interoperability to improve efficiency of management processes.

In recent years, the President's Management Agenda (PMA) has been a catalyst in driving significant changes in the Federal Government and OGP has been a critical player in helping to make this happen. By providing strong leadership and program management, OGP plays an active policy role that helps agencies understand and implement new ways of doing business, effectively align with common standards, and adopt government-wide solutions that increase efficiencies. OGP effectively accomplishes this through collaboration, communication, analysis, facilitation and evaluation.

Operating from a central point with access to all other Federal agencies, industry, and other governments, OGP leads and coordinates major improvement initiatives that serve the interest of all Federal Government programs.

Strategic Direction

OGP will continue to drive the transformation of the Federal Government's policy infrastructure and related business processes to a more effective and efficient use of resources and improved performance. In so doing, OGP will be a catalyst that moves Federal management towards decision-making at the enterprise level rather than at individual program levels. Moreover, OGP is committed to achieving measurable results that improve management, provide best value and are implemented government-wide.

Specifically, OGP is in a unique position through its policy-making authority to champion and facilitate agencies adoption of best practices for life-cycle asset management. This is of particular importance for those assets and services that have common business processes regardless of the multitude of diverse stakeholders. By OGP exercising its regulatory authority, identifying and promulgating best practices, and evaluating agencies' policy adoption and performance, OGP can drive significant savings and cost avoidance in critical activities of the business of government. In FY 2008, OGP will continue to build on its successful record of policy-making through collaboration and pilots with Federal agencies, GSA Services, interagency governing bodies, and other governments.

For example, in coordination with Controller of the U.S. Government, OGP is developing policies, business rules, and standards for government-wide implementation of the financial management line of business. Working closely with OMB, OGP is providing leadership in developing policy “bridges” that are assisting agencies to consolidate key businesses – not only for financial management, but for budget formulation, IT infrastructure optimization, and geospatial information into a fewer service providers for each line of business.

GSA is striving to embed the policy goals of the President’s Management Agenda (PMA) into the services that GSA provides across government including travel, e-authentication, software asset management, real property asset management, and Smartbuy. The principles of the PMA emphasize the government-wide use of standards, interoperability, collaboration, and decision-making at the enterprise level instead of program by program. GSA can provide the operational capability for agencies that are consistent with these trends and are central to an effective Federal Government in the 21st century.

In the planning year ahead, OGP will demonstrate this capability by developing more effective asset management policies for real and personal property and for reengineering and aligning business and work processes government-wide. Greater emphasis will be placed on (1) analysis of performance data for evaluating policy adoption and implementation by other agencies, and (2) targeted efforts on key emerging policy issues and policy formulation recommended by stakeholders and customers. OGP will continue to evolve a policy and performance measurement framework that leads the development and implementation of business process change through the use of information technology. OGP will also continue to drive the adoption of performance measurement and reporting, as well as compliance review tools, to underscore the value of its policies as used and useful.

Major OGP initiatives for the next several years include:

- Engaging and assisting agencies in the adoption and use of polices to achieve effectiveness, efficiency and best value in areas such as HSPD-12 implementation and E-Travel.
- Engaging and assisting agencies in order to achieve compliance with Federal administrative management policies. OGP will use agency compliance review results to improve government-wide efficiency, effectiveness and economy in program management. OGP will also develop ways to provide high-level incentives to implement improvements.
- Continuing to work with agencies and OMB to ensure the development of effective government-wide performance measures, assessment methods, policies and standards for the implementation of an effective cross-servicing environment.
- Continuing to partner with industry and promote commercial, interoperable solutions within the public sector.
- Aligning GSA Services offerings with Administration policy goals and partnering with GSA Services to improve GSA delivery of policy-compliant solutions.

- Actively engaging in Human Capital Planning to ensure timely succession planning, and use of innovative recruitment and retention tools to increase key competencies in principle program areas.

Major Programs:

1. Technology Strategy

The Office of Technology Strategy creates opportunities for interagency and public-private collaboration, to ensure an integrated policy and technical infrastructure for the government's use of information technology. It leads the development of uniform standards and interoperability guidelines for electronic commerce, and facilitates Government-wide implementation of electronic applications. It also helps to develop the policy for adoption of common business approaches, architectures and innovative technologies to improve access and accessibility of Government information and services. This office also provides guidance and interagency council support for the Chief Information Officers Council, Chief Financial Officers Council, Chief Human Capital Officers Council, and Chief Acquisition Officers Council.

2. Real Property Management

The Office of Real Property Management provides policy guidance in real property asset management in support of the President's Management Agenda. Its primary customers are Federal landholding agencies. It serves as a focal point for bringing the public and private sector together to improve Government asset management practices and facilitate the adoption of a best-practices management approach for real property and alternative workplace arrangements. It promotes greater efficiency in the use of real property resources and better work environments for a more productive workforce.

3. Travel, Transportation and Asset Management

The Office of Travel, Transportation and Asset Management develops Government-wide policies and guidelines for the administrative management of personal property, aircraft, motor vehicles, mail, and travel and transportation. These administrative policies and guidance represent the majority of regulations and other guidance issued by the General Services Administration. These regulations and other policy guidance support statutes and Executive directives that traditionally involve significant Congressional interest and private sector concerns, such as the annual per diem rates for Federal travelers, mileage reimbursements for privately owned vehicles used for government business, and sale of Federal assets. This office maintains databases on Federal aircraft and motor vehicle fleets and produces annual reports on these activities as well as other activities under its purview, e.g., travel, relocation, etc. This office also sponsors forums, interagency committees and executive-level councils for each program that allow customers and stakeholders to discuss strategic direction and policy concerns informally, in addition to the formal rulemaking process.

This office brings together and collaborates with interagency teams to develop policies and regulations that affect Governmentwide management of personal property assets and travel/transportation services. It has identified key contacts at the various levels of Government to communicate and act as key supporters of new policies and best practices. It also collects information to ascertain customer needs and establishes performance benchmarks/standards and identifies innovative business trends. Such activities facilitate the customer outreach and feedback necessary to develop up-to-date and useful policy guidance, and help provide an infrastructure to maximize efficiency and effectiveness in collection of management data and increased accountability. Through consistent policies and regulatory action and building strong partnerships, this office has been able to promote and foster improved management practices that benefit the Government and the tax-payers.

4. Regulatory Information Service Center

The main roles of the Regulatory Information Service Center (RISC) are to compile and publish information about Federal regulatory and deregulatory activities and to provide information support services to the Office of Management and Budget's Office of Information and Regulatory Affairs (OIRA). RISC's publications, databases and computer system enable OIRA to carry out its responsibilities for coordination and review of Federal regulations under Executive Order 12866 and its information collection review function under the Paperwork Reduction Act. RISC also supports the Office of Governmentwide Policy's participation in the eRulemaking initiative, a single point of access to all of the Government's rulemaking activities including GSA's acquisition, FAR and Federal property regulations.

5. Committee Management Secretariat

Federal advisory committees support the policy and operating goals of the Administration and the Executive Branch by developing recommendations that are responsive to the issues of the sponsoring organizations. The Committee Management Secretariat has government-wide responsibilities for the management of the Federal Advisory Committee program. The Secretariat improves Government management by developing guidelines and maximizing public participation that result in better decisions by Federal agencies.

PERFORMANCE ANALYSIS

During FY 2006, after implementing the Policy Performance Portfolio system (3PS), OGP was re-scored by OMB under the PART process and has achieved rating of "Moderately Effective."

Policy Performance Portfolio System (3PS)

OGP has developed a performance metric methodology called the Policy Performance Portfolio System (3PS). Under the 3PS System, there are four "portfolio performance measures" (long-term outcome measures) that measure improvements in government-wide management as a result of agencies implementing the policies OGP develops. Each portfolio performance measure assesses the effectiveness and efficiency of a number of OGP policy initiatives. These policy initiatives are selected each fiscal year (a "portfolio" of five to eight policy initiatives) that represent the OGP strategic priorities for that year. Each policy initiative will have individual performance measurements that contribute to the outcome of the four portfolio performance measures.

During FY 2006 the five initiatives that comprised the portfolio were Identity Management, Federal Enterprise Architecture Support, Real Property policy Guidance, Personal Property Asset Management and Travel-Per Diem.

For FY 2007 policy initiatives to be included in the portfolio are Identity Management, Financial Systems Integration Office, Regulatory Information Service Center, Federal Real Property Asset Management System, Real Property Performance Measures, Federal Asset Sales, and Compliance and Evaluation.

For FY 2008, the policy initiatives that will comprise the portfolio are Federal Enterprise Architecture, Homeland Security Presidential Directive 12, IT Infrastructure Optimization Initiative, Federal Asset Sales, Federal Real Property Asset Management System, and Committee Management Secretariat.

The chart below lists OGP's two long-term outcome goals and the four portfolio measures, and the resources allocated to these goals/measures.

FY 2008 Budget Request / Performance Goal
Budget Links
Office of Governmentwide Policy Division
$ (Thousands)

Long-term Outcome Goals:
#1 - Improved management effectiveness and efficiency of the Federal Government in providing "best value" administrative services through the implementation of government-wide policies and tools developed by OGP.
#2 - Policies are developed on-schedule and within "standard" cost parameters.

Performance Goals	Performance Measure	FY 2006		FY 2007		FY 2008		Change FY 07 to FY08	
		Actual	Program Cost	Target	Program Cost	Target	Program Cost	Target	Program Cost
Ensure OGP policy initiatives achieve improvement targets	Extent to which OGP policy initiatives achieved improvement targets	100%	9,638	84%	9,638	88%	12,652	+4%	3,014
Development policy initiatives that are rated "effective" by key policy stakeholders and agency users	Percentage of key policy stakeholders and agency users who rate OGP policy initiatives effective	54% (baseline year)	9,173	57%	9,173	60%	11,478	+3%	2,305
Ensure OGP initiatives meet their scheduled development milestones	Percentage of OGP initiatives meeting their scheduled development milestones	100%	3,056	84%	3,056	88%	4,020	+4%	964
Ensure all OGP initiatives meet their cost targets	Percentage of OGP initiatives meeting cost targets	80%	2,496	100%	2,496	100%	3,299	-	803
Identity Management (Federal Bridge Authority / Public Key Infrastructure)			4,208		4,990		4,990		0
Other Policy Initiatives			12,864		13,358		8,545		-4,813
Total Appropriation			**41,435**		**42,711**		**44,984**		**2,273**
Reimbursable			**3,313**		**4,550**		**10,550**		**6,000**
TOTAL GOVERNMENTWIDE POLICY			**44,748**		**47,261**		**55,534**		**8,273**

Technology Strategy

Strategic Direction

The OGP Office of Technology Strategy (OTS) provides leadership and direction in the policymaking and use of electronic Government and information technology within the Federal Government. It provides Federal agencies with guidance and support in using Internet-based and related Information Technology (IT) services and delivering information to citizens, business partners, associates, agencies and governments in order to accomplish its mission. The OTS provides extensive support to OMB in carrying out the President's Management Agenda by establishing new governance processes and structures to address the cross-agency nature of E-Gov services, and developing improved IT policy and guidance collaboratively with agencies. It also helps to develop the policy for adoption of common business approaches, architectures and innovative technologies and accessibility of government information and services. This office also provides interagency council support for the Chief Information Officers Council, Chief Financial Officers Council, Federal Acquisition Council, and the President's Management Council.

The standardization of IT Architecture in industry and government offers the possibility of consolidated Government-wide IT support by Business Line. OTS will help facilitate the development and implementation of the various components of Federal Enterprise Architecture that can be used across government. Completing a fully defined data reference model and data harmonization are large efforts that require government attention. Following decisions by OMB on specific E-Gov initiatives, OGP is frequently sought as a leader to facilitate the adoption of new E-Gov initiatives and Lines of Businesses (LoB). New LoBs have been initiated each year since 2004.

The Financial System Integration Office (FSIO), an independent entity formerly part of JFMIP, was transferred from OMB to the Office of Governmentwide Policy in FY 2006. The funding for FSIO, including the costs associated with its 7 FTE, will continue to be from Chief Financial Officer Council funds. FSIO is responsible for the program management of implementing the Financial Management Line of Business (FMLOB); ensuring new policies are embedded in the financial management practices in the Federal Government.

OTS direction over the next several years will be to continue to promote acquisitions that conform to enterprise architecture decisions and standards and enterprise-level decision-making rather than decisions made at the individual program level. OTS continues to define and champion common processes, methods and mechanisms, and best practices to achieve program objectives. The principles of the PMA emphasize standards, interoperability, collaboration, and decision-making at the enterprise level.

Federal Enterprise Architecture (FEA)

The formulation of a Federal Enterprise Architecture is the underpinning of standardization of IT systems, financial management systems, and identity management applications in order to support the Lines of Business as part of PMA. Directly supporting the E-Government initiative of the PMA, the FEA Program was established by OMB in February 2002 to build a comprehensive business-driven blueprint of the entire Federal Government. OTS supports the development and use of the FEA framework and four of its supporting reference models (Performance, Business, Service Component and Technical) that are now used by agencies in developing their budgets and setting strategic goals.

The FEA provides a strategic model and plan to improve Federal information technology (IT) investment management, and enhance government-wide information sharing. The framework has yielded results demonstrating a new ability for the Federal Government to accelerate consolidation of redundant activities, saving taxpayer dollars.

Specific actions planned in FY 2008 are:

- Ensure the FEA reference models are current, accurate and valid using state of the art enterprise architecture practices,
- Plan and enable the implementation and use of the FEA, including any tools to leverage FEA data for IT decision making and CORE for providing component registration and collaboration (per direction of the CIO Council Architecture Committee).
- Analyze and evaluate the FEA for agency business case submissions to identify resource sharing opportunities, and
- Manage the consolidated contract for the E-Gov and FEA Project Management Offices.

Personal Identity Validation/Homeland Security Presidential Directive 12 (HSPD-12)

The focus on identity management and new issues raised will only grow over the next few years. In addition to providing policy structure for a shared service solution, the Office of Technology Strategy (OTS) will be expected to develop and deploy the additional interoperability business rules and architectures for capabilities that will permit ID cards to be read and validated when employees enter Federal facilities of other agencies.

Earlier work with eAuthentication in advancing the standards for personnel identity proofing and verification made GSA the most likely candidate to take a major role in Homeland Security Presidential Directive 12 (HSPD-12). HSPD-12 “Policy for a Common Identification Standard for Federal Employees and Contractors” establishes the requirement for a mandatory government-wide standard for secure and reliable forms of identification issued by the Federal Government to its employees and contractor employees assigned to government contracts.

OMB designated GSA as the Executive Agency for Acquisition for products and services needed to implement HSPD-12. In this capacity, GSA is responsible for developing requirements that are included in government-wide acquisition vehicles for products and services that have been determined to meet the standards and requirements of Federal Information Processing Standard (FIPS) 201, the Personal Identity Standard. OTS has established a structured evaluation program to assess and approve products and services against established requirements contained in FIPS 201. To ensure the technology is compliant, OTS developed and contracted for the independent assessment and testing that vendors will use to have their products and services vetted as compliant for authentication products and services. Qualified products and services are available for acquisition on a special schedule under the Federal Acquisition Service. OTS also advanced policy to ensure that agencies acquire HSPD-12 components from one of the qualified vendors on GSA’s approved product list.

In addition, OTS drafts policy, guidance, business rules, interoperability approaches and architectures required to ensure the government-wide implementation of HSPD-12. OTS has a substantive and significant responsibility to help design, develop, implement, and assure compliance of the HSPD-12 program. By providing policies, guidance and architectures for approving products, services and systems components, OTS helps to ensure that deployed HSPD-12 systems meet Federal standards and specifications for security and interoperability.

In FY 2008, OTS will:

- Continue to enhance the cross-organizational implementation steering committees comprised of government-wide agency e-Authentication and HSPD-12 Implementation Coordinators to establish a sustainable business model, leverage best practices, share product/service information, and engage in problem solving.
- Enhance collaboration with industry associations, advocacy/consumers groups, states and state organizations. Build external partnerships to promote progress within as well as outside government. This includes involvement in standards-setting and enforcing bodies, as well as a Government configuration management board.
- Complete and refine the guidance in a web-based handbook to assist agencies in HSPD-12 implementation activities.

- Establish and refine Federal Acquisition Regulations (FAR) rules and acquisition strategy to ensure agencies obtain "compliant" SmartCard products and services.
- Align GSA acquisition services to meet the policy and standards requirements of e-Authentication and HSPD-12.
- Manage the transition to a common policy for Public Key Technology, including the processes for Shared Service Providers. GSA will work with agencies to ensure a contract vehicle is available and meeting agency needs.
- Establish a program to promote cross-organizational support for small agencies and employees in remote locations.

IT Infrastructure Optimization Initiative (IOI)

The Federal Government's commodity IT infrastructure costs approximately $22 billion per year (approximately 1/3 of the Federal IT budget). Based on industry benchmarks and analysis of department/agencies' FY 2007 IT budget requests for Office Automation, IT Infrastructure, and Telecommunications (OAIT) submissions, OMB estimates that the Federal Government could save between 16% and 27% annually on its aggregate IT infrastructure budget (between $18 billion and $29 billion over ten years, based on a 5-year technology refresh cycle). Consolidation and optimization of IT infrastructure represents a significant opportunity to realize future cost savings by taking a more coordinated approach to spending on commodity IT infrastructure, while maintaining or improving service levels across the Federal enterprise, allowing departments/agencies to restore focus on the execution of their respective missions.

The purpose of the LoB is to further refine the opportunities for IT infrastructure consolidation and optimization, and develop government-wide common solutions. The two major objectives of the LoB are increased cost efficiency for commodity IT infrastructure and improvements in IT infrastructure service levels. This LoB will provide the research and policy direction to define specific common performance measures for service levels and costs, identify best practices, and develop guidance for transition plans within agencies and/or across agencies.

The proposed solutions for the IOI LoB include establishment of a Technical Working Group (TWG). It will focus on developing and sustaining stringent performance management processes, and fostering application of the management practices needed for the adoption of Common Solutions within the departments/agencies. The intended outcomes – improved cost efficiencies and service levels - can be measured directly against industry and/or government-wide averages and best of breed benchmarks.

Performance goals for FY 2007 and FY 2008 align with the goals and objectives of the FEA, and are consistent with OMB objectives to consolidate/reduce duplicative and inefficient systems/services for common or similar requirements. They include:

1. Establish the TWG at GSA
2. Publish three (3) performance baselines: 1) Desktop/Seat Management; 2) Support Data Centers; and 3) Data Networks and Telecommunications
3. Publish the performance measurement IT Infrastructure Optimization Scorecard
4. Publish unit cost and service level definitions
5. Establish and publish a list of qualified shared service providers/aggregate buyer agents
6. Conduct initial review of quarterly department/agency milestones
7. Publish a general fee-for-service approach to IT commodity funding that models the best characteristics of working capital funds

As a new OMB E-Government initiative/line of business initiated in FY 2006, funding for the IOI LoB was not included in the FY 2007 budget request for any agency. To fund the initial infrastructure area, Desktop/Help Desk in FY 2007, $2,000 thousand and three (3) FTE (in-kind services from agencies) are required for program management.

IOI Task Force representatives have agreed to provide agency contributions to fund this effort.

For FY 2008, GSA requires two (2) FTE and $2,000 thousand in reimbursable resources from participating agencies and up to $4 million from the Acquisition Services Fund to fund this initiative and achieve IOI LoB goals. Recognizing substantial savings are projected in each infrastructure area, the IOI Task Force has agreed to pursue Desktop/Help Desk, and initiate Data Centers, and to begin work on Data Networks and Telecommunications.

Travel, Transportation and Asset Management

GSA's Office of Travel, Transportation and Asset Management (OTTAM) formulates policy that supports government-wide management of personal property, travel, and transportation across the Federal Government. OTTAM adds value to it's customers by providing policy to increase the efficiency, effectiveness, and economy of program management. The office develops policy-level initiatives based upon GSA statutory authority, supports critical Administration objectives articulated by the Office of Management and Budget (OMB) and collaborates with all agencies to refine and implement policy objectives. OTTAM also leverages its government-wide perspective by assuring the alignment of its policies with service-level offerings that are managed by the Federal Acquisition Service and other GSA services.

Strategic Direction

Technology has greatly increased the efficiency of federal management over the past decade, and has the ability to go much further in the coming years. OTTAM will ensure its policies and guidance include provisions for use of e-gov solutions such as "virtual" inspections of assets for sale and the use of RFID/UID solutions, and the ability to manage and report property through automated processes. Policies will continue to evolve to encourage such technological efficiencies. This office is also pushing agencies toward enterprise-level decision-making in Federal Asset Sales, eTravel, relocation, and fleet management.

OTTAM's strategic focus is on agency performance evaluation and compliance and on obtaining and enhancing data-collection and analysis systems in all its program areas. This will allow better business decisions, improved policies and guidance, and will assist customers in identifying areas of non-compliance, and adopting best practices. OTTAM is also building a process to review and measure agency regulatory compliance and adoption of best practices that will allow for evaluation of individual agency performance. The results of these reviews will help agencies manage more efficiently, effectively, and economically, and provide insights needed to improve policy.

In FY 2008 OTTAM will continue to:

- Use an evaluation approach to program management that supports periodic review of policy implementation and provides measurable and meaningful performance outcomes.
- Develop and improve data collection and reporting systems to make smarter management decision in our program and policy areas and enhance policy formulation.
- Enhance our customer outreach programs through frequent manager-level and executive-level forums that encourage collaborative policymaking, strategic planning/prioritization efforts and the promotion of best practices.
- Develop policies effectively, efficiently and within budget by ensuring that policy initiatives meet scheduled developmental milestones and cost targets.
- Generate agency assessments based on compliance and best practices reviews.
- Pursue pending and new legislative initiatives required to support policy and the President's Management Agenda.
- Support and nurture the executive-level steering committees and inter-agency working groups established by MT and used for agency collaboration and dissemination of information.

Federal Asset Sales (FAS)

The FAS initiative is an integrated technical solution designed to improve and optimize the way the Federal Government disposes of its personal and real property assets. Sales of personal property assets through the program will be managed by a small number of Sales Centers (SCs) – those agencies already recognized as providing effective sales solutions. GSA established a dedicated Program Management Office (PMO) within OGP to provide guidance, bridge the gap in the real and personal property communities ensure alignment with industry and government best practices and compliance with government-wide policies. The responsibilities of the PMO include the overall management (technical, financial, etc.) and coordination of all activities associated with this initiative. In addition, the PMO will facilitate policy alignment, business process development, and metrics reporting. In its policy role, the OGP-managed PMO will continually survey stakeholders and customers to seek improvements to the process and systems.

Currently various organizations within GSA provide the resources for this initiative through FY 2007. In FY 2008, the funding for the FAS PMO will be collected from the sales proceeds generated by the SCs.

<u>Real Property Management</u>

Strategic Direction

The Office of Real Property Management (ORPM) serves as a focal point that brings the public and private sector together to improve government asset management practices and facilitate the adoption of a best-practice management approach for real property. The office develops real property management policies and guidelines (Federal Management Regulations) that provide the framework within which all Federal landholding agencies exercise their independent real property authorities including GSA's Public Building Service. This Office also provides Government-wide leadership and support in the development of high-performance workplace alternatives, facilitates the adoption of sustainable design principles and practices (Sustainable Development), and works with OPM and other partners to provide leadership for national Telework initiatives.

Under the guidance of the Federal Real Property Council, this office will continue in its key role under Executive Order 13327 to facilitate improved management practices among agencies. Based on the outcomes of analysis and Council decisions stemming from the FY 06 and FY 2007 data collections, ORPM will work with the Federal community to improve "real time" and accurate inventory management systems that adhere to common definitions and standard performance metrics, including the adoption of new data elements and performance measures.

In FY 2008 this office will continue to follow the direction and guidance of the Federal Real Property Council (FRPC) and its committees to oversee the implementation of the objectives outlined in the Executive Order, and will work to correct the inefficiencies outlined in the numerous General Accountability Office (GAO) reports on the state of Federal real property asset management.

More specifically, the OGP Office of Real Property Management will:

- Continue in FY 2008 to provide data and analysis to OMB for the President's Management Agenda reviews.
- Improve agency compliance in the areas of asset management, telework and sustainability as led and measured by ORPM over the years. Will continue to push compliance in FY 2008 by tracking data and regularly working with individual agencies.
- Identify and facilitate the adoption of best practices from the private sector and other governments and promote to Federal agencies. Will continue to leverage resources and alliances in FY 2008 (e.g., CoreNet Global, The Workplace Network (TWN), International Telework Association and Council (ITAC), etc.).

- Continue to maintain stakeholder support using EO 13327 as leverage – Federal Real Property Council, OMB, DOD and PBS.
- Move to compliance and monitoring mode on energy and sustainability issues in FY 2008, and shift the focus from individual projects and buildings to campuses, portfolios and communities.
- Support passage of Federal Real Property Disposal Pilot Program.

Actions planned for FY 2008 include:

- Continue to collect inventory data for FRPC prescribed data elements, including performance measures from all executive branch agencies.
- Update Federal Real Property Profile (FRPP) data dictionary and users guide to assist Federal agencies with the upgraded system to capture real property data.
- Monitor and support Federal agencies improvement on the President's Management Agenda scorecards by providing guidance and principles on reporting data and complying with intent of Executive Orders and laws.
- Update the geo-locational codes that are used to identify the city, county, state, and country of real property assets in the FRPP system.
- Update and enhance the FRPP-Performance Assessment tool to identify unneeded and underutilized assets suitable for disposal.
- Update the Cost per Person Model for Federal office space data and key indicators of real property performance and publish Space Use Guidance.

Federal Real Property Profile Inventory System

Working under the leadership of the Federal Real Property Council (FRPC), the Office of Real Property Management (ORPM) in OGP developed and enhanced an inventory system known as the Federal Real Property Profile (FRPP) to collect detailed performance measure data at the constructed asset level. The FRPP serves as the only centralized database of government-wide real property inventory, and the information contained in the FRPP is highly sensitive and affects the ability of Federal agencies to provide a safe and secure environment for persons and property.

With increased security and access concerns related to the FRPP inventory database, ORPM will conduct a security analysis to determine the security classification of the property in the database, and the types of access for the various levels of users. This review will include an examination of the types of real property data collected in the FRPP, and determine what security standards are necessary and if data segregation is necessary. Security concerns related to sharing portions of the data among agencies and with the public will be considered.

The review of the system from a security perspective and the development of a recommended security-access plan will take place in FY 2007. Actual implementation of the plan, including the segregation of real property data (if recommended) will occur in FY 2008. Although no additional FTE will be required, additional funding of $500,000 is needed to support a contract for the implementation of security enhancements, a component of the overall FRPAM program.

<u>Regulatory Information Service Center</u>

RISC will continue to create uniform, modern systems that help agencies comply with Statutory and Executive Order regulatory review requirements, and will expand the public website portion of the RISC/OIRA Consolidated Information System (ROCIS) to greatly expand public access to information about regulations.

In FY 2008, RISC will:

- Continue to help OIRA and all Federal regulatory agencies comply with requirements for Executive regulatory review and Executive review of information collections under the Paperwork Reduction Act, by providing a uniform, modern IT system (ROCIS).
- Improve the public website portion of ROCIS to greatly expand public access to information about regulations and approved information collections.

Committee Management Secretariat

The Committee Management Secretariat will continue to implement its customer relationship model based upon an integrated services delivery strategy. Specifically, accountability for performance management, human capital development and policy support for each of the 60 Federal agencies that sponsor a total of 1,000 advisory committees has been placed with one staff member. The Secretariat's shared management system will be modified as necessary to support this change and to track the activities of several "Desk Officers." Operating statistics gathered will be aligned with government-wide performance measures using a"dashboard" system designed to track improvements.

Major strategies for the next few years include the application of performance measures to the operations of 1,000 Federal advisory committees, use of shared reporting systems to improve efficiency, training and the application of best practices to further develop human capital assets, and the delivery of up-to-date policy and guidance to professionals throughout the executive branch and the Congress. Current successful strategies will be continued with an emphasis on expanding training opportunities (including on-line media) and ensuring performance measures are used and useful. In particular, the Secretariat will continue to promote its highly successful Advisory Committee Engagement Survey (ACES), which is patterned on the Gallup Organization's Q12 model. The ACES measures the extent to which Federal advisory committees and their sponsoring agencies are consistently addressing key drivers of success.

In FY 2008, through issuance of regulations, training, and best practices guidance:

- Maintain an inventory of highly effective Federal advisory committees whose recommendations are adopted by Federal agencies.
- Ensure that agencies sponsoring Federal advisory committees are addressing critical factors leading to successful outcomes.
- Maximize the value of advice and recommendations produced by Federal advisory committees by ensuring maximum access to committee meetings.

OFFICE OF THE CHIEF ACQUISITION OFFICER

Overview

GSA established the Office of the Chief Acquisition Officer (OCAO) on June 15, 2004 as a result of the Services Acquisition Reform Act (SARA) of 2003 (Title XIV, Pub L. 108-136), which called for the creation of a Chief Acquisition Officer at all Federal agencies. GSA transferred former functions of the Office of Acquisition Policy, Office of Governmentwide Policy, to the new organization. In addition to the government-wide acquisition policy functions, OCAO's mission is to advise the GSA Administrator on the acquisition management and acquisition business strategy necessary to achieve the agency's mission.

OCAO establishes GSA's vision for acquisition and assistance programs and then implements that vision by establishing policies, processes, metrics, and oversight programs. Additionally, the OCAO has a government-wide role in the development of policies, regulations, and acquisition workforce development. During FY 2007, the OCAO will continue to review its organizational structure and make modifications to maximize effectiveness and ensure successful implementation of the OCAO mission. The OCAO will develop meaningful long term outcome goals and measures to gauge performance, which will include quality measures to assess customer and stakeholder satisfaction, and process improvements.

OCAO currently has 5 main activities. Three of the activities provide government-wide support and are funded from the Policy and Operations appropriation: Office of National and Regional Acquisition Development; Office of Acquisition Systems; and Office of Acquisition Policy. Two offices provide support only for internal GSA operations and are funded from GSA's Working Capital Fund: Operational Contracting Staff; and Office of Acquisition Integrity. In addition, OCAO manages the Integrated Acquisition Environment E-gov project funded in the Acquisition Services Fund.

<u>Office of National and Regional Acquisition Development</u>

Federal Acquisition Institute (FAI)

Strategic Direction

FAI supports the development of a skilled, high-performing acquisition workforce by providing exceptional training.

Strategy and Action Plans

FAI will continue to 1) work in partnership with the Defense Acquisition University (DAU) and Office of Personnel Management (OPM) to establish and maintain core acquisition workforce competencies; 2) operate and manage the Acquisition Career Management Information System (ACMIS), a government-wide database of information on acquisition workforce qualifications, including chairing and organizing the user group and configuration control board; 3) establish career development program; and 4) establish and manage Federal acquisition certification programs. FAI will continue to provide timely management and budget reports to GSA, Office of Federal Procurement Policy (OFPP), the FAI Board of Directors and other senior management. FAI will also provide project management support.

To manage the development of the Acquisition Workforce, FAI will continue to: 1) Manage the Acquisition Workforce Training Fund (AWTF) established under the Services Acquisition Reform Act (SARA, P.L.108-136), and deliver training with Fund resources; 2) leverage existing course offerings and develop new courses based on need; 3) promote performance support tools; 4) promote equivalent providers for common curriculums; 5) establish performance measures for FAI to measure the effectiveness of training delivered; 6) establish performance measures that agencies may use in assessing their acquisition workforce development programs; and 7) conduct strategic analyses of the acquisition workforce. FAI will also leverage any additional training resources transferred as a result of the FAS reorganization.

FAI will conduct special studies and reports. FAI will also continue its communication and outreach activities, such as, the FAI newsletter, speaking engagements, and exhibit booths.

In FY 2008, portions of the FAI and two reimbursable FTE will continue to be funded by resources provided by the Acquisition Workforce Training Fund (AWTF).

Regulatory and Federal Assistance Division

Strategic Direction

The Regulatory and Federal Assistance Division is divided into two business lines:

<u>Regulatory Publications</u>: The Regulatory Secretariat will improve the efficiency and effectiveness of GSA regulation preparation and dissemination through the increased use of automation. The preparation and dissemination process for the following regulations will be improved: the Federal Acquisition Regulation (FAR), the Federal Travel Regulation (FTR), the Federal Management Regulation (FMR), and the Federal Property Management Regulation (FPMR). Increased automation will include the use of desktop publishing to produce additional formats (i.e., PDF and HTML) for Internet publication and using the eRulemaking process of electronic retrieval storage of data.

Federal Assistance Publications: Through automation, the Catalog of Federal Domestic Assistance (CFDA) Team will continue to improve the efficiency and effectiveness in the collection, preparation, approval, and dissemination over the Internet of information on government-wide domestic assistance programs managed by Federal agencies. Measurements address results achieved through the system; i.e., ability of agencies, GSA, and OMB to perform required functions in a timely and accurate manner through a portal system, thus reducing the need for paper.

Strategy and Action Plan

The Strategy and Action Plan is designed to implement the Office of the Chief Acquisition Officer's vision and for the GSA acquisition community and assistance programs by publishing timely, accurate, and complete regulations and the Catalog of Federal Domestic Assistance Programs.

Regulatory Secretariat

With the assistance of a contractor, the Regulatory Secretariat will continue to maintain databases necessary for efficient and effective publication, as well as look for ways to increase the use of the automation of GSA regulation preparation and dissemination.

Federal Domestic Assistance Catalog Staff

The Federal Domestic Assistance Catalog Staff will:

- With the assistance of a contractor and through the continued refinement of its Catalog of Federal Domestic Assistance (CFDA) Portal System, achieve greater efficiency and effectiveness in the collection, preparation, approval, and dissemination over the Internet of information on government-wide domestic assistance programs managed by Federal agencies.
- Given acceptable performance by the contractor, assure continuity of development and O&M activities. A system development plan is in place to assure delivery of required functionality under this contract.
- Constantly monitor and test receipt of deliverables and operational capability for all users.

Office of Acquisition Systems

Integrated Acquisition Environment (IAE) Division

Strategic Direction

The IAE Division oversees and manages the government-wide Integrated Acquisition Environment to ensure that acquisition professionals have the tools necessary to make intelligent acquisition decisions. The IAE accomplishes this by:

- Creating a simpler, common, integrated business process for buyers and sellers that promote competition, transparency and integrity.
- Increasing data sharing to enable better business decisions in procurement, logistics, payment and performance assessment.
- Taking a unified approach to obtaining modern tools to leverage investment costs.

Strategy and Action Plans

IAE takes direction from the Acquisition Committee for E-Gov (ACE), a subcommittee of the CAO Council. Current actions are focused on maintaining the nine existing IAE systems: Federal Procurement Data System – Next Generation (FPDS-NG), electronic Subcontracting Reporting System (eSRS), FedBizOpps (FBO), Excluded Parties List System (EPLS), Central Contractor Registration (CCR), Federal Agency Registration (FedReg), Federal Technical Data Solutions (FedTeDS), Wage Determinations On-Line (WDOL) and the Online Representations and Certifications Application (ORCA).

Office of Acquisition Policy

Contract Policy Division

Strategic Direction

The Contract Policy Division develops policy and guidance for acquisition activities, and establishes clear lines of authority, accountability and responsibility for acquisition decision-making. Agencies obtain best value acquisition solutions compliant with all laws, regulations and policies that meet their needs. The division also manages FAR casework seeking to improve the timeliness for processing new regulations, and works with other entities to improve acquisition planning.

Strategy and Action Plans

Federal Acquisition Regulations: OCAO will continue to monitor and improve the process for rule development based on a strategy of: committee consolidation; ensuring accountability of committees to the FAR signatories; conducting concurrent rather than sequential CAAC and DARC reviews; providing quicker response times by assigning noncomplex changes to lower level staff rather than committee, improving stakeholder involvement, and obtaining policy direction from the FAR Council earlier in the process.

GSA Regulations (GSAR): OCAO will continue to review and revise the GSAR to ensure it contains all of the most recent policies and procedures. The division will continue to develop, coordinate, and incorporate clear and concise policy and guidance for the GSA Acquisition Workforce to ensure the workforce understands how to comply with regulations. Further, the division will implement a streamlined process for rule development based on the system used to streamline the FAR rulemaking process; write clear and concise acquisition letters to instruct the acquisition workforce on changes; coordinate regulatory and policy changes with the appropriate offices; issue acquisition alerts to inform the acquisition workforce of existing policy; and provide training on new and existing regulatory and policy changes.

Acquisition Planning: The result of good program/project management is obtaining the right solution, on time and within budget. The disciplined use of acquisition planning ensures that any mission fulfilled through a contract achieves a best value result. To accomplish this, OCAO will continue to update and enhance the Acquisition Planning Wizard to assist program/project managers develop acquisition plans compliant with the GSA acquisition planning order. This disciplined approach to acquisition planning will result in improved results from contracts, to include on-time delivery of the right solution within budget and that fulfills the socio-economic goals for which the agency and the Chief Acquisition Officer are responsible.

OPERATIONS

OFFICE OF CITIZEN SERVICES AND COMMUNICATIONS

Strategic Assessment

The Office of Citizen Services and Communications (OCSC) was created to be the nation's focal point for information and services offered by the Federal Government. In addition to the functions described below, OCSC includes the activities of Federal Citizen Information Center, which is funded from the Federal Citizen Information Center fund. Combining all of GSA's citizen-centric activities into a single office, the primary goal of OCSC is to provide access points for citizens, businesses, other governments, and the media to easily obtain information and services from the government on the Web, via e-mail, in print, and over the telephone. OCSC also interacts with the media, Federal agencies, the general public, and with GSA internal audiences to provide information on activities of GSA.

OCSC is changing the relationship that citizens have with government. We are making it more transparent, citizen-centric, and accessible by understanding citizens' needs and how those needs may change in the coming years, responding to those by developing and adopting new technologies and by delivering content via various access points. Since many government services are provided to citizens through State and local governments, we also work closely with other entities to create a seamless, self-service government.

The Office of Communications serves the internal GSA customer base by providing assistance in communicating to associates through a variety of channels such as GSA.gov, Update, and Insite. This Office also coordinates message delivery and speaks with one voice for GSA by providing information to an external audience comprised of the news media, Congress, the Federal Government, industry as well as trade and professional associations.

The Office of Citizen Services (OCS) has two major lines of business:

1. FirstGov Technologies implements innovative technologies that improve the delivery of Government information and services to citizens in support of President Bush's vision for E-Government. In keeping with the President's Management Agenda, FirstGov Technologies provides (1) management of the FirstGov hosting infrastructure, and support for all FirstGov applications including, the technologies necessary to operate the USA.Gov (formerly FirstGov.Gov) portal in a safe, secure, scalable, and reliable manner, and (2) development or facilitation of services for FirstGov that enable other E-Gov or citizen-facing initiatives to acquire or otherwise enhance their delivery of citizen services.

2. Intergovernmental Solutions brings Federal, state and local governments together to provide services to citizens through sharing of best practices, the creation of networks and development of communication channels. In addition, Intergovernmental Solutions serves as a diplomat to other nations to facilitate the sharing of experiences and bring new solutions to the U.S. Government.

Strategies

Several initiatives are underway to improve the way OCSC delivers services to the public, to the media, to its internal GSA clients, and to other government agencies.

FirstGov Technologies

Strategy and Action Plan

The primary strategic objective of FirstGov Technologies is to provide exemplary service to citizens by increasing the quality, quantity and availability of Federal information and services over the web.

FirstGov Technologies has provided the infrastructure and technical support for several Federal E-Gov initiatives including USA.Gov, GovBenefits.gov, Disability.gov and eForms.gov. The technologies and solutions implemented to support FirstGov were shared with the Federal Government to become more citizen-centric. Today, USA.Gov is hosted on the Citizen Service Infrastructure acquired through the FirstGov Web Solution task order. That contract is available to other agencies' E-Gov and citizen facing initiatives.

There are two components to the action plan. There is the investment for DME (development / modernization / enhancement) in 2008. There is also a “steady-state” component consisting of the baseline operational activities to maintain a functioning infrastructure.

DME (development / modernization / enhancement): The DME component consists of one new activity, FirstGov Mobile. This investment has been chosen because the citizenry has greater access to mobile technologies (i.e., cell phones and PDAs) than to other devices. As citizens are exposed to the availability of information over mobile devices, FirstGov wants to ensure the government is keeping pace. The FirstGov Infrastructure will continue to evolve to ensure greater citizen satisfaction and trust in Government. It is anticipated that FirstGov Mobile will result in increased reach to citizens and therefore our touchpoints.

- **Support for the USA.Gov Portal –** Continuing operations and support for the USA.Gov portal including hosting web pages, managing applications, maintaining content, and developing new features.

- **Support for USA.Gov Search Program -** Continuing operations and support for the USA.Gov search services including managing indices, providing search results, and expanding “searchable” content and content types (video, news and images, or frequently asked questions, etc.).

- **Providing Security Services for USA.Gov Programs -** Continuing operations and support for the USA.Gov security services including investigation, analysis, and documentation to support Certification and Accreditation activities; day-to-day security oversight; and continuous updates to the FirstGov infrastructure to respond to emerging threats and evolving complexity of services.

- **Contracting –** The FirstGov Technologies team will continue to enhance electronic service delivery by facilitating multi-agency contracts that allow other participating E-Gov and citizen-facing initiatives to acquire and utilize hosting, search, and other professional services similar to those used for the FirstGov Infrastructure.

Steady State: The “steady-state” component consists of the following activities as listed below.

FirstGov Mobile – This project, which will be delayed from FY2007 because of the full-year continuing resolution which resulted in a $910 thousand reduction in OCSC's overall budget, will provide for Citizen access to information and services from the Federal Government through mobile devices such as cell phones, pocket PCs, Palms, blackberries, beepers, multi-function GPS receivers, and other handheld devices. In 2006, in the United States alone there are approximately 200 million cell phones. This number is much greater when other additional mobile devices are included.

This investment should result in increased citizen touchpoints thereby reducing the cost per touchpoint. Touchpoints are defined as a contact with a citizen through any of our delivery channels (e.g., Web, phone, print publication, email). Both citizen touchpoints and cost per touchpoint are measures agreed upon by GSA and the Office of Management and Budget during our performance assessment and rating tool (PART) process in which we were assessed as effective. Because of the high saturation of mobile technologies and cell phones in particular, the propensity for the population to text message from cell phones and their commercial experiences, the delivery of government information through mobile devices is becoming expected.

FAQs – Another project that will be delayed in FY2007 because of the full –year continuing resolution is a new search service through the contract search vendor, Vivisimo, a new search service designed to provide citizens with ready, one-stop access to government-wide Frequently Asked Questions (FAQs). These FAQs exist across most agencies but are maintained in a variety of technologies. Developing a vertical search function involves collaborating with agencies to expose their FAQs in such a manner that our vendor can access them, and issuing a Task Order under the OCSC Blanket Purchase Agreement to develop the add-on service for FirstGov.

Web Manager University

In FY 2006, responsibility for the Web Manager University function transferred from FirstGov Technologies to the Federal Citizen Information Center (FCIC). Therefore, FCIC is requesting that two FTE and $450,000 transfer from GSA's Policy and Operations appropriation to the Federal Citizen Information Center Fund.

Long-Term Outcome Goal

- Increase citizen usage and accessibility of OCS Services.
- Help government become more citizen-centric by enabling Americans to interact with the government via their preferred OCSC channel.

Performance Goal:

- Help the Federal Government become more citizen-centric by increasing the magnitude, quality and outreach of Federal information via the web.
- Enable Government web sites to become more citizen-centric and user-friendly.
- Enable a citizen-centric government by sharing E-Gov expertise with the other agencies' E-Gov initiatives.

- Leverage FirstGov technologies & solutions across the Federal Government.

Performance Measure:

Citizen Visits to USA.Gov web site visits.

FY 06 Actual	FY 07 Target	FY 08 Target	FY 09 Target
84.3M	88.0M	92.4M	97.0M
FY 10 Target	FY 11Target	FY 12 Target	
101.9M	107.0M	112.3M	

Uptime for FirstGov

FY 06 Actual	FY 07 Target	FY 08 Target	FY 09 Target
100%	99.2%	99.5%	99.5%
FY 10 Target	FY 11Target	FY 12 Target	
99.5%	99.5%	99.5%	

Number of search queries through FirstGov and FirstGov Search

FY 06 Actual	FY 07 Target	FY 08 Target	FY 09 Target
10.8M	11.3M	11.9M	12.4M
FY 10 Target	FY 11Target	FY 12 Target	
13.1M	13.7M	14.4M	

Media/GSA Communications (Public Affairs)

Strategic Direction

Public Affairs plans and implements communications on behalf of GSA for many audiences, including GSA employees, the news media, the public as well as for industry, trade and professional associations.

The Public Affairs Division has been accomplishing its tasks by efficiently and effectively presenting information/messaging to the media, general public, Congress, customers and industry in order that they will better understand how the agency meets the needs of its Federal customers, and in doing so, allows its customers to complete their own missions and serve the American people.

Public Affairs develops communication strategies, programs, and plans that provide information to the media and other relevant audiences that will allow them to understand and appreciate GSA's wide-ranging roles and responsibilities.

Communicating internally is an extremely important element of any thorough information program. In this regard, all 12,000 GSA employees have access to the Internet at their workstations or other centralized computers. GSA Insite – a responsibility of Public Affairs – is used by the agency's employees to stay fully informed on all developments. Insite was recently redesigned to improve its capacity to keep GSA employees informed.

Strategy and Action Plan

The Office of Communications' Public Affairs Division establishes and maintains productive relationships with the media to ensure that the many audiences touched by the media understand our agency's programs, policies and activities.

These relationships permit Public Affairs to amplify GSA's message to external audiences by promoting press outreach – using information and press releases, organizing press briefings, providing educational materials, preparing speeches, maintaining an agency website, among other things – and conducting public events such as rollouts of government programs.

Public Affairs will continue to promote a better understanding and appreciation of GSA's objectives, programs, initiatives and major roles and responsibilities within the Federal structure by communicating strategically with all relevant audiences and stakeholders.

As we pursue this mission, in coming years, Public Affairs will focus on developing a junior press office staff to ensure a seamless continuation of communications activities in the face of retirements and attrition.

Public Affairs also plans to continue conducting semi-annual Public Affairs Forums to provide Public Affairs specialists across the organization with an opportunity to share best practices, case studies, and to strategize with GSA public affairs professionals nationwide.

On another front, Public Affairs will continue to improve and nurture the agency's internal communications program by taking advantage of GSA InSite, GSA Update, Current Clips, special e-mail messages, video messages and events, all of which offer ways to communicate with GSA employees. To better focus the organization's energies internally, Public Affairs plans to conduct an internal communications survey, to determine the effectiveness of our internal communications efforts. This will serve as a benchmark for future improvement.

These plans are subject to restoration of the budget reduction as a result of the FY2007 full-year continuing resolution.

Long-Term Outcome Goal

Improve overall consistency and effectiveness of information communicated to internal and external audiences.

Performance Goal:

Disseminate strategic information by providing integrated and coordinated communications to GSA employees and news media.

Performance Measure:

Strategic Messages (Favorable, Neutral, and Unfavorable)

	FY 06 Actual	FY 07 Target	FY 08 Target	FY 09 Target
Favorable Neutral Unfavorable	35% 51% 14%	30% 60% 10%	32% 60% 8%	33% 60% 7%
	FY 10 Target	FY 11 Target	FY 12 Target	
Favorable Neutral Unfavorable	34% 59% 7%	35% 58% 7%	36% 57% 7%	

FY 2007 Budget Request / Performance Goal
Budget Links
FirstGov Technologies
$ (Thousands)

Long-term Outcome Goal(s)

Increase citizen usage and accessibility of OCSC products and services and help the government become more citizen-centric by enabling Americans' interaction with the government via their preferred OCSC channel.

Performance Goal	Performance Measure	Funding Source	FY 2006		FY 2007		FY 2008		Change FY 07 to FY08	
			Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Enable a citizen-centric government by sharing the FirstGov infrastructure and E-Gov expertise with the President's E-Gov initiatives.	Citizen Visits to USA.Gov web sites	Policy and Operations appropriation	84.3M	$4,383	88.0M	$4,396	92.4M	$4,622	4.4M	$226
Enable a citizen-centric government by sharing the FirstGov infrastructure and E-Gov expertise with the President's E-Gov initiatives.	Uptime for FirstGov	Policy and Operations appropriation	100%	$4,383	99.2%	$4,396	99.5%	$4,622	.3%	$226
Enable a citizen-centric government by sharing the FirstGov infrastructure and E-Gov expertise with the President's E-Gov initiatives.	Number of search queries through FirstGov and FirstGov search	Policy and Operations appropriation	10.8M	$7,469	11.3M	$7,489	11.9M	$7,875	.6M	$386
	Total Operating Budget			$16,235		$16,281		$17,119		$838

FY 2008 Budget Request / Performance Goal
Budget Links
Media / GSA Communications (Public Affairs)
$ (Thousands)

Long-term Outcome Goal(s)

Improve overall consistency and effectiveness of information communicated to the public, media and associates by developing and disseminating GSA messages and supporting internal communications activities for GSA.

Performance Goal	Performance Measure	Funding Source		FY 2006		FY 2007		FY 2008		Change FY 07to FY 08	
				Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Disseminate strategic information messages to all audiences by providing integrated and coordinated communications to GSA associates and news media	Strategic Messages (Favorable, Neutral, Unfavorable)	Policy and Operations appropriation	Favorable Neutral Unfavorable	35% 51% 14%	$1,382	31% 60% 10%	$1,459	32% 60% 8%	$1,529	+2% 0% -2%	$70
	Total Operating Budget				$1,382		$1,459		$1,529		$70

FEDERAL ACQUISITION SERVICE, PERSONAL PROPERTY PROGRAM

Strategic Assessment

The Federal Acquisition Service (FAS) personal property program facilitates the transfer of Federal personal property among Federal agencies, states, and localities. Personal property no longer needed by one Federal agency may be transferred to another agency that needs it, thereby saving tax dollars by avoiding new procurements. Personal property no longer needed by a Federal agency may also be offered at no cost to state and local governments and eligible nonprofit groups. These functions are managed and operated by the Utilization and Donation (U&D) program which is funded through an annual appropriation. The sale of personal property is financed through fees collected in the Acquisition Services Fund.

Program Assessment Rating Tool (PART) review

The Personal Property Management program was included in the FY 2005 OMB PART review and received a rating of "Moderately Effective". OMB recommended the following actions to improve program performance:

- Developing and implementing an independent evaluation process that assesses, on a regular basis, the full scope of this program's activities in carry out its mission.

GSA's IG has agreed to review the U&D portion of the Personal Property Program in fiscal year 2007.

- Working with the Office of Government-wide Policy and National Association of State Agencies for Surplus Property to identify any additional performance measures that should be added to the state agency agreements**.**

Actions to address this recommendation are still in the planning phase and have not been executed.

Strategy and Action Plans

The U&D Program maximizes tax dollars invested in Government-owned personal property helping avoid outlays for new purchases by transferring one agency's excess property to another that can use it and donating surplus Federal property to states or localities.

In fiscal year 2006 the utilization program generated $350 million in cost avoidances for the Government via the transfer of personal property in excess of one agency's needs to meet those of other Federal agencies. Estimated cost avoidances for fiscal years 2007 and 2008 are $375 million and $380 million per annum, respectively.

The donation program created $415 million in cost avoidances in fiscal year 2006 by giving surplus usable property to states for donation to public agencies and certain non-profit tax-exempt activities. Estimated cost avoidances for fiscal years 2007 and 2008 are $425 million and $430 million per annum, respectively.

FAS' U & D Program plans to utilize the following strategies in FY 2008 to support and strengthen its operations. The program will implement process improvements to optimize reliable, timely and quality service. Information technology solutions will also be utilized to maximize use of and improve on-line tools and technology for a fully integrated disposal system.

Through implementation of these strategies, the U&D Program will help Federal agencies better meet their missions and ensure that the taxpayers' money is used as efficiently and effectively as possible. Resources devoted to this strategy are used to create innovative services and products; target key customers and market segments; and provide competitive solutions and services.

Customer outreach and training will continue to be an integral part of operations in FY 2008 and beyond. Field representatives will be available and receptive to customer inquiries (customer outreach) and customer training needs will be met. By segmenting the market and determining what agencies have a need for exchange/sale property versus those that need full disposal support for a continuing stream of excess property, services will be focused on meeting specific customer needs. Additionally, an aggressive nationwide customer outreach/training schedule will promote the benefits of using the exchange/sale and utilization/donation programs to key and new customers at national events and during regional customer visits/training opportunities. Headquarter level visits will also be utilized to raise customer awareness of services available.

In addition to fostering the current customer base, targeting new customers is important to the success of the program. The Personal Property Management Program strives to provide optimal disposal solutions to Federal customers and promotes a fully integrated disposal system amidst a continuing downtrend in the reporting of excess property. In providing competitive solutions, services and systems, FAS will improve the customers' perception of FAS' services and achievements. Such relationship building also will help to grow the base of customers that the program supports.

The use of technology to support and strengthen operations is evident in a number of areas. FAS maintains GSAXcess® which provides for a Government-wide inventory of excess and surplus personal property and processes transfers of property to Federal agencies and to State and local governments. GSAXcess® is accessible nationwide through the Internet and, therefore is heavily reliant upon the latest technology. This platform is also a springboard for other enhancements that the U&D program provides to customers. Property Management is also developing new modules of GSAXcess® to support the Computers for Learning program and the foreign gifts disposition program.

Customers of the U&D Program continue to demand more sophisticated solutions, which reduce the holding time for property disposal. This is evidenced by customer feedback at meetings and through our annual customer satisfaction survey. Implementing the strategies listed above will help meet the changing needs of FAS customers and ultimately contributes to better value for each tax dollar spent.

Due to the fact that all executive agencies are required to report property to GSA for utilization and donation, all will benefit from the reduction in cycle time achieved. Technology enhancements in GSAXcess® will also provide benefits to all agencies that participate as generators and/or recipients of excess property.

The Personal Property Management program has developed one long-term outcome goal that relates to all operations within the business line.

Long-term Outcome Goal: Provide optimal property disposal solutions for Federal agencies to maximize cost avoidance (Utilization/Donation), while efficiently and effectively managing the sale of exchange/sale and surplus property – continue to provide innovative services to maintain customer base.

Performance Goal: Decrease the time it takes to complete disposal action for excess property from 56.1 days to 55 in FY 2008 and continue to reduce cycle time to 52.5 days in FY 2012.

Reducing the amount of time that a given item is in the disposal system directly impacts operating costs and program efficiency. By reducing the total number of days that an item is held in the property disposal system warehousing costs, personnel costs and all operating costs are reduced.

The following annual performance measure is used to track performance of this goal.

Performance Measure: Cycle time for disposal process (days)

Measurement of the number of days of cycle time to dispose of a given item is a direct measure of the days that an item was in the possession of GSA as part of this process. The number of days that an item is in the U&D portion of the disposal cycle is also included in this measure; this is the first phase of the disposal process.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
56.1	52	55	55
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
54	53.5	53	52.5

Personal Property Management Budget Links
$ (Thousands)

Long Term Outcome Goal / Performance Goals	Performance Measure	FY 2006 Actual: Actual	FY 2006 Actual: Dollars	FY 2007 Current: Target	FY 2007 Current: Dollars	FY 2008 Request: Target	FY 2008 Request: Dollars	Change FY07 to FY08: Target	Change FY07 to FY08: Dollars
Provide optimal property disposal solutions for Federal agencies to maximize cost avoidance (Utilization/Donation) while efficiently and effectively managing the exchange/sale of surplus property.									
FAS Personal Property Programs Funded through Acquisition Services Fund									
Decrease the time it takes to complete disposal action for excess property to 55 days by FY 2008.	Cycle time for disposal process (days)	52	$ 6,792	55	$ 7,755	55	$ 7,893	0	$ 138
Align program-operating costs relative to revenue generated by the Sales Program, and strive to maximize the return on these resources.	Direct cost of Sales Program as a percent of revenue.	47.49%	$ 1,378	45%	$ 1,548	44%	$ 1,576	-1%	$ 28
	Operating cost per $100 business volume.	$18.77	$ 1,378	$21.50	$ 1,548	$21.00	$ 1,576	$ (0.50)	$ 28
Maintain a customer satisfaction score higher than the Federal Government American Customer Satisfaction Index (ACSI) reflecting customer satisfaction in government in FY 07 and each year thereafter.	External customer satisfaction survey score.	82.3	$ 2,719	79	$ 3,205	75.5	$ 3,263	-3.5	$ 58
FAS Personal Property Utilization and Donation Program Fund 142									
Decrease the time it takes to complete disposal action for excess property from 56 days to 55 in FY 2008 and continue to reduce cycle time to 53.5 days in FY 2010.	Cycle time for disposal process (days)	52	$ 11,485	55	$ 11,860	54.5	$ 12,645	-0.5	$ 785
ASF Personal Property Programs' Operating Expenses Allocated to Measures			$ 12,267		$ 14,056		$ 14,308		$ 252
GSA Overhead and Other Cost of Operations funded through ASF Funding not allocated to performance measures			$ 2,796		$ 2,895		$ 3,159		$ 264
	Policy and Operating Appropriated Funding		$ 11,485		$ 11,860		$ 12,645		$ 785
	Policy and Operating Reimbursable Funding		$ 1,738		$ 2,834		$ 2,913		$ 79
	Total		$ 28,286		$ 31,645		$ 33,025		$ 1,380

PUBLIC BUILDINGS SERVICE THE OFFICE OF REAL PROPERTY DISPOSAL

Strategic Direction

The Public Buildings Service's Office of Real Property Disposal (RPD) is responsible for developing and applying asset management strategies and tools to ensure that Federal landholding agencies realize maximum utilization and efficiencies from their real property holdings and, when appropriate, redeploy their unneeded properties to benefit the Federal Government and surrounding communities or sell them on the open market. RPD has focused on the President's Management Agenda and the directives of the Federal Real Property Council to foster improved asset management. RPD has expanded its customer base by addressing not only disposal needs, but also by working with agencies to develop pre-excess strategies for redeploying underutilized real property.

RPD provides tailored redeployment strategies. These strategies benefit from the programs long term, nation-wide experience and perspective in disposing of a wide variety of complex properties in a wide variety of market conditions. This experience translates into the ability to identify unique challenges and opportunities in disposing of surplus real property and to adapt customized disposal strategies. Further, this experience allows RPD to structure property disposal transactions that optimize the benefits and proceeds, to both local communities and federal landholding agencies.

Federal real property can serve as a catalyst for local revitalization when reused or rezoned by localities to provide jobs, contribute to the local tax base, or preserve open space. With thousands of Federal properties located throughout the country, RPD is partnering with communities and other stakeholders to ensure that underutilized Federal properties contribute to the enhancement of our nation's communities.

The need for asset management and disposal support will remain strong over the next 10 years as a result of landholding agencies' increased awareness of the operating cost, recapitalization cost, and condition of their real estate portfolios. The complexity and sensitivity of projects have expanded as more Federal agencies determine that real property holdings are no longer needed either through their own assessment, legislative mandates, or Executive Order 13327.

By promoting responsible asset management and implementing process improvements to optimize reliable, timely and quality customer service, RPD is able to help agencies determine which properties should be considered for disposal and then assist agencies in the redeployment of those assets. These services ensure that taxpayer assets are used effectively and efficiently and that agencies practice responsible asset management. Resources will be strategically used to deliver our asset management services and disposal support to respond to customer needs.

Program Assessment Rating Tool (PART) review

The Real Property Disposal program was included in the FY 2005 OMB PART review and received a rating of "Moderately Effective". In particular, the 2005 assessment found:

1. Many agencies have their own authorities to sell real property, but choose this GSA program to handle their sales because of the program's effectiveness in disposing of properties quickly and maximizing sales proceeds.

2. The program has developed long-term outcome goals and efficiency measures with ambitious targets that support the purpose of the program. However, the program still needs to commission a regular, independent assessment of its performance. In addition, the program needs to implement a more formal way to hold contractors accountable for achieving program performance goals.

RPD is taking the following actions to improve the performance of the program:

1. GSA's IG is currently conducting an independent assessment of the disposal process and GSA will continue to work with other entities such as OGP to assess the program's performance. RPD worked with the General Accountability Office on the recently completed review of the Public Conveyance Program. RPD will host a sponsoring agency conference to begin coordinating improved processes for the transfer of surplus assets to local governments and public bodies.

2. Continuing to develop performance-based contracts to hold contractors accountable for achieving program goals. RPD has issued a policy memo requiring all service acquisition and product development contracts to be performance based.

Strategy

The primary purpose of the Office of RPD is to facilitate, promote, and manage the utilization and disposal of underperforming, excess and surplus real property in the Federal Government. Real property that is no longer used or needed by Federal agencies continues to incur operating and maintenance costs that are relieved through disposal. By selling the property, RPD provides both savings to the agency and a source of revenue to the government. RPD has improved service delivery and minimized operational costs, providing a competitive advantage for its services.

To achieve its long-term outcome goal, RPD’s business strategy is to be the service provider of choice among its customers. This strategy seeks to be more responsive to the client’s needs in order to maintain the highest level of customer satisfaction. To best align utilization and disposal services to meet customer needs, a comprehensive review of business processes was undertaken and resulted in the reorganization within RPD. The new organization supports the business strategy by putting greater emphasis on building partnerships and alliances with customers and stakeholders. The strategic focus on customer segments allows RPD to react quickly to emerging trends.

Executive Order 13327 requires agencies to “improve operational and financial management” of the government’s real property inventory, and to “make life cycle cost estimations associated with prioritized action.” By implementing the strategy of becoming the service provider of choice for our customers, GSA has positioned itself to offer a variety of utilization and valuation analyses for government-owned real property. Performance measures have been developed to gauge progress in meeting strategic goals and to ensure continuous

improvement. RPD's measures were designed with the knowledge that high customer satisfaction is critical to meeting the goals, as is timely and efficient completion of studies and recommendations.
The key initiatives to accomplish this strategy are as follows:

- 2005 Base Realignment and Closure (BRAC) – GSA has partnered with the Department of Defense (DOD) to reduce its real property infrastructure. Through BRAC and traditional accessing actions, DOD has identified numerous facilities for divestiture and reuse. Congress has authorized an additional Base Closure round which began in fiscal year 2006 to support the Administration's initiative to further reduce DOD's infrastructure by up to twenty-five percent. The disposal of DOD property under this program is funded on a reimbursable basis. Property Disposal has initiated Memorandums of Understanding and Partnership Agreements to assist DOD in its closure and realignment efforts. RPD has remained involved in the disposal of surplus DOD property since 2005 BRAC rounds.

- Conduct portfolio analyses and target asset review for landholding agencies to help better align their facilities to enable mission work.

- Legislative Proposals - Currently, there are a number of legislative proposals aimed at streamlining the disposal process. A key component of these proposals is to provide incentives for improved management of real property inventory.

- The Value Added Services (VAS) contracts awarded in FY 06 continue to be used as an efficient contract for procuring realty services. The VAS contracts are providing GSA and other federal agencies an economical contract vehicle to procure required real estate services. The VAS solution provides a consolidated source of five commercial real property firms capable of assisting agencies in the management and disposal of real properties. By combining these experts into a single contracting vehicle GSA is able to find more efficient and cost effective ways to assist with property disposal efforts government wide. By enabling agencies to dispose of properties more efficiently, via VAS, Federal agencies will be able to further reduce their real estate related cost. Consolidation of these services will also help agencies to accommodate occasional peak influxes of excess properties. Each contractor will provide the Government with sales support solutions that include marketing, sales, due diligence, and closing services on property of varying sizes, conditions and type. The Contractors will also be able to propose a variety of additional services that will assist the Government in effectively managing and disposing of properties while achieving program objectives.

- Federal Asset Sales (FAS) – The FAS Program is an Office of Management and Budget (OMB) e-Gov initiative, designed to optimize the way the Federal Government disposes of its assets. The initiative's objective is to provide citizens a simplified method to search for surplus government property. Consolidating properties on a single website increases exposure of the properties resulting in more competition amongst buyers. Increased competition should result in higher sales prices and decreased cycle times. During FY 2007 RPD is supporting the implementation of the FAS Planning Office. RPD will work with the planning office and other federal agencies to increase the number of agencies participating in the initiative. This initiative will allow agencies government-wide to streamline existing processes, improve customer satisfaction, and increase the percentage of properties disposed of in a timely manner. This initiative supports all of Real Property Disposal's performance measures, and will help the program achieve its long-term outcome goal of minimizing underutilized and excess property in the government-wide inventory.

Performance Goals and Measures

Long-Term Outcome Goal: To help Federal landholding agencies realize maximum utilization and efficiencies from their real property holdings and, when appropriate, to redeploy their unneeded properties to benefit the Federal Government and surrounding communities or to sell those properties on the open market.

Performance Measure Targets: The performance measure targets were established during the FY 2005 PART Exercise based on actual historical data from FY 2001 to FY 2004. The measures were implemented and reported for the first time in FY 2006. The real estate market is cyclical and performance will fluctuate based on the market and economic trends. As additional data is collected the measures/targets will be monitored and the out-year targets will be adjusted accordingly to ensure they foster continued efficiency and improvements.

The two long-term outcome measures that support the long-term outcome goal are:

Long-term Measure: Sales proceeds as a percentage of estimated fair market value. The actual for 2006 was 132% and the target for 2007 and 2008 is 120%.

Long-term Measure: Percentage of sales transactions equal to or greater than estimated fair market value. The actual for 2006 was 98% and the target for 2007and 2008 is 90%.

The four annual performance goals and measures that gauge the progress of the Office of RPD are:

1. Performance Goal: Award 95% of utilization and donation (U&D) property within 240 days for fiscal year 2008.

Performance Measure:

- Percentage of U&D property awarded within 240 days.

The U&D maximum theoretical time line of 240 days is comprised of 30 days for Federal Screenings, 60 days for Homeless Screenings, 90 days for Homeless Application and Approval Process, and 60 days for Negotiated Sales with Congressional Approval. The average number of U&D properties awarded within 240 days from FY 2001 to FY 2004 was 64%. Since this is a new measure established for PART, we set the target of 90% beginning in FY 2006. The 95% target set for FY 2007 and FY 2008 will drive speedier dispositions.

FY 05 Actual	FY 06 Act.	FY 07 Target	FY 08 Target

39%	97%	95%	95%
FY 09Target	FY 10 Target	FY 11 Target	FY 12 Target
95%	95%	95%	95%

2. Performance Goal: Award 100% of public sales within 170 days for fiscal year 2008.

Performance Measure:

- The percent of public sales awarded within 170 days.

Based on data obtained from the COSTAR Group, commercial properties average about 170 days in the sale process. Since this is a new measure established for PART, we decided to set the target beginning in FY 2006. RPD has set targets to meet or beat the 170 day average 95% of the time in FY 2006 and 100% of the time by FY 2007.

FY 05 Actual	FY 06 Act.	FY 07 Target	FY 08 Target
92%	100%	100%	100%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
100%	100%	100%	100%

3. Performance Goal: Maintain “highly satisfied” ratings of 93% or higher on the Customer Transaction Satisfaction Survey by FY 2008.
Performance Measure:

- The percent of disposal transactions that “exceed” or “greatly exceed” customer expectations.

The Customer Transaction Satisfaction Survey measures the percent of customers who have graded the program at a 4 or 5 on a scale of 1 to 5 with 3 as satisfactory.

FY 05 Actual	FY 06 Act.	FY 07 Target	FY 08 Target
93%	97%	93%	93%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
93%	93%	93%	93%

4. Performance Goal: Attain 1.08% cost of sales as a percentage of sales proceeds for reimbursable sales for fiscal year 2008.

Performance Measure:

- Cost of reimbursable sales as a percentage of sales proceeds.

This percentage reflects the total cost (direct payroll, direct contract, program overhead and GSA overhead) of reimbursable sales to reimbursable sales proceeds. The out-year targets for this measure are based on a sliding scale calculated on normalized projected annual reimbursable sales of $239.35M.

FY 05 Actual	FY 06 Act.	FY 07 Target	FY 08 Target
0.13%	0.12%	1.08%	1.08%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
1.08%	1.08%	1.08%	1.08%

Budget Links:

FY 2007 Budget Performance Goal Budget Links
Real Property Disposal - Public Buildings Service
Total Sources of Funding
$ (Thousands)

Long-Term Outcome Goal: To help Federal landholding agencies realize maximum utilization and efficiencies from their real property holdings and, when appropriate, to redeploy their unneeded properties to benefit the Federal Government and surrounding communities or to sell on the open market.

Performance Goal	Performance Measure	Funding Source	FY 2006		FY 2007		FY 2008		Change FY 07 to FY08	
			Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Award 95% of utilization and donation (U&D) property within 240 days for fiscal year 2008.	Percentage of U&D property awarded within 240 days.	Operating Expenses[1] Appropriated	97%	11,979	95%	12,350	95%	13,164	0	+814
		Expenses, Disposal Appropriated		3,394		8,874		8,874		0
		Total		15,373		21,225		22,038		+814
Award 100% of public sales within 170 days for fiscal year 2008.	Percent of public sales awarded within 170 days.	Policy & Operations Appropriated	100%	2,720	100%	3,088	100%	3,291	0	+203
		Expenses, Disposal Appropriated		849		2,219		2,219		0
		Policy & Operations Reimbursable		1,429		5,750		5,750		0
		Expenses, Disposal Reimbursable		0		300		300		0
		Total		4,998		11,357		11,560		+203

Performance Goal	Performance Measure	Funding Source	FY 2006		FY 2007		FY 2008		Change FY 07 to FY 08	
			Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Maintain "highly satisfied" ratings of 93% or higher on the Customer Transactional Satisfaction Survey by FY 2008.	Percent of disposal transactions that "exceed" or "greatly exceed" customer expectations.	Policy & Operations Appropriated	97%	275	93%	300	93%	325	0	+25
		Total		275		300		325		+25
Attain 1.08% cost of sales as a percentage of sales proceeds for reimbursable sales for fiscal year 2008.	Cost of reimbursable sales as a percentage of sales proceeds.	Policy & Operations Reimbursable	0.12%	1,429	1.08%	5,750	1.08%	5,750	0	0
		Expenses, Disposal Reimbursable		0		300		300		0
		Total		1,429		6,050		6,050		0
Total Policy & Operations Appropriated				14,974		15,738		16,780		+1,042
Total Policy & Operations Reimbursable				2,858		11,500		11,500		0
Total Expenses, Disposal Appropriated and Reimbursable				4,243		11,693		11,693		0
Subtotal				22,075		38,931		39,973		+1,042
Other Funding:										
Real Property Relocation Expenses				9		10,239		2,000		-8,239
Policy & Operations, No Year [2]				475		2,377		0		-2,377
Grand Total				22,559		51,547		41,973		-9,574

Notes: [1] In FY 2006 and FY 2007 funding source was Operating Expenses. Beginning in FY 2008, the funding source is Policy and Operations.
Notes: [2] Includes Lorton and Governor's Island post conveyance expenses and the PBS Portfolio Restructuring Initiative.

MANAGEMENT AND ADMINISTRATION

Strategic Direction

This program area supports management and administrative activities associated with GSA internal operations. These activities include: (1) the Office of the Administrator; (2) the Regional Administrators and their staffs; (3) the Office of Congressional and Intergovernmental Affairs; (4) the GSA Office of Emergency Response and Recovery (OERR); and (5) administrative support of Congressional District and Senate State offices. GSA requests $25,032 thousand for these activities in FY 2008.

Administrator and Regional Administrators

The Administrator and Regional Administrators are responsible for the execution of all functions assigned to GSA by the Federal Property and Administrative Services Act of 1949, as amended, and by other laws.

Office of Emergency Response and Recovery (OERR)

GSA, by law and Executive Order, assists Federal agencies responding to aid state and local governments, supports client agency needs, and restores our own operations during domestic and national security emergencies. GSA's Emergency Response and Recovery Staff plays an active role in the planning for all types of emergencies and provides support during incidents of national significance, as defined in the National Response Plan (NRP). OERR is funded from Policy and Operations as well as the Working Capital Fund.

Presidential Decision Directive 67 assigned GSA the responsibility of ensuring that Executive Branch departments and agencies have the tools needed to comply with Continuity of Operations (COOP) directives and to conduct COOP training for Federal departments and agencies. GSA is also responsible for maintaining a continuity of government capability for the agency.

Congressional Support

GSA provides support to over 1,400 home-state/district offices for the Congress. This support includes office space, furniture and furnishings, property disposal, equipment and supplies, and storage and relocation services. GSA also provides Congressional Services Representatives in each GSA region as the contact points for all matters pertaining to Congressional State and District offices. The funds appropriated to this account reimburse the GSA Working Capital Fund for the support provided by the Congressional Services Representatives.

CIVILIAN BOARD OF CONTRACT APPEALS

The Civilian Board of Contract Appeals (CBCA) was established within GSA by section 847 of the National Defense Authorization Act for FY 2006 to hear and decide contract disputes between Government contractors and Executive agencies (other than the Department of Defense, the Department of the Army, the Department of the Navy, the Department of the Air Force, the National Aeronautics and Space Administration, the United States Postal Service, the Postal Rate Commission, and the Tennessee Valley Authority) under the provisions of the Contract Disputes Act of 1978 and regulations and rules issued hereunder. Effective January 6, 2007, boards of contract appeals of Agriculture, Energy, Housing and Urban Development, Interior, Labor, Transportation, and Veterans Affairs were terminated, and their cases, Board judges, other personnel, and FY 2007 funding were transferred to the new Civilian Board.

The CBCA also provides alternative dispute resolution services to Executive agencies, both in contract disputes that are the subject of a contracting officer's decision and in other contract-related disputes.

Additionally, the CBCA hears and decides other cases including Contract Disputes Act appeals relating to Indian Self-Determination and Education Assistance Act contracts, and appeals from disallowance by the Secretary of the Interior of costs payable under that Act; appeals of final administrative determinations of the Federal Crop Insurance Corporation pertaining to standard reinsurance agreements; claims involving transportation rate determinations; and travel and relocation expense claims by Federal civilian employees.

General Services Administration
OFFICE OF INSPECTOR GENERAL

Introduction

The Office of Inspector General (OIG) was established by the Inspector General Act of 1978 as an independent unit under the general supervision of the Administrator, charged with responsibility for promoting economy, efficiency, and effectiveness and detecting and preventing fraud, waste, and mismanagement in the General Services Administration's (GSA) programs and operations. This is accomplished primarily through comprehensive, nationwide audit and investigative programs covering GSA's internal operations and external contractors.

The OIG is composed of two business lines, the Office of Audits and the Office of Investigations. These business lines receive support services from the Office of Counsel, the Office of Administration, and the Office of Internal Evaluation. Below is a brief description of the functions of each office.

<u>Office of Audits:</u> A multidisciplinary staff of analysts, financial, information systems, and performance auditors who provide audit coverage of GSA's internal operations and external contractors.

<u>Office of Investigations:</u> An investigative unit that provides nationwide investigative services and conducts criminal and other investigations into allegations of fraud, waste, or abuse to prevent and detect illegal and improper activities involving GSA programs, operations, and personnel.

<u>Office of Counsel:</u> An in-house legal staff that provides advice and assistance to all OIG components, represents the OIG in connection with audits and investigations, and in litigation arising out of or affecting OIG operations, and handles legislative matters.

<u>Office of Administration:</u> A multidisciplinary staff that provides budgetary, human resources, information technology (IT), facilities, space and other administrative support services.

<u>Office of Internal Evaluation:</u> A staff that directs an in-house assessment program, including field office assessments, and is responsible for internal affairs reviews of OIG operations.

Explanation of Changes

<u>Appropriated Programs:</u>
The Office of Inspector General's appropriation request is for $47,382 thousand to support 281 FTE during Fiscal Year (FY) 2008. This request reflects a net increase of $4,406 thousand over the comparable amount of $42,976 thousand for FY 2007 Continuing Resolution level. The net change of $4,406 thousand consists of: (1) $1,393 thousand for increased pay and inflation; (2) $1,038 thousand for the Suspension and Debarment Team; (3) $951 thousand for OIG Network Management System LAN upgrade and infrastructure upgrade; and (4) $1,024 thousand for increased payments to the Working Capital Fund.

The OIG requires appropriated funding for the following necessary programs:

Suspension and Debarment Team ($1,038K): This request is to fully fund the 6 FTE and functions associated with the Suspension and Debarment Team. This team was created as a response to reports from Government oversight organizations indicating that some of the largest U.S. Government contractors either broke Federal law or engaged in unethical practices, and continued to receive Federal contracts.

The primary responsibilities of the Suspension and Debarment Team are to ensure the integrity of the Federal acquisition process at GSA by actively conducting investigations involving corporate integrity issues and to provide adequate investigative coverage in suspension and debarment investigations. These corporate integrity issues expand the OIG's role into conducting suspension/debarment investigations of individuals and corporations who have been involved in unethical behavior or who have been charged with violations of law involving other Federal entities, and have GSA contracts to provide goods and/or services to the government.

Suspension and Debarment investigations are time sensitive and require prioritization above many other types of investigative issues addressed by the Office of Investigations. The funds being requested will provide for the adequate and timely investigation of these issues and ultimately assist in the integrity of the government's acquisition process.

OIG Network Management System LAN Upgrade/Infrastructure Upgrade ($951K): This request is to upgrade the OIG Management Information System (OIGMIS) Local Area Network (LAN) and to maintain OIGMIS Authority to Operate (ATO) by modernizing the network infrastructure and implementing stronger security standards in a manner consistent with ongoing government-wide activities, policies and guidance issued by the Office of Management and Budget (OMB).

The modernization of the OIG LAN will decrease the number of vulnerabilities and interruptions from outside influences, thereby protecting sensitive information and reducing the danger of not meeting OIG and Federal government security requirements.

The OIG Information Technology (IT) environment consists of fourteen geographically dispersed LANs that are independently managed and controlled by the OIG at the GSA Central Office. The OIG LANs are separate and distinct from GSA's LAN environment and are funded through the GSA-OIG annual appropriations. This separation is necessary to maintain our independence and ensure the integrity of the OIG data. Also, the separation is critical because it allows us to control sensitive and proprietary information arising from criminal and civil investigations, including investigations involving GSA employees or government contractors. Each LAN consists of one or more network servers, a firewall, intrusion detection hardware, several communication switches, and associated cabling providing access to the GSA backbone communication network.

While the mission of the OIG remains mandated by law, the changing technological environment has caused us to change and grow in the way we do our work. As the result of these changes, we are faced with the challenge of understanding mandatory security requirements in order to better manage and protect sensitive agency information and safeguard Personally Identifiable Information within the OIG.

Increased Payments to the Working Capital Fund ($1,024K): This resource increment funds increases in the Agency's charges to the OIG for centralized administrative support, the GSA-wide IT infrastructure, and centralized charges. Without these additional funds, the OIG would have to absorb these increases, which would limit the OIG's ability to perform its statutorily mandated mission to promote economy, efficiency, and effectiveness and to detect and prevent fraud, waste, and mismanagement in the General Services Administration's (GSA) programs and operations.

Reimbursable Programs:

The OIG reimbursable request includes $6,200 thousand and 28 FTE for the following reimbursable work: (1) $5,000 thousand for the Federal Acquisition Service (FAS) Pre-Award Audit Program; (2) $350 thousand for the Fleet Card Program; and (3) $850 thousand for on-going reimbursable work with other agencies and independent commissions.

The FY 2008 Budget provides for up to $5 million in reimbursable authority for pre-award audits and surveys of Multiple Award Schedule (MAS) Contracts and Governmentwide Acquisition Contracts (GMACs) with the understanding that the Office of Inspector General (OIG) and Federal Acquisition Service (FAS) will work together to pilot alternative methods for reviewing contract-related activities. The pilot effort will help determine the most effective and efficient combination of management practices – including pre-award audits, pre-award surveys, and other activities – that the OIG and FAS may use to help ensure agencies obtain good prices and overall best value from acquisitions made through the MAS and GSA's GWACs.

The OIG will continue to seek better ways to provide high-level service to GSA by identifying and implementing internal steps to improve and reduce our administrative processes; using state-of-the- art computer capabilities; addressing our human capital needs; and focusing on customer service and satisfaction.

Explanation of Budget Authority Changes in Priority Order
Appropriation
$(Thousands)

	FTE	$
FY 2007 Continuing Resolution Availability	**281**	**$42,976**
Increases		
Part Year Increase for FY 2007 Pay Act (2.2%), January 2007		172
Pay Increase (3.0%), January 2008		713
Inflation		508
Suspension and Debarment Team		1,038
OIG Network Management System LAN Upgrade/Infrastructure Upgrade		951
Increased Payments to Working Capital Fund		1,024
FY 2008 Budget Request	**281**	**$47,382**

Budget Authority
$(Thousands)

	FY 2006 Actual Obligations	FY 2007 Budget	FY 2008 Request	FY 2007 – FY 2008 Change
Appropriated Program:				
Audit Programs	$21,076	$21,414	$23,626	$2,212
Investigative Programs	$12,779	$12,984	$13,744	$760
Administrative Support Programs	$8,443	$8,578	$10,012	$1,434
Total Appropriated Program	**$42,298**	**$42,976**	**$47,382**	**$4,406**
Reimbursable Program:				
FAS Program	$4,921	$5,000	$5,000	$0
Fleet Card Program	$320	$350	$350	$0
Other Agency Reimbursable		$850	$850	$0
Total Reimbursable Program	**$5,241**	**$6,200**	**$6,200**	**$0**
Net Outlays	$40,740	$42,935	$47,118	$4,183
Employment (FTE)				
Appropriated	264	281	281	0
Reimbursable	28	28	28	0
Total FTE	**292**	**309**	**309**	**0**

Office of Inspector General

For necessary expenses of the Office of Inspector General and service authorized by 5 U.S.C. 3109, $47,382,000: Provided, That not to exceed $15,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: Provided further, That not to exceed $2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

OFFICE OF INSPECTOR GENERAL Obligations by Object Class $(Thousands)				
		FY 2006 Actual ($000)	**FY 2007 Budget ($000)**	**FY 2008 Request ($000)**
	Personnel Compensation:			
11.1	Full-time permanent	21,407	22,350	23,430
11.3	Other than full-time permanent	123	200	206
11.5	Other personnel compensation	1,874	1,927	2,207
11.8	Special personal services payments	62	140	
11.9	**Total personnel compensation**	**23,466**	**24,617**	**25,843**
12.1	Civilian personnel benefits	6,018	6,712	7,090
21.0	Travel and transportation of persons	1,332	1,360	1,440
21.0	Motor Pool	138	339	372
22.0	Transportation of things	69	169	183
23.1	Rental payments to GSA	2,726	2,764	2,911
23.2	Rental payments to others	1		
23.3	Communications, utilities and miscellaneous charges	240	345	352
24.0	Printing and reproduction	146	50	51
25.1	Advisory and assistance services	1,120	1,150	1,200
25.2	Other services	1		290
25.3	Purchases of goods and services from Government accounts	4,824	4,670	5,792
25.7	Operation and maintenance of equipment	184	250	260
26.0	Supplies and materials	172	200	219
31.0	Equipment	1,859	350	1,379
42.0	Insurance Claims and indemnities	2		
99.0	**Total**	**42,298**	**42,976**	**47,382**
99.0	Reimbursable obligations	5,241	6,200	6,200
99.9	**Total Appropriated & Reimbursable**	**47,539**	**49,176**	**53,582**

Strategic Assessment

Role of the OIG

The OIG's mission is to independently evaluate GSA's operations and identify opportunities for cost savings and program improvements, as well as review/investigate improper activities. We will focus our efforts on helping GSA meet its charter as the premier provider of acquisition and real property services in the Federal government. We will assist GSA in adopting business-like practices, streamlining its organizations, cutting overhead and reducing costs, and modernizing its work processes to deliver quality goods and services to its customers. The OIG will also assist GSA by identifying and mitigating vulnerabilities, particularly those resulting from changes in its methods of doing business and from changing legal and administrative requirements, in an effort to maximize support provided to GSA as it continues to transform.

Following are our strategic goals:

<u>Strategic Goal No. 1:</u> Enhance the performance of GSA and ensure optimum value for the taxpayer.

<u>Strategic Goal No. 2:</u> Protect the integrity of GSA programs and operations.

<u>Strategic Goal No. 3:</u> Implement an efficient and effective human capital strategy.

<u>Strategic Goal No. 4:</u> Enhance our organizational performance.

Activities

The OIG will accomplish its mission by several methods:

1) Conducting independent reviews of GSA's programs, systems, and internal operations to ensure that GSA's customers are getting the best value for the taxpayers' dollars and to identify other opportunities for improvement;

2) Conducting independent audits of GSA's contractors to ensure that they are fulfilling their contractual requirements on pricing and service quality;

3) Providing research and benchmarking surveys that identify the best practice initiatives to help GSA improve its operations;

4) Conducting investigations of GSA's programs and operations when circumstances indicate potential fraud, criminal activity, or mismanagement;

5) Working with Congress, OMB, and GSA management to identify and implement program improvements by leveraging our knowledge and expertise to evaluate and refine GSA-related legislative, regulatory, and other policy initiatives;

6) Working with GSA management and employees to ensure that appropriate internal controls and performance measures are in place thus helping to optimize the fulfillment of GSA's mission; and

7) Working with GSA managers and employees to increase their knowledge and awareness of fraud in order to help reduce and prevent its occurrence in GSA's programs and operations.

An Aging Workforce and New Workload Requirements Present an Increasing Strain on Human and Fiscal Resources

1. Office of Audits: Key staff losses have occurred in this office over the last several years and additional losses are likely in FY 2007 and FY 2008. Approximately two-thirds of our senior graded managers (GS-15) in the Office of Audits will be eligible to retire in 2008. In addition, a growing number of our second level managers, senior auditors, and analysts are either eligible to retire, or will be eligible to retire beginning in 2010.

We hired new employees and are developing a new supervisory cadre (from frontline to senior levels) and we will continue to do so as additional losses occur. However, we still have too few experienced staff members ready to backfill these positions during this transition because of a decade of low recruitment and downsizing. We must rely on less experienced staff to backfill vacant positions who must quickly gain GSA, auditing, and supervisory knowledge and experience. To address this issue, we have increased training for new managers and senior level staff to rapidly develop the skills necessary for our managerial positions. We also continue to fill vacant positions with entry level hiring, supplemented with hiring at the journeyman and supervisory levels.

2. Office of Investigations: The Office of Investigations has a very junior and comparatively inexperienced investigative workforce. Therefore, we face having to devote considerable time and resources to training and developing new special agents. Additionally, new guidelines for OIG law enforcement personnel issued by the Attorney General require us to provide each special agent with periodic law enforcement refresher training in skills needed to function as criminal investigators. We have also seen a rise in the need for our agents to assume undercover roles to perform investigations. Undercover operations require highly specialized training, both for the agents involved and for those responsible for managing the investigations and assuring agents' safety. Other agents receive specialized training in order to develop and maintain the skills required to conduct investigations requiring sophisticated computer forensics. We foresee the need for increased training expenditures due to these investigative training requirements.

The OIG devotes a portion of our resources to assist GSA in its efforts to suspend and debar unscrupulous government contractors. High profile corporate financial scandals have resulted in an increase in our investigative workload in this area far beyond what was planned for in our performance plans. The OIG's Office of Investigations is not located in all GSA regional offices but expends considerable resources in conducting investigations in these locations. Additionally, the office supports a large workload of investigative cases outside of locations in which we have offices.

Long-Term Outcome Goals

The OIG has a two-fold mission— to be an agent of positive change in helping GSA to achieve its goals and to assist in the prevention of waste, fraud, and abuse. Our long-term approach to achieving our mission involves initiatives, such as improving our methodologies for performing programmatic and other types of reviews and investigations and improving our technical capabilities. We have increased the size of our financial and information system audit staffs, implemented better strategic and audit planning, improved networking and communications within our own organization and with management, and instituted many other initiatives to better our operations.

Our actions have produced positive results. For example, our reports to Congress have documented many positive changes identified by our program reviews and implemented by GSA. In addition, customer surveys show that our products and services meet management's needs and add value; and the requests for audit services from management, the Congress, and OMB are increasing. Our audits and investigative efforts have resulted in identifying and mitigating systemic problems and fraud schemes involving GSA's programs and operations. The benefits from our initiatives continue to grow.

Following are highlights of our office's initiatives and performance measures with related budgetary requirements.

Operational Strategies for Meeting Long-Term Outcome Goals

<u>Office of Audits</u>

The OIG has become a force for positive change within GSA by repositioning itself to provide more value-added services to our clients. We are developing our own expertise in GSA's business lines to complement our audit and evaluation skills. This enables us to better understand the complex issues and challenges faced by program officials, to design evaluations in the context of specific programs, and to facilitate resolution of audit recommendations.

We have reorganized the Office of Audits into centers of expertise for each of the core functions critical to GSA's success. This restructuring is helping us develop technical or specialized expertise in all key areas of GSA, so we can better identify and address the most significant issues and vulnerabilities facing the agency.

For several years, we have been assisting GSA in identifying opportunities for improvement through key programmatic reviews. We are also working with management to improve program data integrity. Our application of team concepts and streamlined operating methods and our use of advanced technology are allowing us to expedite the transmission of important information to managers for decision-making. These efforts complement our traditional responsibilities of safeguarding the integrity and ensuring accountability of agency resources and operations.

Our office has been successful in fostering clear lines of communication with all of our stakeholders. We maintain an ongoing dialogue with the Congressional oversight committees and OMB. We work closely and continually exchange information with GSA's managers and personnel. To enhance our understanding of GSA's programs and initiatives and to improve our annual planning process, we have maintained contact with GSA officials in each of the major Services and Staff Offices. In addition to our traditional services in the areas of management and systems control reviews as well as selected reviews of GSA's multi-billion dollar contract programs, we will continue to focus our resources on large-scale program reviews, IT system reviews, and financial reviews.

1. **Comprehensive Program Reviews.** These reviews produce formal audit reports that provide GSA management with an independent assessment of whether or how well a program is meeting its nationwide mission and identify specific areas where program outcomes can be improved. Program reviews have been a staple of our organization for the past several years, and we are constantly refining and improving our approaches. We focus on program goals and results and how the program officials measure their successes. We also provide managers input on potential solutions to issues when appropriate. We expect to continue to direct resources to this area.

2. **Information Technology and Systems Reviews.** Information technology in GSA is expanding exponentially and influences all aspects of business operations. GSA relies on its automated information systems to perform its mission and manage its operations. Many of these systems store sensitive information such as personal employee data and contractors' proprietary information. The Office of Audits faces the challenge of performing the necessary reviews in the areas of IT, systems, and telecommunications. We have dedicated 16 FTE to the Information Technology Audit Office whose mission is to identify the IT workload in GSA, establish an OIG presence in this critical and growing area, develop the technical expertise to perform these complex reviews, and to perform IT and systems review work. However, our capabilities in IT and systems must continue to grow.

GSA has an extensive IT universe with about 82 major automated information systems, many smaller systems, and numerous local area networks. GSA's IT universe also dictates that we must apply more audit resources to security issues associated with operating GSA systems and networks. In addition, the Federal Information Security Management Act of 2002 requires Inspectors General to conduct independent annual evaluations of their agencies' information security programs.

3. **Financial and Regulatory Requirements.** The passage of the Chief Financial Officers Act in 1990 has had a significant impact on our operations. Even before passage of this Act, the OIG and GSA arranged for the audit of GSA's financial statements by an independent public accounting firm. However, the time, effort, and expertise required to administer the audit of the financial statements has grown substantially; new legislation and complex accounting and auditing policies must be analyzed; efforts to assist GSA management in working through associated issues have grown; and time needed to address audit issues related to the audit of the government-wide consolidated financial statements has increased. Therefore, we consider it vital that the OIG continue to evaluate GSA's financial activities and perform more detailed analyses of its major accounts. While we acknowledge that GSA's financial statements, with the exception of FY 2005, have consistently received clean opinions, the landscape of financial reporting is changing continuously.

   We believe there are opportunities to enhance the efficiencies of operations and accountability of assets at the other levels of reporting. We want to increase the numbers of evaluations of GSA major individual financial accounts and major financial subsystems. In addition, there are new and increasing requirements imposed on our office due to GPRA and related legislation. These issues require that we have sufficient staff with the financial background and expertise to perform the necessary reviews. We intend to enlarge our financial audit group, by shifting existing resources, over the next several years to keep up with the increasing demands. As in the IT area, this is a specialized discipline we must expand our financial and technical systems' training and staffing to accomplish our goals.

We will continue to offer our traditional audit services in the following areas:

1. **Management Control Reviews.** The Office of Audits will continue to test management controls built into programs and systems to ensure they function as intended and provide reasonable safeguards over assets. We believe control systems are becoming more important in an evolving work environment which calls for fewer supervisors, more decentralization of authority, and more individual empowerment. We will work closely with management to share our expertise in internal controls throughout GSA.

2. **Contract Reviews.** As the premier acquisition service provider within the Federal government, GSA annually awards over $40 billion in contracts for goods and services. The OIG will continue to maintain a contract review program. We will review selected vendors' records and develop financial information needed by GSA's contracting officers to negotiate favorable pricing arrangements on contract awards and to help administer existing contracts. We will continue dedicating resources to support contracting officers. Over the past two years, our audits have evaluated over $16 billion in proposed costs and have resulted in over $1.6 billion in monetary avoidances.

Office of Investigations

The Office of Investigations is responsible for conducting criminal, civil, and administrative investigations nationwide. The office is the OIG's fully accredited Federal law enforcement component and provides expert investigative services to GSA, the Department of Justice, United States Attorneys' offices throughout the country, and other Federal and state agencies. The Office of Investigations is committed to identifying and preventing fraud, waste, and abuse in GSA programs and operations and promoting economy and efficiency within GSA. Our investigative action plan contains the following elements:

- Investigations of alleged criminal violations by contractors, employees, and others, relating to GSA acquisition programs.
- Criminal investigations relating to the integrity of GSA programs, operations, or personnel.
- The development and implementation of proactive investigations which address systemic investigative issues that cross GSA regional boundaries.
- Investigative support to the Office of Audit, Office of Counsel, and GSA officials.
- Investigations of allegations of serious misconduct by high ranking GSA officials which are conducted on a limited and as needed basis.

The major component of the Office of Investigations operations plan during the coming fiscal year is the detection and investigation of major criminal violations associated with GSA acquisition programs.
We anticipate devoting significant investigative resources to criminal fraud violations associated with violations such as substandard products or material, false claims, criminal false statements, schemes seeking unfair advantage in the procurement, supply, property acquisition and disposal, and construction programs. The Office of Investigations will ensure the integrity of GSA programs and operations by thoroughly investigating allegations of criminal activity by GSA employees and officials. Bribery, extortion, acceptance of gratuities, conflict of interest, and procurement integrity violations will be emphasized and remain investigative priorities. Another major investigative emphasis in this area is associated with ensuring the integrity of GSA's procurement programs by conducting investigations and making recommendations for suspension and debarment of corporations which appear to/or lack corporate integrity.

We also focus investigative resources on providing support to the Office of Audits, Office of Counsel, and regional officials on civil fraud or serious administrative matters. This includes serious allegations of official misconduct; investigations of this nature are only conducted on a very selected basis.

As part of our action plan we included the need to partner with GSA leaders and assist in seeking ways to improve agency programs and operations and prevent fraud from occurring. When appropriate, the Office of Investigations will continue to present fraud integrity awareness briefings to agency employees and develop effective proactive investigative initiatives that will serve to identify problems relating to fraud, waste, or abuse in GSA operations. Effective proactive cases have proven to be excellent techniques to prevent and deter program deficiencies from becoming major operational problems.

The FY 2008 Performance Plan

The OIG will increasingly focus its efforts in areas intended to enhance the management and overall performance of GSA and will increasingly align its activities so that they more directly support the strategic goals and business objectives of the GSA. We will allocate approximately 70 percent of our audit and investigation resources to address agency management challenges and vulnerabilities.

The OIG revised its strategic plan to more accurately reflect the activities we are performing to help GSA better manage its programs. We revised our strategic goals and performance measures to more effectively reflect the OIG's support to GSA.

Strategic Goal No. 1

Enhance the performance of GSA and ensure optimum value for the taxpayer.

Discussion

GSA is a 12,000 person agency that oversees Federal buildings, major supply and procurement programs, a fleet of 190,000 vehicles worldwide, telecommunications systems, and child-care facilities. It also provides policy leadership in areas such as acquisition, travel, real property, and other administrative services for the entire Federal sector.

GSA realizes that changes in today's environment require it to be flexible in its business approaches and innovative in developing integrated solutions to longstanding and new challenges. Current agency goals and initiatives, continuing government reform, high-risk areas defined by GAO, and management challenges identified by our office remain areas that must be addressed.

The OIG's audits and investigations assist GSA in its dual roles of policy leadership and provider of space, products, and services to the Federal workforce. At the same time, we intend to support GSA's commitment to effective and efficient operations. In this capacity, we will continue to evaluate and bring to GSA's attention serious vulnerabilities and management challenges; further we will make constructive recommendations as to how these concerns can be alleviated. We will devote our resources to areas where focused management attention can bring about greater efficiencies for both GSA and the taxpayers. Through our audits, investigations, advice on legislation, and other services, we will raise issues that affect the agency's programs to the policy making arena. Lastly, we will work with GSA leadership on key initiatives to promote more effective government operations.

Anticipated Results

We will perform annual risk assessments of GSA operations to identify the most significant management challenges, high-risk areas, and major opportunities for improvement in programs, operations, and related activities. We will target the most significant issues facing GSA by planning and conducting audits and investigations in those areas. We will continue to work with GSA management on key initiatives. Finally, we will leverage our expertise by providing comments on legislative and policy initiatives before they become program requirements. In this capacity, we will also work with the Office of Congressional and Intergovernmental Affairs and Governmentwide Policy by sharing our knowledge, expertise, and experience in assisting GSA to meet its central management policy responsibilities.

During FY 2008, the OIG will devote approximately $15,998 thousand of its requested appropriated funds and $2,875 thousand of its reimbursable authority to accomplish the planned outcomes related to this strategic goal.

Strategic Goal No. 2

Protect the integrity of GSA programs and operations.

Discussion

One of the OIG's fundamental responsibilities is combating and preventing waste, criminal, and civil wrongdoing in GSA programs and operations. We are committed to using resources to ensure the integrity of GSA operations and programs by focusing on areas that have vulnerabilities and control deficiencies.

The OIG has a special concern that in an era of rapid change and emerging technology, these changes, absent adequate controls, may present unintended and increased opportunities for illegal and improper activities. We believe it is important to assess whether a new initiative has vulnerabilities, and, if so, mitigate these vulnerabilities early in the process.

Anticipated Results
During FY 2008, as part of a comprehensive initiative, the OIG will direct its efforts to protect the integrity of GSA operations by identifying and assessing vulnerabilities associated with its rapidly changing environment. The OIG intends to take a risk-based approach and focus its expertise in areas that have vulnerabilities and control deficiencies. We will perform various types of reviews to ensure programs operate within legal and regulatory limits. We will aim our efforts at detecting systematic vulnerabilities. We will investigate and deter illegal activities to the fullest extent of our abilities and resources. Our investigative resources will concentrate on high-impact cases, and we will respond to indications of illegal activities in a direct and timely manner. These areas include procurement integrity, facilities and personnel, management control, asset management, information technology, and financial accountability. We will particularly emphasize the controls over charge cards, security, and emerging technology issues. The efforts of the OIG will be directed towards preventing waste and wrongdoing in GSA, increasing the awareness of GSA managers regarding the prevention of fraud and waste, improving the detection of and response to corruption, and increasing the public trust in GSA's programs and operations.

During FY 2008, the OIG will devote approximately $16,382 thousand of its requested appropriated funds and $3,125 thousand of its reimbursable authority to accomplish the planned outcomes related to this strategic goal.

Strategic Goal No. 3

Implement an efficient and effective human capital strategy.

Discussion
Our people are our most important resource. A skilled, focused, flexible, and diverse workforce is essential if we are to continue to improve and provide the services necessary to carry out our mission. Beginning in the mid-1990s, the OIG realized the need to better align our resources to meet our mission responsibilities. We took numerous actions to redefine our mission, restructure our operations, reduce management layers, redistribute management positions to direct line positions, and to more closely interact with our clients. Our goal was to become more results-oriented, and better serve GSA. These actions were consistent with the stated goals of OMB Bulletin 01-07 "Workforce Planning and Restructuring."

Despite these actions, events over the past few years have combined to exacerbate our human capital issues. Specifically, we have had a difficult time hiring at mid-level positions and replacing and retaining qualified staff. Salaries, Federal hiring requirements and constraints, and stiff competition from the private sector and other government agencies have impacted our ability to hire people with the necessary skills. We are losing our junior staff to other agencies and the private sector, while our senior staff is retiring. We are faced with the potential loss of over 67 percent of our senior managers over the next 2 years. This has increased our need for managerial and leadership training for mid-level staff to prepare them to assume more senior leadership positions in the organization. In addition, the skills we need to do our work have changed. We have had a difficult time hiring accountants and mid-level IT specialists. Major statutes aimed at increasing the fiscal and managerial accountability of Federal agencies have impacted our work and increased our emphasis on financial issues. In addition, technology has had a tremendous effect on how the government conducts business and consequently we need to apply technology in our audits, investigations, and internal management operations.

To meet the challenges ahead, the OIG has developed a human capital plan and continues to refine that plan. The OIG will implement its human capital management strategy to provide the highly competent professionals necessary to complete our mission and meet future demands. We will incorporate these efforts into our overall work planning, budgeting, and evaluation processes. This will include a commitment to recruit, develop, train, retain, and reward a workforce that possesses the skills required to meet the changing and challenging demands for our services. We will address continuity of operations and skills through succession planning. The OIG will increase its commitment to both technical and managerial training to sustain functional expertise and encourage professional development.

Anticipated Results
Among the initiatives we plan to accomplish are enhancing our college recruiting program; completing a skills inventory and identification analysis; refining programs such as our career intern program, and various programs aimed at recruiting and retaining quality staff; streamlining and improving the efficiency of our hiring process; developing the required technical and managerial training programs needed to provide and maintain needed skills; and revising our performance appraisal system to ensure that employee performance is mission related.

During FY 2008, the OIG will devote approximately $5,484 thousand of its requested appropriated funds and $140 thousand of its reimbursable authority to accomplish the planned outcomes related to this strategic goal.

Strategic Goal No. 4

Enhance our organizational performance.

Discussion
This goal focuses on our work environment and business processes. We believe that this goal will serve two purposes—to make us more efficient in serving our clients and to help attract and retain a world-class workforce in our organization.

Our office's performance should be held to the highest standards. To achieve this, we will continue to emphasize improving the delivery of OIG products and services and create a more efficient work environment by investing in the office infrastructure, both technological and physical, that supports our strategic goals.

Timely, cost-effective, and quality products and services are critical in today's fast-paced and changing environment. Our work products must be responsive to agency and customer needs. Continued improvements in timeliness and operating efficiency will require reassessing existing business processes, employing technology to the fullest extent possible, and improving management and coordination efforts. Further, we must better utilize the power of E-Government to make our products and services more accessible to our stakeholders.

We believe that appropriate and modern technological and physical work environments are important elements in successfully achieving our goals. We also believe that our audit and investigative functions must work closely with our administrative support activities to enhance our ability to meet mission requirements. We will ensure that we have the best possible work environment in several ways.

First, we recognize the benefits of technology in the work environment, and we have made great strides in incorporating it into our management approach and processes. We want to continue this progress toward providing reliable, integrated technology to our staff. We will maintain management information systems and networks that enhance our ability to exchange information, both inside and outside the OIG, and to conduct our work and perform analyses in a more secure paperless environment. This will also help us better plan and manage our resources by providing timely and reliable performance information and financial data. Also, providing sufficient, portable technology to the staff will help streamline our processes and better leverage our limited human capital resources.

Next, we need to make an investment in our physical environment in order to support our human capital strategies. Initiatives in this area will affect where we locate our staff and how it is configured.
Lastly, administrative activities and processes supporting our line operations need to be better integrated and improved.

Real-time fiscal information, comprehensive information systems support, and full-range human resource support are essential to improve our operations. It is imperative that we enhance and integrate this infrastructure to support our strategic planning, human capital initiatives, and business goals.

Anticipated Results:

1. Provide our customers with timely, quality OIG products in accordance with the standards established for the different types of audit and investigative reports we produce.

2. Provide comprehensive IT support and information systems availability necessary for our professional and support staffs to meet their mission requirements.

3. Provide timely and relevant budgetary, administrative, and human resource support to help our managers properly manage their resources and help them meet their mission needs.

4. Begin implementation of a nationwide office modernization process, which will enhance the working environment of selected regional and Central Office locations.

During FY 2008, the OIG will devote approximately $9,518 thousand of its requested appropriated funds and $60 thousand of its reimbursable authority to accomplish the planned outcomes related to this strategic goal.

Following is the OIG's Performance Plan that details the performance measures for each strategic goal.

OIG Strategic Goal #1 Enhance the performance of GSA and ensure optimum value for the taxpayer.

Performance Goal: The OIG will direct its resources to help GSA achieve its strategic goals and address management challenges. We consider our past work in GSA, the Presidential Initiatives, GSA's Strategic Plan, and areas of vulnerability identified by our office, GSA management, or GAO in identifying key program issues. The following issues represent the key management challenges and vulnerabilities that the OIG believes merit attention: protection of Federal facilities and personnel, information technology, management controls, asset management (including aging Federal buildings), human capital, procurement activities, financial accountability, and contract management.

GSA-wide Goal: This OIG goal is linked to the following GSA strategic goals:

- Providing best value for customer agencies and taxpayers;
- Achieving responsible asset management;
- Operating efficiently and effectively; and
- Ensuring financial accountability.

The following table shows the percentage of OIG products and services (performance audits and reviews of legislative, regulatory, or policy initiatives) that had an identifiable positive impact on improving agency performance of the following GSA goals: (1) providing optimum value for the customer agencies and the taxpayers, (2) responsible asset management, and (3) operational efficiency.

Performance Measure	Performance Indicators		
	FY 2006 Actual	FY 2007 Current	FY 2008 Target
Performance audits	85%	72%	74%
Reviews of legislative/regulatory or policy initiatives	60%	60%	60%

OIG Strategic Goal #1. Enhance the performance of GSA and ensure optimum value for the taxpayer.

Performance Goal: This measure reflects OIG management's decision to allocate greater audit resources to major programmatic, control, systems, and other efforts which are aimed at helping GSA management achieve more positive outcomes in their operations. While some of these types of reviews require significantly more resources, and their immediate impact is not always quantifiable, their long-term benefits offer the potential for significant improvements in GSA performance and benefits to customers and taxpayers. Results from these audit efforts are based on actual reports issued and the resulting recommended avoidances, recoveries, and resolved management decisions.

GSA-wide Goal: This OIG goal is linked to the following GSA strategic goals:

- Providing best value for customer agencies and taxpayers;
- Achieving responsible asset management;
- Operating efficiently and effectively; and
- Ensuring financial accountability.

Performance Measure	Performance Indicators		
	FY 2006 Actual	FY 2007 Current	FY 2008 Target
Total reports	158	170	192
Internal audit reports	50	48	57
Contract reviews	108	122	135
Reimbursable reviews	[89]	[74]	[77]
Value of results*			
Total Avoidances & recoveries	$1,084M	$522M	$525M
From reimbursable funded work	[$718M]	[$470M]	[$470M]
Total Management decisions	$1,202M	$460M	$480M
From reimbursable funded work	[$815M]	[$415M]	[$420M]

****Represents total cost of avoidance and management decisions attributable to audits of MAS contracts.***

OIG Strategic Goal #2. Protect the integrity of GSA programs and operation.

Performance Goal: The OIG intends to focus its resources and expertise on areas that are susceptible to waste, fraud, and wrongdoing. Our intent is to: increase awareness of the potential for wrongdoing, identify and mitigate program and operational vulnerabilities and control deficiencies, pursue potential wrongdoing to the fullest extent of our ability, and prevent waste and wrongdoing within GSA. These areas include the protection of Federal facilities and personnel, information technology, management controls, asset management, procurement activities, and financial accountability. The combined efforts of the Office of Audits and the Office of Investigations will be directed towards the achievement of our outcomes.

GSA-wide Goal: This OIG goal is linked to the following GSA strategic goals:

- Providing best value for customer agencies and taxpayers;
- Achieving responsible asset management;
- Operating efficiently and effectively; and
- Ensuring financial accountability.

The percentages shown for each outcome reflect the proportion of OIG products (audit reports, investigations, awareness initiatives, and other initiatives or evaluations) that have an identifiable positive impact on protecting the integrity of the agency's programs and operations. We measure positive impact of internal audits based on input we receive from GSA managers on our customer surveys. On contract reviews, we measure positive impact based on the actual savings resulting from the audit as evidenced by our assessment of the price negotiation memorandum prepared by the GSA contracting officer.

Performance Measure	Performance Indicators		
	FY 2006 Actual	**FY 2007 Current**	**FY 2008 Target**
Impacted program integrity in the following areas:			
• Control, compliance, and accountability issues	100%	68%	70%
• Integrity issues	60%	60%	60%

OIG Strategic Goal #2. Protect the integrity of GSA programs and operation.

Performance Measure	Performance Indicators		
	FY 2006 Actual	FY 2007 Current	FY 2008 Target
Number of Criminal Referrals*	247	200	240
Number of Civil Referrals*	45	30	35
Number of Admin. Referrals*	424	300	280
Civil Settlements*	8	6	6
Indictments/Information*	84	50	60
Successful Criminal Prosecutions*	108	50	60
Contractors Suspended/Debarred	141	140	130
Investigative Recoveries	$54M	$7.0M	$9.0M
Fraud Awareness Briefings	43	20	30
High Priority Investigations	72%	70%	70%

*****Performance indicators reflect predicted number for government-wide activities to include all Federal agencies and employees, as well as contractor entities and personnel associated with GSA programs and operations.

The following table reflects the planned reallocation of Office of Audit resources between contract audit issues, internal GSA program and operational issues. *(OIG Strategic Goals #1 and #2)*

Type of Audit	FY 2006 Actual		FY 2007 Current		FY 2008 Target		Change FY 2007 to FY 2008	
	Actual	Dollars	Current	Dollars	Target	Dollars	Target	Dollars
Contract Reviews:								
Appropriated		$11.2M		$6.9M		$6.5M		
Reimbursable		$3.4M		$5.0M		$5.0M		
Total	**53%**	**$14.6M**	**45%**	**$11.9M**	**45%**	**$11.5M**	**0%**	**-$0.4M**
Internal Audits								
Appropriated		$9.9M		$13.5M		$13.3M		
Reimbursable		$1.5M		$0.8M		$0.8M		
Total	**47%**	**$11.4M**	**55%**	**$14.3M**	**55%**	**$14.1M**	**0%**	**-$0.2M**

The Office of Audits will continue to focus internal audit resources on reviews that assist GSA achieve its program goals. *(OIG Strategic Goals #1 and #2)*

Internal Audit Types	FY 2006 Actual		FY 2007 Current		FY 2008 Target		Change FY 2007 to FY 2008	
	Actual	Dollars	Current	Dollars	Target	Dollars	Target	Dollars
Programmatic/Operational:								
Program		$5.6M		$6.8M		$6.3M		-$0.5M
Administration		$0.6M		$0.5M		$0.5M		$0.0M
IT Systems		$1.1M		$2.1M		$2.5M		$0.4M
Financial		$1.2M		$1.4M		$1.3M		-$0.1M
Programmatic/Operational	86%	$8.5M	80%	$10.8M	80%	$10.6M	0%	-$0.2M
Compliance	14%	$1.4M	20%	$2.7M	20%	$2.7M	0%	-$0.0M
Total	**100%**	**$9.9M**	**100%**	**$13.5M**		**$13.3M**	**0%**	**-$0.2M**

OIG Strategic Goal #3. Implement an efficient and effective human capital strategy.

Performance Goal: The OIG will implement a human capital management strategy to better support our mission. The purpose of the strategy is to ensure that we have a highly qualified workforce focused on our mission, and that we have identified key agency problem areas. As part of our approach, we will identify and use available tools, such as the Career Intern Program, to more effectively recruit and retain staff. For staff development, we will address the critical technical, managerial, and leadership skills needed for continuity and improvement in operations. Additionally, we will ensure that our performance evaluation system provides meaningful feedback and fully recognizes individual and team accomplishments.

GSA-wide Goal: This OIG goal is linked to the following GSA strategic goals:

- Maintaining a world-class workforce and a world-class workplace; and
- Carrying out social, environmental, and other responsibilities as a Federal agency.

Performance Measure	Performance Indicators			
	Standard	**FY 2006 Actual**	**FY 2007 Current**	**FY 2008 Target**
Reassess our human capital strategy and identify specific initiatives that will foster improvement in: • Recruitment and retention • Staff development • Employee appraisal and recognition • Quality of life • Cost savings to OIG	Formalize a human capital management plan by the end of FY 2007 and implement plan initiatives over the following 4 years.[1]	Reevaluated plan to ensure our human capital strategy continues to adhere to support the OIG mission.	Currently, reassessing human capital strategy and developing implementation plans.	TBD

[1] Each FY performance report will provide detail on each part of the human capital management plan implemented that year.

OIG Strategic Goal #4. Enhance our organizational performance.

Performance Goal: This performance measure reflects how our customers perceive our products and services. Our three main components each use customer surveys to gauge the level of customer satisfaction. The areas that are covered by the surveys are: meeting customer needs, clarity of information provided, relevancy, timeliness, and value added. Activities are evaluated against a “standard” that reflects “expected average performance.”

GSA-wide Goal: This OIG goal is linked to the following GSA strategic goals:

- Providing best value for customer agencies and taxpayers;
- Achieving responsible asset management;
- Operating efficiently and effectively;
- Ensuring financial accountability;
- Maintaining a world-class workforce and a world-class workplace; and
- Carrying out social, environmental, and other responsibilities as a Federal agency.

Performance Measure	Performance Indicators[2]			
	Standard	FY 2006 Actual	FY 2007 Current	FY 2008 Target
Effectiveness-	Scale: 1-5			
Customer Surveys				
• Audit/contract review products	4.0[3]	86%	85%	85%
• Administrative products and services (internal to the OIG)	4.0[4]	N/A[5]	92%	92%

[2] Percentage of products and services that meet or exceed the standard.
[3] A score of 4.0 or higher on a scale from 1 to 5, where 1 indicates the individual strongly disagrees and 5 indicates that the individual strongly agrees.
[4] This represents a composite score on various OIG products.
[5] The survey will be developed and performed beginning in FY 2007.

OIG Strategic Goal #4. Enhance our organizational performance.

Performance Goal: This performance measure demonstrates the timeliness and effectiveness of our products and services. OIG products and services are evaluated against a standard that reflects "expected average performance." For example, if a performance standard for completion of a particular type of audit or investigation is 30 days, it means that the average time it will take to complete the review will be 30 days or less. If the target is 65 percent that means that 65 percent of the OIG reports will be completed within 30 days.

GSA-wide Goal: This OIG goal is linked to the following GSA strategic goals:

- Providing best value for customer agencies and taxpayers;
- Achieving responsible asset management;
- Operating efficiently and effectively;
- Ensuring financial accountability;
- Maintaining a world-class workforce and a world-class workplace; and
- Carrying out social, environmental, and other responsibilities as a Federal agency.

The Office of Audits establishes two unique performance targets for each type of audit—one measures the days (timeliness) and the other measures the direct work hours (cost effectiveness) it takes to complete an audit project. The performance standards listed below reflect the percentage of time that the office performs audits from beginning to end within the established standards.

Performance Measure	Performance Indicators[6]			
	Standard[7]	FY 2006 Actual	FY 2007 Current	FY 2008 Target
Audits and Reviews:				
Cost effectiveness	Direct hours to perform audits based on a unique performance standard for each type.			
• Contract		73%	57%	60%
• Internal		86%	67%	67%
Timeliness	Days to perform audits based on a unique standard for each type of audit.			
• Contract		53%	57%	60%
• Internal		31%	65%	67%

[6] The performance and target goals represent the composite result, in terms of percentage of time, that the office meets various product standards measured in direct hours and days estimated to accomplish audit work products.

[7] The OIG performs many different types of audits and reviews for both contract reviews and internal reviews. We have identified different performance standards in terms of days and hours for each type of audit/review. For example, 90 days and 800 hours for pre-award MAS reviews, and 320 days and 4,000 hours for program audits.

OIG Strategic Goal #4. Enhance our organizational performance.

The Office of Investigations has established a standard that reflects a dramatic improvement in the time frame within which they will conduct nearly all of their activities.

Performance Measure	**Performance Indicators**			
	Standard	**FY 2006 Actual**	**FY 2007 Current**	**FY 2008 Target**
Investigations:	Days to perform different types of investigations based on a unique standard for each type of investigation.	Percentage of investigations that meet or exceed unique performance standards.		
Timeliness				
• Fraud/Other Crime	Class I is 480 days Class II is 240 days	89% 94%	75% 75%	75% 75%
• Suspensions/ Debarments	Class I is 45 days Class II is 45 days	98% 94%	80% 80%	80% 80%
• Administrative	Class I is 180 days Class II is 90 days	100% 100%	80% 80%	80% 80%

Investigation descriptions:

Class I – Involves allegations concerning GSA programs, operations, and/or personnel that have one or more of the following characteristics:
- Criminal or civil violation with a loss to the government of $250,000 or more;
- GSA contractor integrity issue (suspension/debarment) involving potential or actual contracts with a value of $250,000 or more;
- Significant health or safety issue;
- Corruption of GSA official/employee; and/or
- Serious integrity issue involving GS-15 or above.

Class II – Involves allegations concerning GSA programs, operations, and/or personnel that have one or more of the following characteristics:
- Criminal or civil violation with a loss to the government of less than $250,000;
- GSA contractor integrity issue (suspension/debarment) involving potential or actual contracts with a value of less than $250,000; and/or
- Serious integrity issue involving GS-14 or below.

OIG Strategic Goal #4. Enhance our organizational performance.

The Office of Administration, Internal Evaluation Staff, and Office of Counsel to the IG applied standards to reflect the need to improve performance in specific targeted areas.

Performance Measure	Performance Indicators			
	Standard	**FY 2006 Actual**	**FY 2007 Current**	**FY 2008 Target**
	Days to perform different types of legal, field office reviews, and administrative type activities.[8]	Percentage of administrative activities that meet or exceed unique performance standards.		
• FOIA/PA Requests	30 days to process a FOIA/PA request	98.2%	90%	91%
• System Availability	Systems are available to all OIG users 97% of the time.	97%	97%	97%
• Provide Information Resources	Requests to review hardware/software applications are responded within 5 days.	94%	95%	95%
• Budget and Management Reports	Reports are completed within 5 days of a reporting period.	97%	98%	98%
• Procurement Actions	Ninety-five percent of procurement actions are completed within 5 days.	95%	97%	97%
• Personnel Actions/Requests	Time varies depending upon the nature of the action/request; it varies between the same day and 21 days depending on the action/request.	95%	97%	97%
• Formalize plans for modernizing work environment (physical and technological) and implement initiatives.[9]		N/A	N/A	TBD

[8] Each of the performance measures listed has performance standards in terms of days to complete.
[9] New target goals have not been established due to the possible renovations of GSA Central Office and NCR.

General Services Administration
OFFICE OF INSPECTOR GENERAL

Performance Plan: Allocation of OIG Resources

Organization	**Performance Indicators $(Thousands)**											
	FY 2006		**FY 2007**		**FY 2008**		**FY 2009**		**FY 2010**		**FY 2011**	
Total OIG	**100%**	**$42,298**	**100%**	**$42,976**	**100%**	**$47,382**	**100%**	**$47,382**	**100%**	**$47,382**	**100%**	**$47,382**
Audits	50%	$21,076	50%	$21,414	50%	23,626	50%	23,626	50%	23,626	50%	23,626
Investigations	30%	$12,779	30%	$12,984	29%	13,744	29%	13,744	29%	13,744	29%	13,744
Administration	13%	$5,649	13%	$5,739	15%	7,013	15%	7,013	15%	7,013	15%	7,013
Counsel	3%	$1,132	3%	$1,150	2%	1,215	2%	1,215	2%	1,215	2%	1,215
IG Office/Evaluations	4%	$1,662	4%	$1,689	4%	1,784	4%	1,784	4%	1,784	4%	1,784

General Services Administration
OFFICE OF INSPECTOR GENERAL

FY 2008 Resources Allocation
By Strategic Goal
$(Thousands)

		Audits	Investigations	Administration	Counsel	IG Office/ Evaluations	Total
Strategic Goal No. 1: Enhance the performance of GSA and ensure optimum value for the taxpayer.	Appropriated	$14,648	$0	$0	$547	$803	**$15,998**
	Reimbursable	$2,875	$0	$0	$0	$0	**$2,875**
Strategic Goal No. 2: Protect the integrity of GSA programs and operations.	Appropriated	$5,197	$9,896	$0	$486	$803	**$16,382**
	Reimbursable	$2,875	$250	$0	$0	$0	**$3,125**
Strategic Goal No. 3: Implement an efficient and effective human capital strategy.	Appropriated	$2,835	$1,649	$701	$121	$178	**$5,484**
	Reimbursable	$100	$40	$0	$0	$0	**$140**
Strategic Goal No. 4: Enhance our organizational performance.	Appropriated	$946	$2,199	$6,312	$61	$0	**$9,518**
	Reimbursable	$0	$60	$0	$0	$0	**$60**
Total by Organization	Appropriated	**$23,626**	**$13,744**	**$7,013**	**$1,215**	**$1,784**	**$47,382**
	Reimbursable	**$5,850**	**$350**	**$0**	**$0**	**$0**	**$6,200**

General Services Administration
ELECTRONIC GOVERNMENT FUND

MISSION

This program will support interagency "electronic government" or "E-Gov" initiatives, i.e., projects that will use the Internet or other electronic methods to provide individuals, businesses, and other government agencies with simpler and timelier access to Federal information, benefits, services, and business opportunities. The program will also further the Administration's implementation of the Government Paperwork Elimination Act (GPEA) of 1998, which calls upon agencies to provide the public with optional use and acceptance of electronic information, services, and signatures, when practicable. E-Gov initiatives will eliminate duplicative systems and accelerate the ability to unify agency information around customers.

These initiatives will lead to savings compared to old system investments and provide a base to build a citizen-centric government.
E-Gov will simplify and unify government systems, and allow the public to have 24-hour access to government information and services.
Proposals for funding will be required to meet capital planning guidelines and include adequate documentation to demonstrate a sound business case, attention to security and privacy, and a way to measure performance against planned results.

BUDGET AUTHORITY
$ (Thousands)

	FY 2006 Actual	FY 2007 Budget	FY 2008 Request	FY 2007/FY 2008 Change
New Appropriated Budget Authority	2,970	2,079	5,000	+2,921
New Reimbursable Budget Authority	0	0	40,000	+40,000
Prior Year Carryover	3,224	4,114	0	-4,114
Prior Year Recoveries	102	0	0	0
Total Budget Authority	6,296	6,193	45,000	+38,807
Total Obligations	2,182	6,193	45,000	+38,807
Outlays	2,418	5,479	5,549	+70

EXPLANATION OF ESTIMATES

The Fiscal Year 2008 budget request provides for an increase of $2,921 thousand above the fiscal year 2007 level for a total appropriated budget authority of $5 million.

SEC 607:

"From any uncommitted balances of the Acquisition Services Fund, established in Public Law 109-313, the Administrator may, after consulting with the Office of Management and Budget, retain not to exceed $40,000,000 in fiscal year 2008, to be available for allocation to Federal agencies for government-wide Electronic Government projects, authorized under 44 U.S.C. 3604: Provided, That such allocations may not be made until 10 days after a proposed spending plan and explanation for each project to be undertaken has been submitted to the Committees on Appropriations."

EXPLANATION OF BUDGET CHANGES
APPROPRIATION
$ (Thousands)

FY 2007 Continuing Resolution Availability …..……………………………………….	**$2,079**
Increase to the Electronic Government Fund ……………………………………………..	2,921
FY 2008 Budget Request ………………………………………………………………….	**$5,000**

OBLIGATIONS BY OBJECT CLASS $ (Thousands)				
		FY 2006 Actual	**FY 2007 Budget**	**FY 2008 Request**
25.1	Commercial Service Contracts	1,482	4,703	3,730
25.2	Other Services	700	1,490	1,270
99.9	**Total Appropriated**	**2,182**	**6,193**	**5,000**
99.0	Reimbursable Obligations			40,000
99.9	**Total Appropriated & Reimbursable**	**2,182**	**6,193**	**45,000**

Electronic Government Fund
Appropriation Language

For necessary expenses in support of interagency projects that enable the Federal Government to expand its ability to conduct activities electronically, through the development and implementation of innovative uses of the Internet and other electronic methods, $5,000,000, to remain available until expended: Provided, That these funds may be transferred to Federal agencies to carry out the purposes of the Fund: Provided further, That this transfer authority shall be in addition to any other transfer authority provided in this Act: Provided further, That such transfers may not be made until 10 days after a proposed spending plan and explanation for each project to be undertaken has been submitted to the Committees on Appropriations.

General Services Administration
ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

BACKGROUND

The appropriation for Allowances and Office Staff for Former Presidents provides for an annual pension and compensation of office staffs and other related operating expenses for each former President pursuant to P.L. 85-745, as amended. The annual pension for the widow of Former President Johnson and costs of franking privileges for the widows of Former President Johnson, Former President Reagan and Former President Ford are also funded in this appropriation.

THE BUDGET IN SUMMARY

The Fiscal Year (FY) 2008 budget request allows GSA to carry out the provisions of the Former Presidents Act at a level commensurate with that of the previous fiscal year. The FY 2008 request includes the increased cost of pensions, rent, equipment and cost of goods and services for the former Presidents, as well as the decrease associated with the closure of former President Ford's office.

BUDGET AUTHORITY
$ (Thousands)

	FY 2006 Actual	FY 2007 Budget	FY 2008 Request	FY 07 - FY 08 Change
Former Presidents	$2,668	$2,922	$2,500	-$422
Net Outlays	$2,628	$2,904	$2,530	-$374

EXPLANATION OF ESTIMATES

The FY 2008 Budget request reflects a net decrease of $422 thousand below the amount for FY 2007. A decrease of $449 thousand is due to the death of Former President Ford and the closing of his office in FY 2007. This decrease is offset by an increase of $27 thousand providing: (1) $30 thousand for Former President Bush, which includes $4 thousand for increased pension costs, $20 thousand for a network server, and $6 thousand for increased costs of goods and services; (2) a net decrease of $9 thousand for Former President Clinton, which includes $4 thousand for increased pension costs, $18 thousand for increased rent, and $7 thousand for increased costs of goods and services offset by a reduction of $38 thousand for a security contractor no longer employed; (3) no increase for former President Carter, which includes $4 thousand for increased pension offset by a $4 thousand decrease in goods and services; and (4) $6 thousand for franking privileges for the widow of Former President Ford.

EXPLANATION OF BUDGET CHANGES IN PRIORITY ORDER
APPROPRIATION
$ (Thousands)

FY 2007 Continuing Resolution Availability	**$2,922**
Decreases:	
Former President Ford FY 2007 Allowance	-449
Former President Clinton Security Contractor	-38
Decrease in goods and services for Former President Carter	-4
Increases:	
Benefits for Former Presidents	12
Increased cost of goods and services	13
Rent increase for Former President Clinton	18
Network Server for Former President Bush	20
Franking Privileges for the Widow of Former President Ford	6
FY 2008 Budget Request	**$2,500**

General Services Administration
ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

OBLIGATIONS BY OBJECT CLASS
$ (Thousands)

		FY 2006 Estimate	FY 2007 Budget	FY 2008 Request
11.8	Special personnel service payments	360	384	288
11.9	Total personnel compensation	360	384	288
12.1	Civilian personnel benefits	144	153	131
13.0	Benefits for former personnel	759	772	603
21.0	Travel and transportation of persons	94	142	108
23.1	Rental payments to GSA	867	880	793
23.3	Communications, utilities, and misc.	164	173	163
24.0	Printing and reproduction	38	33	33
25.2	Other services	127	263	224
26.0	Supplies and materials	91	50	46
31.0	Equipment	24	72	111
99.9	Total	2,668	2,922	2,500

General Services Administration
ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

	CARTER	BUSH	CLINTON	WIDOWS	TOTAL
Personnel Compensation	96	96	96	0	288
Personnel Benefits	2	64	65	0	131
Benefits for Former Presidents	191	191	201	20	603
Travel	2	56	50	0	108
Rental Payments to GSA	102	175	516	0	793
Communications, Utilities and Miscellaneous charges					
Telephone	10	17	79	0	106
Postage	15	13	15	14	57
Printing	5	14	14	0	33
Other Services	83	76	65	0	224
Supplies & Materials.	5	15	26	0	46
Equipment	7	69	35	0	111
Total Obligations	**518**	**786**	**1,162**	**34**	**2,500**

Allowance and Office Staff for Former Presidents
Appropriation Language

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95-138, $2,500,000: Provided, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

General Services Administration
OFFICE OF CITIZEN SERVICES AND COMMUNICATIONS
FEDERAL CITIZEN INFORMATION CENTER FUND

INTRODUCTION

In 1983, Public Law 98-63 established the Consumer Information Center (CIC) Fund to provide for a business-like operation of Consumer Information Center activities. In fiscal year 2000, the Federal Information Center (FIC) was transferred to the CIC and the resulting organization was named the Federal Consumer Information Center (FCIC). Effective fiscal year 2001, the revolving fund was renamed the Federal Consumer Information Center Fund to reflect the new organization, and to cover all the liabilities and commitments of both the CIC and the FIC. FIC activities, primarily its National Contact Center, are consistent with CIC program activities, in that both disseminate Federal Government information to the public.

With the establishment of the Office of Citizen Services and Communications (OCSC) on June 30, 2002, FCIC assumed responsibility for the content management of the FirstGov.gov website, and, in keeping with its expanded function, was renamed the Federal Citizen Information Center, and the Fund was renamed accordingly. Effective fiscal year 2004, the Fund included the costs of salaries and operations of the FirstGov.gov web content program. FirstGov.gov was recently renamed USA.gov and is referred to as such elsewhere in this document. Effective fiscal year 2007, the Fund included costs of salaries and operations for the USA Services Program Office. Other activities of OCSC are funded from GSA's Policy and Operations account.
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EXPLANATION OF ESTIMATES

The Fund is authorized to retain unobligated amounts at the end of the fiscal year. The activities of the FCIC are financed from the following:

1. Annual appropriations to pay salaries and expenses.

2. Reimbursements from Federal agencies to pay costs associated with the provision of information services to the public. This includes costs such as the toll-free publication ordering system and of publications distributed through the Government Printing Office facility in Pueblo, Colorado. It also includes funds and administrative fees received for providing agencies with contact center services.

3. User fees from the public for publications ordered through the ***Consumer Information Catalog***. These are used to offset administrative expenses.

4. Other income incidental to FCIC activities, primarily payments from private sector groups to cover the cost of distributing cooperative government-industry publications.

5. Gifts to defray costs associated with the ***Consumer Action Handbook*** and other information and educational materials, and of undertaking other information activities.

All income is available without regard to fiscal year limitations, but is subject to an annual aggregate limit as set forth in appropriation acts.

Appropriated Program

The fiscal year 2008 budget request of $17,790 thousand reflects a net increase of $2,940 thousand above the comparable amount of $14,850 thousand for fiscal year 2007. This increase consists of $39 thousand for a 2.2% part year increase for the fiscal year 2007 Pay Act, $137 thousand for a 3.0% cost of living increase, $310 thousand for inflation, $450 thousand for the transfer of the Web Manager

University function from GSA's Policy and Operations Account to the FCIC Fund, and restoration of a decrease of $2,004 thousand for contract support funded from the appropriation as a result of the FY 2007 full year Continuing Resolution.

Reimbursable Program

The Fund provides reimbursable services to other Federal agencies and the private sector in the amount of $7,232 thousand. These services are for the distribution of consumer information publications, and providing citizen response services through the National Contact Center and the FirstContact contract vehicle.

EXPLANATION OF CHANGES
APPROPRIATION
$(Thousands)

	FTE	$ Appropriated	FTE	$ Reimbursable		$ Total
FY 2007 Continuing Resolution Availability	49	14,850	0	9,429	49	24,279
Web Manager University transferred from GSA's Operating Expenses	2	450	0	0	2	450
Part Year Increase for FY 2007 Pay Act (2.2%) January 2007	0	39	0	0	0	39
Wageboard & Pay Increase (3.0%) January 2008	0	137	0	0	0	137
Inflation	0	298	0	0	0	298
Contractual services restoration	0	2,016	0	0	0	2,016
Decrease in reimbursable activity	0	0	0	-2,197	0	-2,197
FY 2008 Budget Request	51	17,790	0	7,232	51	25,022

EXPLANATION

In FY 2006, Web Manager University was funded by GSA's Operating Expenses. With FCIC assuming management of Web Manager University in mid-FY 2006, the FY 2008 budget proposes to transfer Web Manager University funding from GSA's Policy and Operations to the FCIC Fund.

General Services Administration
OFFICE OF CITIZEN SERVICES AND COMMUNICATIONS
FEDERAL CITIZEN INFORMATION CENTER FUND

The FY 2007 full-year continuing resolution held the FCIC appropriation to the FY2006 budget level, which resulted in a decrease in contractual services funded from the appropriation. Instead, these services will be funded from the corpus of the FCIC Fund in FY 2007. The fund balance is insufficient to continue to cover these costs in FY 2008 and future years. Therefore, GSA request that $2,004 thousand be restored in FY 2008.

BUDGET AUTHORITY
$(Thousands)

	FY 2006 Actual	FY 2007 Budget	FY 2008 Request	FY 2007/FY 2008 Change
Appropriated Program:				
New Budget Authority	14,850	14,850	17,790	2,940
Total Obligations – Appropriated Program	13,748	14,850	17,790	2,940
Reimbursable Program	8,866	9,429	7,232	-2,197
Net Outlays	13,609	14,850	17,790	2,940
Employment (FTE):	40	49	51	2

OFFICE OF CITIZEN SERVICES AND COMMUNICATIONS
Obligations by Object Class
$(Thousands)

		FY 2006 Actual	FY 2007 Budget	FY 2008 Request
	Personnel Compensation:			
11.1	Full-time permanent	3,344	4,346	4,703
11.3	Other than full-time permanent	54	92	95
11.5	Other personnel compensation	108	151	165
11.9	**Total personnel compensation**	**3,506**	**4,589**	**4,963**
12.1	Civilian personnel benefits	808	1,058	1,130
13.0	Benefits for former personnel	0	0	0
21.0	Travel and transportation of persons	49	74	76
21.0	Motor pool travel	0	0	0
22.0	Transportation of things	35	9	38
23.1	Rental payments to GSA	229	255	312
23.3	Communications, utilities, and misc. charges	420	372	380
24.0	Printing and reproduction	810	485	597
25.1	Advisory and assistance services	5,610	6,659	8,917
25.3	Purchases of goods and services from Government accounts	2,173	1,242	1,268
26.0	Supplies and materials	58	55	56
31.0	Equipment	50	52	53
99.0	**Subtotal Appropriated Obligations**	13,748	14,850	17,790
99.0	**Reimbursable Obligations**	8,866	9,429	7,232
99.9	**Total Obligations**	**22,614**	**24,279**	**25,022**

STATUS OF THE FEDERAL CITIZEN INFORMATION CENTER FUND

($Thousands)

	FY 2006 Actual	**FY 2007 Budget**	**Request 2008**	**FY 2007/FY 2008 Change**
Source of Funding:				
Unobligated Balance Brought Forward on Oct. 1	$ 8,333	$ 9,199	$ 7,322	-$ 1,877
Appropriation	14,850	14,850	17,790	2,940
Reimbursements for Publication Distribution/NCC Services:				
-From Federal Agencies	7,870	6,779	6,612	- 167
-From the Private Sector	853	623	609	- 14
User Fees	147	140	130	- 10
Gifts from the Private Sector	12	10	10	---
Prior Years' Adjustments	-467	---	---	---
Total Resources Available	**$31,598**	**$31,601**	**$32,473**	**$ 872**

STATUS OF THE FEDERAL CITIZEN INFORMATION CENTER FUND

($Thousands)

Application of Resources:	**FY 2006 Actual**	**FY 2007 Budget**	**FY 2008 Request**	**FY 2007/FY 2008 Change**
Administrative Expenses				
-Salaries and Benefits	$4,314	$5,647	$6,093	$446
-Travel	49	74	76	2
-Catalog Printing/Transportation	380	366	385	19
-CAH Production and Distribution	1,411	995	1,016	21
-Public Service Advertising	1,270	1,809	1,847	38
-Administrative Support/Services	1,062	1,147	1,171	24
-Rent Payments	229	255	312	57
-Direct Marketing	195	287	301	14
-Web Content Operations	179	870	913	43
-National Contact Center	4,376	4,850	5,075	225
-USA Services Program Office	000	300	315	15
-All Other	285	277	297	20
Total Administrative Expenses	$13,750	$16,877	$17,801	924
Publication Distribution/NCC Services	8,864	7,402	7,221	-181
Prior Years' Obligations	-215	---	---	---
Unobligated Balance Carried Forward	9,199	7,322	7,451	129
Total Resources Applied	**$31,598**	**$31,601**	**$32,473**	**872**

Federal Citizen Information Center Fund
Appropriation Language

For necessary expenses of the Federal Citizen Information Center, including services authorized by 5 U.S.C. 3109, $17,790,000, to be deposited into the Federal Citizen Information Center Fund: Provided, That the appropriations, revenues, and collections deposited into the Fund shall be available for necessary expenses of Federal Citizen Information Center activities in the aggregate amount not to exceed $36,000,000. Appropriations, revenues, and collections accruing to this Fund during fiscal year 2008 in excess of such amount shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

Strategic Assessment

The Federal Citizen Information Center (FCIC) is located within the Office of Citizen Services and Communications. FCIC has a 40-year history of providing U.S. government information and services to citizens and currently operates a variety of information channels including web, telephone, print, and e-mail. With the establishment of OCSC in June 2002, FCIC assumed responsibility for the content management of USA.gov, the official portal of the U.S. government. And effective fiscal year 2007, FCIC included funding for the USA Services Program Office.

The expanded web presence along with the full-service toll-free National Contact Center and a centralized distribution system for publications based in Pueblo, CO uniquely positions FCIC to provide a cost-efficient infrastructure upon which the USA Services Presidential E-gov initiative is built. USA Services leverages the existing infrastructure and resources of FCIC to provide contact center solutions and other services to agency partners in order to enhance and improve their customer service programs. Through USA Services, FCIC continues to provide services directly to citizens and also assists agencies to improve their response to citizens. During FY 2006, the program had over 242 million contacts with citizens.

Challenges confronting FCIC include being able to meet increased citizen expectations for obtaining government information and services, and the need to keep pace with technology for providing enhanced services for citizens. FCIC is also challenged to respond to increasing agency demand for contact center services within the $150 million cap on spending through the current FirstContact contact center solutions vehicle. Finally, FCIC is faced with the challenge that citizens may not be aware of FCIC services and will therefore not utilize these services.

To meet these challenges, FCIC will continue to operate and enhance information channels to the public to make them more comprehensive and easier to use, promote the availability of the services to the public through the TV, radio, and print media, work closely with agencies to improve the content and usability of their web-based resources, work closely with agency publishers to produce useful printed materials for distribution to the public, and provide agencies with an enhanced contracting vehicle (FirstContact2) to make it easier and less expensive for them to quickly obtain citizen-centered services.

FCIC programs include the following:

- Websites Program, which includes USA.gov (the official portal of the U.S. government), pueblo.gsa.gov, consumeraction.gov, espanol.gov, webcontent.gov, kids.gov, and USA.gov.

- National Contact Center providing direct telephone, e-mail and online assistance to citizens, as well as an array of contact center services to customer agencies.

- USA Services program which provides agencies government-wide with easy and cost-effective access to contact center services through the FirstContact contract. USA Services also provides guidance and support to web and contact center managers across the government through training courses and the organization and management of interagency steering committees.

- Information and Education Program, which coordinates delivery of FCIC services (print, educational media, websites, e-mail, and telephone services) to agency customers.

Strategies

Several initiatives are underway to improve the way FCIC delivers these services to the public and other government agencies.

In support of GSA's strategic direction, performance expectations and priorities, FCIC serves as an advocate to provide citizens with a single point of access to government information and services. FCIC is the gateway to Federal government information required by citizens, businesses, and other government agencies and delivers that information through multiple delivery channels.

FCIC continues to monitor technology trends to ensure that the latest best practices are in place to provide citizens with the most up-to-date information available via the web, e-mail, in print and over the phone.

Strategy and Action Plan (SAP)

The primary strategic objective of FCIC is to provide exemplary service to citizens and agencies by increasing the quality, quantity and availability of Federal information and services. To accomplish this, FCIC will pursue the following Action Plan.

1. Marketing - Expand Public Service Advertising marketing to promote the availability of USA Services information channels to the general public and to the underserved including those with limited English proficiency.

2. Frequently Asked Questions - Strengthen and expand the scope of the dynamic Frequently Asked Questions (FAQ) knowledgebase self-help system on USA.gov by sharing FAQ information across the government. Include FAQ services developed by agencies which address the needs of citizens with limited English proficiency.

3. FirstContact - Utilize the original FirstContact contract along with FirstContact 2 to provide agency partners with a fast, efficient, and economical contract vehicle for multi-vendor contact center services.

4. USA.gov - Enhance the USA.gov website design to accommodate emerging multimedia technologies and improve navigation. Develop and integrate capability to provide localized and personalized web content, and to support audio-visual libraries.

5. Customer Service Research - Conduct new research of citizens and government customers through studies, focus groups and polling to determine changes or new trends in citizen preferred methods of communication as well as expectations of service when contacting the federal government.

6. Citizen-centric Practices - Analyze the trends, practices and policies of best-of-breed government and private sector customer service for possible adaptation or adoption by government agencies as benchmarks.

FCIC will also undertake initiatives to:

7. Enhance the National Contact Center to provide immediate online personal assistance along with web-based information push capabilities that our focus group tests have shown that the public expects. It is an industry standard service that is gaining acceptance through all citizen demographic groupings.

8. As directed by the E-Government Act of 2002, create an on-line tutorial on how to find U.S. government information, to be

posted on USA.gov and shared through other networks such as librarians and educators.

9. Conduct a census of quantity and quality of customer service activities across the federal government for changes compared to the 2006 Government-wide Citizen Services assessment survey study.

10. Update the government-wide citizen service level policies and best practices created in 2005 to incorporate the findings of the new census, survey and benchmarking.

Long-Term Outcome Goal

The long term outcome goal is to provide citizens with easy access to accurate, timely and consistent information about the government. Whether the citizen uses a channel offered directly by FCIC, or one offered by another government agency that provides excellent service because it adheres to USA Services standards of quality, the result is the same: an accurate and responsive answer to the citizen's question.

Performance Goals:

- Public acceptance and increased usage of all public information channels
- Improvement in the quality of citizen web interactions across the government.
- Federal agencies and E-Gov initiatives using USA Services multi-channel contact center services contract (FirstContact) to support citizen information needs

Performance Measures:

In FY 2006, FCIC, as a major portion of the overall USA Services program, was evaluated using OMB's Performance Assessment Rating Tool (PART) process. The program was rated "Effective," the highest designation, and the following performance measures were established.

- Citizen Touchpoints provides an overview of citizen awareness and usage of all of USA Services information channels. It is measured by website visits, direct and assisted telephone contacts, e-mails processed, publications distributed, e-letter mailings, and telephone and e-mail activity conducted under FirstContact Task Orders.

- Governmentwide Website ACSI Satisfaction Benchmark. In meeting its responsibility to make government more citizen-centered, USA Services provides guidance and support to web managers regarding web best practices across all levels of government through organization and management of interagency steering committees and intergovernmental collaboration. Additionally, FCIC manages the newly created Web Managers University to teach best practices to web managers across the government. In the first semester (April-June 2006), 500 web managers from over 40 agencies participated in 17 course offerings. Currently over 90 Federal websites use the American Customer Satisfaction Index to measure what citizens think of their web presence. A quarterly index is published which tracks the government's aggregate satisfaction score. The success of efforts to help make government websites more citizen-centered will gradually raise these scores over time.

- FirstContact and Web Solutions Task Orders. USA Services provides two contracting vehicles for use by agencies government-wide to obtain: 1) contact center solutions and 2) web hosting and professional services support. This measure shows the numbers of task orders issued under these supporting contracts. FirstContact was awarded in late July 2004 and the Web Solutions contract was awarded in May 2006.

USA Services

Source of Funding Summary

(In Thousands)

	FY 2006 Actual	FY 2007 Current	FY 2008 Request
FCIC - Appropriated	13,748	14,850	17,790
FCIC - Reimbursable	8,866	9,429	7,232
Operating Expenses - Appropriated	19,287	17,440	18,515
TOTAL	**$41,901**	**$41,719**	**$43,537**

FY 2008 Budget Performance Goal Links
USA Services
$ (Thousands)

Long-term Outcome Goal: Provide citizens with easy access to accurate, timely and consistent information about the government. Whether the citizen uses a channel offered directly by FCIC, or one offered by another government agency that provides excellent service because it adheres to USA Services (USAS) standards of quality, the result is the same: a correct, timely answer to the citizen's question.

Performance Goal	Performance Measure	Funding Source	FY 2006		FY 2007		FY 2008		Change FY07 to FY08	
			Actual	Cost	Target	Cost	Target	Cost	Target	Cost
Public acceptance and increased usage of all public information channels	Citizen Touchpoints	FCIC Appropriated	133.0M	$13,748	168.6M	$14,850	173.7M	$15,750	+3%	$900
		FCIC Reimbursable		$8,866		$7,899		$7,232		-$667
		*GSA P&O: FGT and IGS		$17,339		$16,990		$18,515		$1,526
		Total:		$39,953		$39,739		$41,497		$1,759
Improvement in the quality of citizen web interactions across the government.	Governmentwide Website ACSI Satisfaction Benchmark	FCIC Appropriated	73.7	$0.0	74.0	$0.0	74.5	$464	+ .5	$464
		FCIC Reimbursable		$0.0		$0.0		$0.0		$0.0
		*GSA P&O: FGT and IGS		$450		$450		$0.0		-$450
		Total:		$450		$450		$464		$14
Federal agencies and E-Gov initiatives using USAS contact center services contract (FirstContact) to meet citizen information needs	FirstContact and Web Solutions Task Orders	FCIC Appropriated	14	$0.0	5 new, total 19	$0.0	5 new, total 24	$1,576	+ 5	$1,576
		FCIC Reimbursable		$0.0		$1,530		$0.0		-$1,530
		*GSA P&O: FGT and IGS		$1,498		$0.0		$0.0		$0.0
		Total:		$1,498		$1,530		$1,576		$46
		Total FCIC Appropriated:		$13,748		$14,850		$17,790		$2,940
		Total FCIC Reimbursable:		$8,866		$9,429		$7,232		-$2,197
		Total GSA Policy & Operations:		$19,287		$17,440		$18,515		$1,076
		USA Services Total:		$41,901		$41,719		$43,537		$1,819

* - USA Services consists of the following programs and funding sources:

- Federal Citizen Information Center – FCIC Fund (Appropriated and Reimbursable)
- FirstGov Technologies Division (FGT) – GSA Policy and Operations (formerly GSA's Operating Expense Account)
- Intergovernmental Solutions Division (IGS) - GSA Policy and Operations (formerly GSA's Operating Expenses Account)

FEDERAL CITIZEN INFORMATION CENTER Performance Measures and Targets								
Performance Measures	**FY 2005 Actual**	**FY 2006 Actual**	**FY 2007 Target**	**FY 2008 Target**	**FY 2009 Target**	**FY 2010 Target**	**FY 2011 Target**	**FY 2012 Target**
1. Citizen Touchpoints	122.7M	133.0M	168.6M	173.7M	178.9M	184.3M	189.8M	195.5M
2. Government-wide Website ACSI Satisfaction Benchmark	72.0	73.7	74.0	74.5	75.0	75.5	76.0	76.5
3. FirstContact and Web Solutions Task Orders	6	14	5 new, total 19	5 new, total 24	5 new, total 29	5 new, total 34	5 new, total 39	5 new, total 44

General Services Administration
GENERAL PROVISIONS

GSA's General Provisions: Proposed GSA general provisions are listed below. Section 608 has been deleted. The new proposed provision is number Section 607 and is reflected in bold text.

GSA General Provisions
Sec. 601 The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).
Sec. 602 Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.
Sec. 603 Funds in the Federal Buildings Fund made available for fiscal year 2008 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements: Provided, That notice of any proposed transfers shall be submitted in advance to the Committees on Appropriations.
Sec. 604 Except as otherwise provided in this title, it is the sense of the Congress that projects to be included in the 2009 request for United States Courthouse construction will (1) meet the design guide standards for construction as established and approved by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget; (2) reflect the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan; and (3) be accompanied by a standardized courtroom utilization study of each facility to be constructed, replaced, or expanded.
Sec. 605 None of the funds provided in this Act may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided through the Federal Buildings Fund, to any agency that does not pay the rate per square foot assessment for space and services as determined by the General Services Administration in compliance with the Public Buildings Amendments Act of 1972 (Public Law 92-313).
Sec. 606 From funds made available under the heading, "Federal Buildings Fund, Limitations on Availability of Revenue," claims against the Government of less than $250,000 arising from direct construction projects and the acquisition of buildings may be liquidated from savings effected in other construction projects with prior notification to the Committees on Appropriations.
Sec. 607 From any uncommitted balances of the Acquisition Services Fund, established in Public Law 109-313, the Administrator may, after consulting with the Office of Management and Budget, retain not to exceed $40,000,000 in fiscal year 2008, to be available for allocation to Federal agencies for government-wide Electronic Government projects, authorized under 44 U.S.C. 3604: Provided, That such allocations may not be made until 10 days after a proposed spending plan and explanation for each project to be undertaken has been submitted to the Committees on Appropriations.

Introduction

The Federal Acquisition Service (FAS) was established on October 6, 2006 by the General Services Administration Modernization Act of 2006 (P.L. 109-313). The FAS organization consolidates the Federal Supply Service (FSS) and Federal Technology Service (FTS). Prior to their merger into FAS, FSS provided commercial products and services to Federal customers, while FTS separately provided telecommunications and information technology services. The combined operations of these services will better support customer requirements by providing coordinated approaches for meeting all of the acquisition needs of the Federal Government.

The new FAS organization allows GSA to better position itself in the market for acquiring products and services for Federal agencies. Prior to the establishment of FAS, technology and telecommunications procurements could only be made through FTS, while related management services were procured exclusively through FSS. Emerging trends in industry and technology have blurred the distinction between technology and related services: Much of what Federal agencies now require to support their missions is a combination of the two. By combining the product and service offerings of FSS and FTS, FAS eliminates outdated boundaries and allows GSA to continue as a "world class" provider of goods and services to the Federal community.

FAS business operations are organized four business portfolios based on the product or service provided to customer agencies.

- The Information Technology Services (ITS) portfolio combines the telecommunications services provided by the former FTS with the IT schedules and Government-wide Acquisition Contracts (GWACs) previously included in FSS to provide Federal agencies with a full range of end-to-end IT and telecommunications solutions.

- The Assisted Acquisition Services (AAS) portfolio merges three separate business lines of the former FTS to create a single organization that effectively compliments the ITS portfolio with management services that assist agencies in acquiring and deploying ITS products and services.

- The General Supplies and Services (GSS) portfolio consolidates three business lines of the former FSS to provide a full line of personal property services, including maintaining stocks of supplies, procuring furniture, managing supply schedules, and disposing of surplus personal property.

- The Travel, Motor Vehicle and Card Services (TMVCS) portfolio combines several programs of the former FSS that are unified by their highly-leveraged purchases for the benefit of the entire Federal Government. Services provided include: travel and relocation services, freight management, motor vehicle acquisition, fleet management, and charge card services.

This portfolio structure allows GSA and FAS to better meet increasing customer demand for acquisition services by aligning resources around key functions. Chief among these resources is GSA's acquisition workforce. The portfolio structure aligns the acquisition workforce around customer segments, which increases staffing flexibility and organizational efficiency. The efficient acquisition of goods and services is an essential component in GSA's success as a best value source for customer agencies.

Compliance with Federal laws, regulations and policies is another key goal of the FAS organization. The portfolio structure supports and ensures compliance by standardizing operations and procedures across GSA. Consolidation and standardization will help FAS become the premier provider of goods and services to the Federal Government and to increase access to Government business for small and large industry partners.

Program Financing

The GSA Modernization Act of 2006 (P.L. 109-313) established the Acquisition Services Fund (ASF) to collect receipts from customer Federal agencies and finance operations of the FAS organization. The ASF is a full cost recovery revolving fund that finances the acquisition of information technology solutions, telecommunications, professional services, vehicles and supplies for Federal agencies. This fund recovers all costs (salaries, benefits and operational costs) through fees charged to Federal agencies for services rendered and commodities provided.

The ASF merges the programs and activities that were previously performed under two separate revolving funds: the General Supply Fund (GSF) and the Information Technology Fund (ITF). This merger will improve accountability by increasing transparency of financial operations and improving oversight over the Fund by the GSA Chief Financial Officer.

Explanation of Changes

In FY 2006, FAS terminated a major IT investment, and its associated write-off directly impacted FY 2006 operating results.[1] In the same year, FAS experienced a downturn in business volumes, predominately in assisted acquisition service offerings. FAS is currently reevaluating its business processes to ensure that all FAS offerings are relevant in the market for Federal supplies and services. All business operations will continue on-going efforts to bring operating costs in line with revenues.

FY 2007 net operating results for the Fund are projected to break even. This reflects significant efforts to reduce operating costs, which began in FY 2006 to offset reduced business volumes in FY 2006. During FY 2007 and FY 2008, management will examine all business areas within the FAS organization to address any operating losses that exist. Management will continue to implement the FAS organizational design and align operations to best support the needs of its Federal customers in FY 2007 and FY 2008.

The FY 2008 budget anticipates relatively stable business volumes, and continues FY 2007 efforts to contain or reduce operating costs. The increases included in the FY 2008 request are limited to the minimum amount necessary to maintain FY 2007 operating levels. Increases are limited to business volume adjustments, capital acquisitions, the Federal pay raise, and adjustments for inflation. There are no significant increases in operating costs over FY 2007 levels.

The FY 2008 budget increases FY 2007 spending levels by just $302.3 million (3.1%).

- $233.7 million is provided for business volume adjustments, primarily due to the impact of inflation on the cost to GSA of goods and services procured on behalf of other Federal agencies.

- $41.2 million is provided for inflationary increases in capital acquisitions, primarily price increases in vehicles purchased.

- $10.6 million is provided to fund the Federal pay raise for the estimated 3,999 FTE in the FAS acquisition workforce.

- Finally, $16.9 million is provided to fund increases in FAS payments to the GSA Working Capital Fund (WCF).

[1] The write-off of the “GSA Preferred” financial system reduced Net Operating Results by $80.4 million in FY 2006; this is reflected as a separate line item on page ASF-7.

Explanation of Changes
Obligations
($Thousands)

FY 2007 Program Level	**9,635,343**
Business Volume Adjustments	+233,706
Change in Capital Acquisitions	+41,173
Pay Raise, January 2008	+10,566
Increase to Working Capital Fund Payment for Centralized Administrative Support	+16,879
FY 2008 Budget Request	**9,937,666**

ACQUISITION SERVICES FUND
Obligations by Object Class
($Thousands)

		FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
11.1	Full-time permanent	323,026	315,146	323,362
11.3	Other than permanent	1,396	1,087	1,103
11.5	Other personnel compensation	12,022	14,616	14,979
11.9	Total personnel compensation	336,444	330,850	339,444
12.1	Civilian personnel benefits	81,776	77,831	79,802
13.0	Benefits for former personnel	3,482	2,348	2,407
21.0	Travel and transportation of persons	9,596	10,674	10,926
22.0	Transportation of things	55,963	57,114	58,825
23.1	Rental payments to GSA	48,890	49,433	50,616
23.3	Communications, utilities, and misc. charges	11,826	10,641	10,900
24.0	Printing and reproduction	4,153	3,743	3,835
25.2	Other services	5,613,220	5,133,485	5,227,164
25.3	Purchases of goods/svcs from Gvmt. accounts	289,402	368,060	383,087
26.0	Supplies and materials	2,436,292	2,767,017	2,905,339
31.0	Equipment	719,216	824,148	865,321
	Total Obligations	9,610,260	9,635,343	9,937,666

ACQUISITION SERVICES FUND Results of Operations ($Thousands)				
	FY 2006 Actual	FY 2007 Estimate	FY 2008 Request	FY 2007/2008 Change
Revenue				
Integrated Technology Services (ITS)	1,375,164	1,300,617	1,315,847	15,230
Assisted Acquisition Services (AAS)	4,374,065	3,916,871	4,089,443	172,572
General Supplies and Services (GSS)	1,349,380	1,329,838	1,393,064	63,226
Travel, Motor Vehicle and Card Services (TMVCS)[1]	2,173,648	2,216,451	2,313,688	97,238
Integrated Acquisition Environment (IAE)	28,140	37,132	38,245	1,113
Acquisition Workforce Training	(14,514)	(14,685)	(15,535)	(850)
Subtotal Revenue	9,285,883	8,786,224	9,134,752	348,528
Expense				
Integrated Technology Services (ITS)	1,207,594	1,174,661	1,189,987	15,326
Assisted Acquisition Services (AAS)	4,499,500	3,934,063	4,074,445	140,382
General Supplies and Services (GSS)	1,268,395	1,304,535	1,349,701	45,166
Travel, Motor Vehicle and Card Services (TMVCS)[1]	2,096,524	2,163,378	2,260,365	96,987
Integrated Acquisition Environment (IAE)	25,846	37,132	38,245	1,113
Contribution to GSA Corporate	124,002	114,357	131,236	16,879
Subtotal Expense	9,221,861	8,728,126	9,043,979	315,853
Net Revenue from Operations	64,022	58,098	90,773	32,675
Less Reserve Expenses	46,566	57,427	89,334	31,907
Net Operating Results	17,456	671	1,439	768
Net Outlays	(47,000)	23,106	35,855	12,749
FTE	4,239	3,999	3,999	0

[1] TMVCS Portfolio Revenues and Expenses include intra-GSA sales of vehicles that GSA Fleet has purchased from GSA Automotive.

[2] For comparability purposes, FY 2006 results are displayed in the new portfolio structure.

ACQUISITION SERVICES FUND
FY 2006 Actual Results of Operations
($Thousands)

	Total	ITS	AAS	GSS	TMVCS [1]
Revenue	9,272,257	1,375,164	4,374,065	1,349,380	2,173,648
Acquisition Training Fund	(14,514)	(7,453)	0	(6,175)	(886)
Cost of Goods Sold	7,310,742	1,027,374	4,246,329	914,789	1,122,250
Gross Margin	**$1,947,001**	**$340,337**	**$127,736**	**$428,416**	**$1,050,512**
Cost of Operations					
Program Expenses	756,540	173,281	174,409	286,506	122,344
Corporate Overhead	124,002	27,371	29,829	47,581	19,221
Other Cost of Operations	924,330	4,101	1,199	67,100	851,930
Total Cost of Operations	**1,804,872**	**204,753**	**205,437**	**401,187**	**993,495**
Operating Results Before Reserves	**142,129**	**135,584**	**(77,701)**	**27,229**	**57,017**
Reserve Expenses	46,566	4,726	1,164	0	40,676
Net Current Year Operating Results	**95,563**	**130,858**	**(78,865)**	**27,229**	**16,341**
GSA Preferred Write-off	80,401	2,838	77,563	0	0
Net Operating Results	**$15,162**	**$128,020**	**($156,428)**	**$27,229**	**$16,341**

[1] TMVCS Portfolio Revenues and Costs of Goods Sold include $676 million in intra-GSA sales of vehicles that GSA Fleet has purchased from GSA Automotive.

[2] For comparability purposes, FY 2006 results are displayed in the new portfolio structure.

ACQUISITION SERVICES FUND
FY 2007 Estimated Results of Operations
($Thousands)

	Total	ITS	AAS	GSS	TMVCS [1]
Revenue	8,763,777	1,300,617	3,916,871	1,329,838	2,216,451
Acquisition Training Fund	(14,685)	(7,269)	0	(6,626)	(790)
Cost of Goods Sold	6,785,033	970,317	3,784,267	904,130	1,126,319
Gross Margin	**$1,964,059**	**$323,031**	**$132,604**	**$419,082**	**$1,089,342**
Cost of Operations					
Program Expenses	806,195	199,278	148,528	324,172	134,217
Corporate Overhead	114,357	31,250	26,684	40,226	16,197
Other Cost of Operations	985,409	5,066	1,268	76,233	902,842
Total Cost of Operations	**1,905,961**	**235,594**	**176,480**	**440,631**	**1,053,256**
Operating Results Before Reserves	**58,098**	**87,437**	**(43,876)**	**(21,549)**	**36,086**
Reserve Expenses	57,427	15,717	1,710	0	40,000
Net Operating Results	**$671**	**$71,720**	**($45,586)**	**($21,549)**	**($3,914)**

[1] TMVCS Portfolio Revenues and Costs of Goods Sold include $723 million in intra-GSA sales of vehicles that GSA Fleet has purchased from GSA Automotive.

ACQUISITION SERVICES FUND FY 2008 Budgeted Results of Operations ($Thousands)					
	Total	**ITS**	**AAS**	**GSS**	**TMVCS** [1]
Revenue	9,112,042	1,315,847	4,089,443	1,393,064	2,313,688
Acquisition Training Fund	(15,535)	(7,633)	0	(7,073)	(829)
Cost of Goods Sold	7,041,143	980,733	3,935,584	942,191	1,182,635
Gross Margin	**$2,055,364**	**$327,481**	**$153,859**	**$443,800**	**$1,130,224**
Cost of Operations					
Program Expenses	807,224	204,000	137,597	329,582	136,045
Corporate Overhead	131,236	35,774	30,515	46,303	18,644
Other Cost of Operations	1,026,131	5,254	1,264	77,928	941,685
Total Cost of Operations	**1,964,591**	**245,028**	**169,376**	**453,813**	**1,096,374**
Operating Results Before Reserves	**90,773**	**82,453**	**(15,517)**	**(10,013)**	**33,850**
Reserve Expenses	89,334	46,742	592	0	42,000
Net Operating Results	**$1,439**	**$35,711**	**($16,109)**	**($10,013)**	**($8,150)**

[1] TMVCS Portfolio Revenues and Costs of Goods Sold include $740 million in intra-GSA sales of vehicles that GSA Fleet has purchased from GSA Automotive.

Strategic Assessment

The following key trends affect FAS customers and drive the operations of the FAS organization:

- Tighter budgets for customer agencies
- Strategic sourcing
- Customers seeking best value
- Changing industry and technology trends

FAS assists customer agencies to operate within constrained budgets by reducing both the administrative costs of acquisition and the contract costs of goods and services. Savings in contract costs are achieved through increased vendor competition; savings in acquisition costs are achieved through streamlined processes and operations. Customers realize savings through fees that are lower than the operating costs of administering their own, in-house programs. The FAS portfolio structure provides transparency and alignment between GSA costs and fees assessed to customers.

FAS promotes strategic sourcing across the Government and is uniquely equipped to utilize customer information from all Federal agencies to make informed procurement decisions. The FAS organization shares information across business lines in order to assist in providing world class service.

FAS provides customers with best-value acquisition solutions by offering greater choices in the levels and types of acquisition services provided. GSA's customer base is a complex market that seeks different value propositions. The FAS business model ensures the appropriate mix of expertise based on customers' needs. This in turn helps FAS create fee structures which are appropriate for the services provided to customer agencies.

FAS has established a number of programs to ensure that customers continue to receive the value they expect and deserve from GSA contracts. Pre-award audits are one of the many tools that FAS relies on to ensure that customer receive best value solutions. FAS uses the GSA Inspector General to provide independent evaluations of FAS contracts prior to award. Pre-award audits assure customers that FAS products and services are and continue to be the best value solutions.

FAS has the flexibility to meet changing industry and technology trends and continue to provide relevant products and services in a fluid acquisition environment. FAS combines legacy organizations and funding vehicles that once separated GSA products from service offerings. FAS eliminates outdated boundaries to provide integrated acquisition "solutions" that combine procurements of technology and telecommunications products with the management services necessary for implementation. FAS improves GSA's market position and contributes to GSA's reputation as a "world class" provider of goods and service to the Federal community.

Program Assessment Rating Tool (PART) Reviews

From FY 2002 through FY 2006, FAS (and its predecessor organizations) have analyzed 10 programs through a joint effort with the Office of Management and Budget (OMB). FAS and OMB use the PART process to find ways to improve program effectiveness and accountability. The following programs have been assessed: Regional IT Solutions, National IT Solutions, Supply Depots and Special Order, Personal Property Management, National Furniture Center, Vehicle Acquisition, Vehicle Leasing, GSA Travel, GSA Transportation and the GSA Card Service (SmartPay®) program. The findings of each evaluation are discussed in the portfolio sections of this document.

PART Funding Summary Table (dollars in Thousands)

Portfolio	Program	FY 2006 Actual	FY 2007 Estimate	FY 2008 Budget
Assisted Acquisition Services (AAS)	Regional IT Solutions	$2,231,009	$1,943,158	$2,052,535
	National IT Solutions	$1,634,340	$1,471,687	$1,473,234
General Supplies and Services (GSS)	Supply Depots and Special Order	$1,015,629	$994,495	$1,037,444
	Personal Property Management Program	$28,286	$31,905	$32,954
	National Furniture Center	$189,313	$217,735	$224,144
Travel, Motor Vehicle and Card Services (TMVCS)	Vehicle Acquisition	$1,133,826	$1,138,773	$1,195,559
	Vehicle Leasing	$990,422	$1,044,064	$1,088,563
	GSA Travel Programs	$14,662	$16,241	$16,349
	GSA Transportation Programs	$18,255	$20,831	$20,099
	Card Service Program	$9,749	$12,164	$11,939

FAS Performance Plan Goals and Measures

The following table reports the long-term goals and measures of the (legacy) Federal Supply Service (FSS) and Federal Technology Service (FTS). Once FAS completely implements its organizational design, annual performance goals and measures will be established that reflect the mission and values of the new, consolidated organization. While the organization works through this transition period, it will continue to use annual goals and measures from the legacy programs that were consolidated to form FAS. Legacy goals and measures have been re-aligned to match FAS' new portfolios, and are discussed in greater detail in the portfolio sections of this document.

FAS Performance Plan Goals and Measures -- Information Technology Services (ITS) Portfolio

FY 2008 Budget Program	Long-term Goal	FY 2008 Performance Goal	Performance Measure	FY 2006 Actual	FY 2007 Target	FY 2008 Target
Regional Telecommunications	Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.	Manage acquisitions to ensure industry provides solutions that meet client agencies mission needs.	Percentage of dollar value of eligible service orders awarded with performance- based statements of work.	89%	60%	60%
			Percentage of projects meeting agreed performance according to the Quality Assurance Surveillance Plan (QASP).	Not Measured	76%	77%
		Improve performance against business performance metrics, including timeliness, cost-effectiveness, and efficiency to verify best value and effective acquisition management are achieved.	Percentage of negotiated award dates for services and commodities that are met or bettered.	94%	77%	77%
		Provide cost management for solutions delivery.	Percentage of solutions that are met at or below initial cost estimates.	Not Measured	90%	90%
	Conduct business with integrity, fairness, and openness.	Provide quality telecommunications services through appropriate consistency in the acquisition management process from pre-award through closeout.	Percentage of task and delivery orders subject to the fair opportunity process.	86.84%	80%	81%
			Percentage of schedule task orders solicited using e-Buy.	Not Measured	80%	90%
	Minimize administrative operating costs.	Improve the financial condition of the Fund.	Total Regional Telecommunications program expense as a percentage of gross margin.	52%	66%	66%
Long Distance	Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.	Provide robust portfolio of telecommunications services and value added solutions to satisfy diverse customer requirements.	Percentage of solutions reviewed compliant with policy and regulations and internal policies and procedures.	100%	100%	100%
			Overall customer satisfaction.	Not Measured	80%	81%
		Provide substantially lower cost service to customer agencies.	Savings provided to customers.	$620M	$500M	$500M
			Percentage of Network Services prices are below best commercial prices.	41.4%	35%	35%
	Conduct business with integrity, fairness, and openness.	Award and effectively manage the Network Service contracts.	Completed Networx Transition Planning planned versus actual.	Not Measured	0%	35%
	Minimize administrative operating costs.	Improve the financial condition of the Fund.	Total Long Distance program expenses as a percentage of gross margin.	43%	55%	55%

FAS Performance Plan Goals and Measures – Assisted Acquisition Services (AAS) Portfolio

General Services Administration
Acquisition Services Fund

FY 2008 Budget Program	Long-term Goal	FY 2008 Performance Goal	Performance Measure	FY 2006 Actual	FY 2007 Target	FY 2008 Target
Professional Services	Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.	Manage acquisitions to ensure industry provides solutions that meet client agencies mission needs.	Percentage of dollar value of eligible service orders awarded with performance-based statements of work.	66%	52%	53%
		Improve performance against business performance metrics, including timeliness, cost-effectiveness, and efficiency to verify best value and effective acquisition management are achieved.	Percentage of negotiated award dates for services and commodities that are met or bettered.	93%	>95%	>95%
	Conduct business with integrity, fairness, and openness.	Provide quality services through appropriate consistency in the acquisition management process from pre-award through closeout.	Percentage of task and delivery orders subject to the fair opportunity process.	Not Measured	>86%	>86%
			Percentage of Schedule task orders solicited using e-Buy.	93%	90%	90%
	Minimize administrative operating costs.	Improve the financial condition of the Fund.	Total program expenses as a percentage of gross margin.	86%	65%	64%
National IT Solutions	Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.	Manage acquisitions to ensure industry provides solutions that meet client agencies' mission needs	Percentage of dollar value of eligible service orders awarded with performance- based statements of work.	4.56%	>50%	>50%
		Improve performance against business performance metrics, including timeliness, cost-effectiveness, and efficiency to verify best value and effective acquisition management are achieved.	Percentage of negotiated award dates for services and commodities that are met or bettered.	89%	>95%	95%
	Conduct business with integrity, fairness, and openness.	Provide quality IT solutions services through appropriate consistency in the acquisition management process from pre-award through closeout.	Percentage of task and delivery orders subject to the fair opportunity process.	90%	>95%	95%
	Minimize administrative operating costs.	Improve the financial condition of the Fund.	Total program expenses as a percentage of gross margin.	89.4%	79%	78%
Regional IT Solutions	Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.	Improve performance against business performance metrics, including timeliness, cost-effectiveness, and efficiency to verify best value and effective acquisition management are achieved.	Percentage of negotiated award dates for services and commodities that are met or bettered.	95%	>95%	>95%
		Provide cost management for solutions delivery.	Percentage of solutions that are met at or below initial cost estimates.	Not Measured	83%	86%
	Conduct business with integrity, fairness, and openness.	Provide quality IT solutions services through appropriate consistency in the acquisition management process from pre-award through closeout.	Percentage of task and delivery orders subject to the fair opportunity process.	92%	>95%	>95%
	Minimize administrative operating costs.	Improve the financial condition of the Fund.	Total program expenses as a percentage of gross margin.	148.5%	94%	93%

General Services Administration
Acquisition Services Fund

FAS Performance Plan Goals and Measures – General Supplies and Services (GSS) Portfolio

FY 2008 Budget Program	Long-term Goal	FY 2008 Performance Goal	Performance Measure	FY 2006 Actual	FY 2007 Target	FY 2008 Target
Global Supply	Provide supply chain solutions for the global needs of our customers (DoD, Homeland Security, USDA, et. al.) by delivering dependable, reliable and timely supplies at best value.	Reduce Supply blended mark-up from 31% to 29% toward goal of 28%.	Percentage of Supply blended mark-up.	32.71%	30.50%	30%
		Achieve timely delivery for customer orders.	Compliance rate with DoD Time Definite Delivery (TDD) shipment processing standards.	22.2%	10% > VBL	10% > VBL
		Increase program efficiency and value to Global Supply customers by minimizing program-operating costs.	Direct cost as a percentage of revenue.	10.50%	10.40%	10.30%
		Increase customer satisfaction toward the 75th percentile for customer satisfaction in government.	External customer satisfaction survey score.	80.3	80	78
Personal Property Management	Provide optimal property disposal solutions for Federal agencies to maximize cost avoidance (Utilization/Donation) while efficiently and effectively managing the exchange/sale of surplus property.	Decrease the time it takes to complete disposal action for excess property to 55 days by FY 2008.	Cycle time for disposal process (days).	52	55	55
		Align program-operating costs relative to revenue generated by the Sales Program, and strive to maximize the return on these resources.	Direct cost of Sales Program as a percent of revenue.	47.49%	45%	44%
			Operating cost per $100 business volume.	$18.77	$21.50	$21.00
		Maintain a customer satisfaction score higher than the Federal Government American Customer Satisfaction Index (ACSI) reflecting customer satisfaction in government in FY 2007 and each year thereafter.	External customer satisfaction survey score.	82.3	79	75.5
National Furniture Center	Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.	Reduce the time required to award new contracts and modify existing contracts.	Timeliness to award new contracts (days).	73.5	80	79
			Timeliness to award contract modifications to add products and services (days).	18.1	12	11.75
	Minimize administrative operating costs.	Align program operations to support efficiency of operations and reduce operating costs.	Direct operating expenses as a percentage of gross margin.	52.09%	48.20%	43.80%
			Ratio of full-time equivalents (FTE) to business volume.	0.0056%	0.0052%	0.0047%
	Conduct business with integrity, fairness, and openness.	Enable customers to capitalize on cost savings and improved services through competition in the vendor community.	Number of schedule task orders solicited using GSA e-Buy.	8,207	8,200	8,600

FAS Performance Plan Goals and Measures – Travel, Motor Vehicle and Card Services (TMVCS) Portfolio

FY 2008 Budget Program	Long-term Goal	FY 2008 Performance Goal	Performance Measure	FY 2006 Actual	FY 2007 Target	FY 2008 Target
GSA Fleet	Continue to achieve leasing rates to customer agencies that offer 20% or more savings when compared to commercial rates.	Maintain the gap between GSA Fleet rates and commercial rates at 20% or more.	Percentage GSA Fleet leasing rates below commercial rates on the GSA Vehicle Leasing Schedule.	39.06%	=>29.25%	=>29.50%
			Program support and operational expenses per vehicle year of operations	$496	$500	$495
		Aggressively pursue consolidation opportunities to reduce overall government expenses.	Number of vehicles managed per onboard associate.	352	340	345
		Maintain the Vehicle Leasing program's current level of world-class customer satisfaction in government.	External customer satisfaction survey score.	84.5	83.1	83.2
Vehicle Acquistion	Achieve acquisition cost savings for customer agencies by providing vehicles at 28% or more below manufacturers' invoice price.	Maintain 28% or better discount from manufacturer's invoice price.	Percentage discount from invoice price.	39%	=>28.5%	=>28.7%
		Manage program resources to meet its future needs while maximizing program efficiency.	Number of vehicles purchased per FTE.	1,676	1,310	1,320
		Maintain the Vehicle Acquisition program's customer satisfaction at or above the 75th percentile for customer satisfaction in government.	External customer satisfaction score.	77.9	80	80.1
GSA Travel	Provide an end-to-end and fully integrated travel management shared service that is: 1) Policy compliant, cost-effective, and customer focused, 2) An enabler for agencies to better manage their individual travel businesses, and 3) Fulfills agency needs while delivering the best value to agencies (at discounts unattainable by individual agencies) by leveraging the Government's purchasing power via strategic sourcing.	Reduce program-operating costs.	Direct cost as a percent of revenue.	38%	63%	62%
		Increase the program's customer satisfaction toward the 75th percentile for customer satisfaction in government.	External customer satisfaction score.	75.4	75.5	75.6
		Provide policy compliant, consolidated and fully integrated end-to-end travel services Governmentwide.	Percentage of vouchers serviced through the eTS (percent of total voucher population).	6.70%	18.41%	45.54%
			Percentage of Business Reference Model (BRM) agencies migrating to eTS.	54.20%	70.83%	100%
		Provide programs that enable customer agencies to realize discounts off of commercially available rates.	FedRooms percentage off consortia rate.	29%	28%	27%
			City Pair Program percentage off the lowest published full economy fare.	Not Measured	67%	67%

General Services Administration
Acquisition Services Fund

FAS Performance Plan Goals and Measures – Travel, Motor Vehicle and Card Services (TMVCS) Portfolio

FY 2008 Budget Program	Long-term Goal	FY 2008 Performance Goal	Performance Measure	FY 2006 Actual	FY 2007 Target	FY 2008 Target
GSA Transportation	Provide end-to-end fully integrated management system/solutions to increase value for agency customers.	Increase the program's customer satisfaction toward the 75th percentile for customer satisfaction in government.	External customer satisfaction score.	78.8	77.4	77.5
		Reduce program operating costs.	Direct costs as a percent of revenue.	48%	51.50%	51%
		Maximize customer savings through the use of GSA Transportation programs	Freight savings.	Not Measured	40.50%	41%
			Household goods savings.	Not Measured	59%	59.50%
			Domestic delivery services savings.	Not Measured	70%	70.50%
GSA Card Services (SmartPay)	Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.	Provide quality services to our customers as determined by satisfaction scores.	Overall customer satisfaction of GSA SmartPay Program.	Not Measured	63%	65%
			GSA SmartPay Conference satisfaction as determined by attendee survey results.	91.20%	93%	93.50%
		Provide timely information to customers as requested to meet their needs.	Timeliness of report submission.	Not Measured	>=85%	>=90%
	Minimize administrative operating cost.	Maximize program-operating efficiency.	Government-wide spend per GSA SmartPay contract administration FTE.	$5.31 billion	$5.05 billion	$5.11 billion

Integrated Technology Services Portfolio

Introduction

The Integrated Technology Services (ITS) Portfolio provides customer agencies with a full range of information technology and telecommunication goods and services. ITS combines products and services previously provided separately by the former Federal Supply Service (FSS) and Federal Technology Service (FTS) organizations. Operations within this portfolio include: Multiple-Award Schedules (MAS) for Information Technology (IT) and Government-wide Acquisition Contracts (GWACs) for IT and telecommunications products and services.

The consolidation of IT acquisition operations into a single organization positions FAS to be the technology services provider of choice to our customers. Consolidated ITS programs aggregate requirements and leverage the Federal Government's buying power to obtain a full range of end-to-end IT and telecommunications products and services with significant savings for customer agencies, while reducing the need for redundant purchasing activities across Government.

The **Network Services** business line delivers local, national, and international telecommunications services, solutions, and support to 132 Federal agencies and commissions at locations around the globe. The program includes a Regional Telecommunications business unit that provides local telecommunications services and a Long Distance business unit, which provides national and international wire line, wireless, and satellite communications services.

The **Multiple Award Schedule** (MAS) program provides direct access to a vendor's goods and services through contracts established by GSA. The ITS Portfolio contains all Information Technology schedules that were previously provided by the FSS Commercial Acquisition business line.

The **Government-Wide Acquisition Contracts** (GWACs) program establishes specialty and solution-based Government-wide contracts which provide a wide range of IT solutions. GSA has been granted Executive Agent authority to establish these contracts for use by customer agencies. The GWAC program was formerly a component of the FSS Commercial Acquisition business line.

Strategic Direction / Value Proposition

The ITS portfolio value proposition to customer agencies is outlined below.

- Consistently deliver quality IT products, systems, services and acquisition support to our customers when, where, and how they need them.
- Reduce potentially duplicative customer acquisition efforts, allowing them to focus their increasingly limited resources on their core missions.
- Provide customers with products and services at better prices than they could obtain individually.
- Provide access to the most current commercial IT products and services through customer awareness, industry knowledge, and sound contracting practices.
- Sustain Government IT market access to industry partners through complementary product channels

The ITS organization is able to support these value propositions through a structure designed to provide superior acquisition support and services.

PART Status

FAS (and its predecessor organizations) worked jointly with the Office of Management and Budget (OMB) to review one component of the ITS portfolio: Multiple Award Schedules (MAS). OMB and GSA reviewed the Multiple Award Schedules program during the FY 2005 PART cycle and rated the program "Results Not Demonstrated". Since then, the organizational design of FAS has realigned the former MAS program into multiple portfolios. Today, schedules are managed as a tool to support customer needs rather than a distinct program: MAS no longer exists in the same capacity in FAS. The Network Services component of this portfolio will be reviewed during the FY 2007 PART cycle.

Strategies and Action Plans

Business Planning and Direction

On January 16, 2006 FAS introduced the MAS (Multiple Award Schedule) Express Program, a pilot program that is designed to accelerate new MAS contract awards for vendors on schedule. Vendors are able to reduce cycle time and participate on GSA's multiple award schedules by meeting predetermined requirements. One of the major objectives of the program is to make products and services available to customers in a more timely manner and to streamline and simplify the contracting process. MAS Express is available to vendors that participate in five different GSA schedules including the widely used Schedule 70 (IT Schedule), which provides IT hardware, and repair and maintenance.

In FY 2008, ITS will focus on expanding its market share by transitioning to two new contracts: Networx (telecommunications) and Alliant (IT solutions). ITS will increase use of the IT Multiple Award Schedules (MAS) by revising the solicitation to include more, newer IT products and services. ITS will continue to assist customer agencies in meeting their acquisition needs, ranging from meeting socioeconomic goals to the timely procurement of mission critical IT products, services, and solutions.

FY 2008 will be the first full fiscal year of availability of the new Networx telecommunications contract. ITS established the Networx contract to provide more competitive prices and higher-quality services, and to allow customer agencies to obtain a broader range of services from a single carrier. ITS has responded to customer needs by expanding access to telecommunications security and infrastructure solutions. ITS has structured the Networx contract to include aggressive price goals, increase the utilization of small businesses, and increase the use of performance-based contracts. Networx will increase the value that FAS delivers to its current customers and will attract additional customers, maximizing the savings GSA provides to the Federal Government.

Also in FY 2008, the Alliant IT solutions contract will enter its first full year of availability. ITS established the Alliant contract to provide its customers with greater flexibility in procuring IT products and services. ITS has structured the Alliant contract around a flexible definition of "information technology" that will keep up with changing trends in the industry and allow customers to access the most current IT solutions, regardless of changes in the marketplace. ITS has aligned Alliant offerings with the Federal Enterprise Architecture (FEA) to create interoperable Government-wide solutions, and use strategic sourcing, performance-based contracting, and earned value management to ensure best value. Alliant will increase the value that FAS delivers to the Federal Government by reducing costs and delivering FEA-compliant solutions.

Human Capital

ITS requires a skilled workforce in order to accomplish program goals and better serve our customers. A skilled workforce is essential to delivering high-quality service and strengthening GSA's reputation as a world-class acquisition organization. The transition to a consolidated FAS organization has brought considerable changes to the component business units of the ITS portfolio. There has been a focus on "right sizing" the organization through a hiring freeze and offers of buyouts to eligible associates. ITS will continue to use this opportunity to retool its workforce with the new skill sets required to support evolving technology acquisition needs.

Regulatory Compliance

FAS is committed to ensuring that agencies' use of GSA and other contracting vehicles is in full compliance with regulations, policies, procedures, and best practices. ITS meets this commitment by: 1) ensuring compliance with Federal contracting regulations; 2) making contracting policies and procedures clear and explicit; 3) ensuring competition for all contracts and task orders; 4) improving transparency relating to how GSA contract vehicles and services are used; and 5) ensuring that taxpayers get the best value for their tax dollar whenever GSA's contract vehicles or services are used.

Government-wide Initiatives

FAS is involved in four key Government-wide initiatives that support all Federal agencies and their procurement and management of IT acquisitions and management of IT requirements.

SmartBUY

SmartBUY is an example of a Government-wide "good for Government" initiative. SmartBUY supports effective enterprise level software management through the aggregate buying of commercial software to achieve bulk savings. GSA was designated the Executive Agent under Section 5112(e) of the Clinger-Cohen Act for the SmartBUY interagency initiative, and leads the interagency team in negotiating Government-wide enterprise licenses for software. The SmartBUY initiative includes commercial off-the-shelf (COTS) software that is generally acquired using license agreements with terms and prices that vary based on volume. The SmartBUY initiative includes the following types of software licenses: Office Automation, Network Management, Antivirus, Database, Business Modeling Tools, and Open Source Software support.

Electronic Authentication

GSA has been designated as the lead agency for electronic Authentication technologies, which is one of the President's Management Agenda electronic Government initiatives. The e-Authentication initiative was established to provide the Federal Government with the critical capability of verifying the identity of all entities (citizens, businesses or Government employees) when accessing a Web-based Government service/system. GSA has partnered with the other 23 Cabinet-level agencies to form an Executive Steering Committee (ESC). The ESC provides management guidance and oversight to this initiative and encourages adoption of e-Authentication technologies across member agencies. The ESC has selected a federated identity approach to e-Authentication. Under this approach, the Government developed a common framework for electronic authentication and created an e-Authentication Federation where member agencies allow their users accessing Government services online to use existing credentials issued by third party Federation credential providers (e.g. banks). The Federated identity was chosen due to its superior financial and business value, as well as its low, manageable risk. The successful execution of this initiative will provide taxpayers with a simple, convenient, and – most of all – secure means to interact with their Government.

Homeland Security Presidential Directive 12 (HSPD-12)

On August 27, 2004, the President issued Homeland Security Presidential Directive 12 (HSPD-12), mandating a Government-wide standard for secure and reliable forms of identification for all employees and contractors of Federal agencies. This standard ensures that Government facilities and data stores are reliable and secure. The Office of Management and Budget (OMB) was directed to oversee agency implementation. Agencies must ensure consistency with existing privacy and security laws and policies to ensure employee and contractor information is protected and appropriately used.

The OMB designated GSA as the managing partner responsible for creating the HSPD-12 Managed Services Offering (MSO) Program Management Office. GSA will manage this contract and offer Government-wide services through this vehicle. GSA is currently establishing a new business offering where GSA would be responsible for the management and acquisition support for the MSO to support any Federal agency that is interested in participating in buying end to end services to be compliant with HSPD-12.

HSPD-12 mandates that all agencies begin issuing compliant identity credentials to new employees and contractors by October 27, 2006 and to all existing employees and contractors by October 27, 2007. The GSA MSO offered these services through a contract from September 2006 through January 7, 2007. GSA plans to re-compete this contract in 2007, to include additional services and take advantage of a more mature marketplace, which should result in more robust offerings at lower prices. The initial contract was developed by USDA as part of a cross-agency team, but the acquisition was done by GSA.

IT Infrastructure Optimization Initiative (IOI) Line of Business

In March 2006, OMB designated GSA as the managing partner for the IT Infrastructure Optimization Initiative (IOI) Line of Business (LoB). The purpose of the LoB is to further refine the opportunities for IT infrastructure consolidation and optimization, and develop Government-wide common solutions. The two major objectives of the LoB are to 1) increase cost efficiency for commodity IT infrastructure and 2) improve IT infrastructure service levels. This LoB will define specific common performance measures for service levels and costs, identify best practices, and develop guidance for transition plans within and across Federal agencies. Consolidation and optimization of IT infrastructure represents a significant opportunity to realize future cost savings by taking a more coordinated approach to spending on IT infrastructure.

GSA has proposed several management solutions for the IOI LoB, including the establishment of a Program Performance Measurement Office (PPMO). The PPMO would report to OMB, the CIO Council, and GSA, and include representatives from partner departments/agencies. The PPMO would oversee all Federal IT commodity services in three identified categories: Data Centers; Data Networks and Telecommunications; and Desktop/Seat Management and Support.

Long-Term Outcome Goals

In FY 2006, the ITS portfolio adopted new long-term goals to guide its operations going forward. These goals are based on the Federal Acquisition Regulations (FAR), as the principle purpose of FAS is to assist Federal agencies in procuring goods and services to meet their mission critical needs while following the guidelines established in the FAR.

The long-term goals for the ITS portfolio are as follows:

1. Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and Professional Services.

   GSA achieves this goal through the following business practices which are also prescribed in the FAR: 1) FAS provides customers with the opportunity to maximize the use of commercial products and services, 2) FAS will not use contractors who have a track record of unsuccessful past performance or who demonstrate an inability to perform; and 3) FAS promotes competition to enable customers to realize best value solutions.

2. Conduct business with integrity, fairness, and openness.

   GSA must uphold the public's trust. The personnel within FAS are the foundation of this goal. To achieve public trust, our workforce must be well-trained and well-versed in acquisition policies and procedures and have the taxpayer's interest in mind in all actions taken.

3. Minimize administrative operating costs.

   GSA reduces administrative operating costs across the Federal Government through efficient operations and by aggregating the purchasing of IT and Professional Services within a center of excellence.

4. Fulfill public policy objectives.

   FAS is uniquely positioned to further public policy goals through the establishment and use of supportive acquisition vehicles.

Once FAS completely implements its organizational design, annual performance goals and measures will be established that will be linked to these long-term goals to monitor the organization's progress. While the organization works through this transition period, it will continue to use annual goals and measures from the legacy programs that were consolidated to form the ITS Portfolio.

The specific application of these long-term goals to business lines is discussed in the following sections.

Regional Telecommunications program

Long-Term Outcome Goal: Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and Professional Services.

Performance Goal: Manage acquisitions to ensure industry provides solutions that meet client agencies' mission needs.

Performance Measure: Percentage of dollar value of eligible service orders awarded with performance-based statements of work (SOWs).

FAS promotes performance-based contracting (PBC) because it allows clients to obtain best value solutions by defining program or project objectives -- rather than specific requirements – in SOWs. PBC includes positive and negative incentives to ensure timely and cost-effective delivery of solutions.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
72%	89%	60%	60%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
65%	70%	75%	76%

Performance Measure: Percentage of projects meeting agreed performance according to the Quality Assurance Surveillance Plan (QASP).

FAS utilizes performance metrics and the Quality Assurance Surveillance Plan (QASP) to ensure that industry partners provide solutions that meet customer needs. FAS periodically monitors contract performance to determine whether agreed standards and milestones are being met in contract execution.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
Not Measured	Not Measured	76%	77%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
78%	79%	80%	81%

Performance Goal: Improve performance against business performance metrics, including timeliness, cost-effectiveness, and efficiency to verify best value and effective acquisition management are achieved.

Performance Measure: Percentage of negotiated award dates for commodities and services that are met or bettered.

FAS is determined to minimize time-to-award for all customers. FAS ensures timely delivery of acquisition services by comparing actual task order award dates for products and services against award dates that are negotiated with customers.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
96%	94%	77%	77%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
78%	79%	80%	81%

Performance Goal: Provide cost management for solutions delivery.

Performance Measure: Percentage of solutions that are met at or below initial cost estimates.

FAS provides customer agencies significant cost savings by negotiating with industry to obtain the best price for the customer. FAS measures its success in managing solutions delivery costs by comparing initial cost estimates to award amounts.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
Not Measured	Not Measured	90%	90%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
92%	92%	93%	93%

Long-Term Outcome Goal: Conduct business with integrity, fairness, and openness.

Performance Goal: Provide quality telecommunications services through appropriate consistency in the acquisition management process from pre-award through closeout.

Performance Measure: Percentage of task and delivery orders subject to the fair opportunity process.

FAS is committed to fostering fair and equal competition. FAS tracks its progress towards this goal by measuring the proportion of orders where all contract holders were afforded an opportunity to be considered for an award, as a percentage of total orders.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
90.6%	86.84%	80%	81%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
82%	82%	83%	84%

Performance Measure: Percentage of schedule task orders solicited using e-Buy.

FAS is committed to fostering fair and equal competition. FAS tracks its progress towards this goal by measuring the proportion of completed schedule acquisitions solicited through the e-Buy website, as a percentage of total completed schedule acquisitions. e-Buy acquisitions over $2,500 give all schedule holders an opportunity to be considered, and e-Buy awards must have at least three realistic bids received for consideration.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
Not Measured	Not Measured	80%	90%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
91%	92%	93%	94%

Long-Term Outcome Goal: Minimize administrative operating costs.

Performance Goal: Improve the financial condition of the Fund.

Performance Measure: Total Regional Telecommunications program expense as a percentage of gross margin.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages the costs of providing telecommunications services to Federal agencies by tracking the ratio of program expenses to gross margin.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
52%	52%	66%	66%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
65%	65%	65%	65%

Regional Telecommunications Program Budget Links
$ (Thousands)

Long Term Outcome Goal / Performance Goals	Performance Measure	FY 2006 Actual: Actual	FY 2006 Actual: Dollars	FY 2007 Current: Target	FY 2007 Current: Dollars	FY 2008 Request: Target	FY 2008 Request: Dollars	Change FY07 to FY08: Target	Change FY07 to FY08: Dollars
Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and ProfessionalServices.									
Manage acquisitions to ensure industry provides solutions that meet client agencies mission needs.	Percentage of dollar value of eligible service orders awarded with performance based statements of work.	89%	$ 7,237	60%	$ 7,432	60%	$ 7,550	0%	$ 118
	Percentage of projects meeting agreed performance according to the Quality Assurance Surveillance Plan (QASP).	NA	$ 5,066	76%	$ 5,203	77%	$ 5,285	1%	$ 82
Improve performance against business performance metrics, including timeliness, cost-effectiveness, and efficiency to verify best value and effective acquisition management are achieved.	Percentage of negotiated award dates for commodities and services that are met or bettered.	94%	$ 7,237	77%	$ 7,432	77%	$ 7,550	0%	$ 118
Provide cost management for solutions delivery.	Percentage of solutions that are met at or below initial cost estimates.	NA	$ 6,513	90%	$ 6,689	90%	$ 6,795	0%	$ 106
Conduct business with integrity, fairness, and openness.									
Provide quality telecommunications services through appropriate consistency in the acquisition management process from pre-award through closeout.	Percentage of task and delivery orders subject to the fair opportunity process.	87%	$ 18,093	80%	$ 18,581	81%	$ 18,875	1%	$ 294
	Percentage of schedule task orders solicited using e-Buy.	NA	$ 17,369	80%	$ 17,838	90%	$ 18,120	10%	$ 282
Minimize administrative operating costs.									
Improve the financial condition of the Fund.	Total Regional Telecommunications program expense as a percentage of gross margin.	52%	$ 10,856	66%	$ 11,149	66%	$ 11,325	0%	$ 176
	Total	-	$ 72,371	-	$ 74,324	-	$ 75,500	-	$1,176

Long Distance program

Long-Term Outcome Goal: Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and Professional Services.

Performance Goal: Provide robust portfolio of telecommunications services and value added solutions to satisfy diverse customer requirements.

Performance Measure: Percentage of solutions reviewed compliant with policy and regulations and internal policies and procedures.

FAS' principle purpose is to execute Federal acquisition within all Federal and GSA policies and regulations. FAS routinely reviews acquisition activities to ensure compliance with relevant guidelines and Federal law.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
100%	100%	100%	100%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
100%	100%	100%	100%

Performance Measure: Overall customer satisfaction.

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. In FY 2007, FAS will begin surveying clients in order to ensure the Network Services program is meeting customer needs.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
Not Measured	Not Measured	80%	81%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
82%	83%	83%	84%

Performance Goal: Provide substantially lower cost service to customer agencies.

Performance Measure: Savings provided to customers.

FAS provides customer agencies significant savings by negotiating with industry to obtain the best price for the customer. FAS measures its success in obtaining best-value network services by estimating the savings the Government realizes by utilizing FAS services instead of commercial industry services.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
$633M	$620M	$500M	$500M
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
$500M	$500M	$500M	$500M

Performance Measure: Percentage of Network Services prices are below best commercial prices.

FAS provides customer agencies significant savings for network services. FAS routinely compares its network services rates to commercial prices in order to ensure that GSA remains a best value service provider to our Federal customers.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
41.5%	41.4%	35%	35%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
35%	35%	35%	35%

Long-Term Outcome Goal: Conduct business with integrity, fairness, and openness.

Performance Goal: Award and effectively manage the Network Service contracts.

Performance Measure: Completed Networx Transition Planning planned versus actual.

FAS is committed to a smooth transition from FTS2001 to the new Networx telecommunications contract with no disruptions in service to customer agencies. FAS will measure success of the transition by tracking the number of service disconnects from the current FTS2001 contracts as Networx is implemented. As these contracts are planned for award in FY 2007, transition activity will be concentrated in FY 2008 through FY 2010.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
Not Measured	Not Measured	0%	35%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
70%	95%	100%	100%

Long-Term Outcome Goal: Minimize administrative operating costs.

Performance Goal: Improve the financial condition of the Fund.

Performance Measure: Total Long Distance program expense as a percentage of gross margin.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages the costs of providing telecommunications services to Federal agencies by tracking the ratio of program expenses to gross margin.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
41.3%	43%	55%	55%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
54%	54%	54%	54%

NOTE: Two previously-reported measures for the Long Distance program will no longer be tracked. First, FAS has discontinued use of the measure “Customer satisfaction with value added solutions”. The instrument to collect that data was not exercised in FY05 or FY06 because of concerns with its cost and value. FAS is currently examining more economical customer assessment tools and measures that can be used for all ITS portfolio programs in the future. Second, FAS has discontinued use of the measure “Networx Program Milestones planned versus actual”, because that major acquisition is planned for completion in FY 2007.

General Services Administration
Acquisition Services Fund

Long Distance Program Budget Links
$ (Thousands)

Long Term Outcome Goal / Performance Goals	Performance Measure	FY 2006 Actual: Actual	FY 2006 Actual: Dollars	FY 2007 Current: Target	FY 2007 Current: Dollars	FY 2008 Request: Target	FY 2008 Request: Dollars	Change FY07 to FY08: Target	Change FY07 to FY08: Dollars
Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and ProfessionalServices.									
Provide robust portfolio of telecommunications services and value added solutions to satisfy diverse customer requirements.	Percentage of solutions reviewed compliant with policy and regulations and internal policies and procedures.	100%	$ 12,249	100%	$ 13,050	100%	$ 13,197	0%	$ 148
	Overall customer satisfaction.	NA	$ 4,900	80%	$ 5,220	80%	$ 5,279	-	$ 59
Provide substantially lower cost service to customer agencies.	Savings provided to customers.	$620 M	$ 7,349	$500M	$ 7,830	$500M	$ 7,918	$0	$ 89
	Percentage of Network Services prices are below best commercial prices.	41.4%	$ 7,349	35.0%	$ 7,830	35.0%	$ 7,918	-	$ 89
Conduct business with integrity, fairness, and openness.									
Award and effectively manage the Network Service contracts.	Completed Networx Transition Planning planned versus actual.	NA	$ 5,308	0%	$ 5,655	35%	$ 5,719	35%	$ 64
Minimize administrative operating costs.									
Improve the financial condition of the Fund.	Total Long Distance program expense as a percentage of gross margin.	43%	$ 3,675	55%	$ 3,915	55%	$ 3,959	0%	$ 44
	Total	-	$ 40,830	-	$ 43,499	-	$ 43,992	-	$ 493

Assisted Acquisition Services Portfolio

Introduction

The Assisted Acquisition Services (AAS) Portfolio provides expert management support services on a fee-for-service basis to assist customers in acquiring both professional services and information technology (IT) solutions at locations worldwide. These services were previously provided by the Federal Technology Service (FTS), but were supported by two different funding sources (the Information Technology Fund and the General Supply Fund). Today, AAS effectively complements the IT and telecommunications acquisition programs of the ITS Portfolio by providing management services that assist agencies in acquiring and deploying IT solutions. The new AAS allows FAS and GSA to simplify procurements for customer agencies and increase internal efficiency, thereby reducing the total cost to the Government for subject acquisitions.

The **IT Solutions** business lines provide acquisition, project management, and financial services to assist Federal agencies in identifying, acquiring, deploying, managing, and using technology solutions. The business units within this business line are Regional IT Solutions, which delivers acquisition services locally, within a given geographic region, and National IT Solutions, which provides services to customers on a national and global basis.

The **Professional Services** business line provides acquisition management, project management, procurement support and financial management services on a cost reimbursable basis, to assist customers in acquiring a broad range of services through Multiple Award Schedules.

Strategic Direction / Value Proposition

The AAS portfolio value proposition to customer agencies is outlined below.

- Achieve client success on projects through Acquisition, Project Management and Financial Management Excellence.
- Perform efficient and effective acquisitions to attain best value for taxpayer dollars.
- Help FAS deliver a consistent acquisition experience for customers and industry partners across all regions and the national program.
- Support FAS and other Government-wide initiatives such as strategic sourcing and e-Gov programs.

PART Status

FAS (and its predecessor organizations) worked jointly with the Office of Management and Budget (OMB) to review two components of the AAS portfolio: National IT Solutions and Regional IT Solutions.

OMB and GSA reviewed the **Regional IT Solutions** program during the FY 2003 PART cycle and rated the program “Results Not Demonstrated”. OMB recommended specific actions to improve the performance of the program. GSA has taken action to improve program performance; those actions are discussed below.

<u>OMB recommendation:</u> Develop long-term outcome goals with ambitious targets that benchmark to other Government agencies or the private sector.

OMB recommendation: Develop efficiency goals and targets that capture the savings (cost or time) agencies realize when using the program.

GSA action: During FY 2006, long-term outcome goals were established for the ITS Portfolio that are based on the Federal Acquisition Regulations (FAR) to which the annual goals and measures are mapped. Currently, the annual goals and measures of the Federal Technology Service are utilized to track the performance of the programs. Once the operations of Regional IT Solutions have been completely migrated to the AAS Portfolio, annual performance goals and measures will be developed with ambitious targets that are reflective of the new organization. The new annual goals and measures will be aligned with the FAR, as the primary mission of FAS is to assist customer agencies in meeting their procurement needs as dictated by the FAR.

OMB recommendation: Develop a systematic approach to correcting management deficiencies.

GSA action: GSA issued memoranda restating policies, guidance, and internal controls on legal reviews and acquisition checklists. GSA developed the FTS Management Plan, including the Procurement Management Review Program and Client Support Center Management Reviews. An independent assessment was completed which examined both IT Solutions business lines in order to identify factors which may inhibit the effectiveness of management controls in the acquisition management process.

OMB and GSA reviewed the **National IT Solutions** program during the FY 2004 PART cycle and rated it “Results Not Demonstrated”. OMB recommended specific actions to improve the performance of the program. GSA has taken actions to improve program performance; those actions are discussed below.

OMB recommendation: Develop long-term outcome goals with ambitious targets that benchmark to other Government agencies or the private sector.

OMB recommendation: Develop a limited number of annual goals and performance measures, including efficiency measures that are ambitious, meaningful, and linked to the long-term outcome goals.

GSA action: During FY 2006, long-term outcome goals were established for the ITS Portfolio that are based on the Federal Acquisition Regulations (FAR) to which the annual goals and measures are mapped. Currently, the annual goals and measures of the Federal Technology Service are utilized to track the performance of the programs. Once the operations of National IT Solutions have been completely migrated to the AAS Portfolio, annual performance goals and measures will be developed with ambitious targets that are reflective of the new organization. The new annual goals and measures will be aligned with the FAR, as the primary mission of FAS is to assist customer agencies in meeting their procurement needs as dictated by the FAR.

OMB recommendation: Take a more active role in assisting agencies with their major acquisitions by participating in the full development of the business case.

GSA action: As an ongoing business practice, FAS encourages clients to utilize the program's services to develop their acquisition plans. In one example, the AAS portfolio spent the past year supporting the U.S. Agency for International Development (USAID) with the development of their business cases (OMB 300 submissions) for major IT acquisitions.

OMB recommendation: Implement a mechanism to collect and report performance information on capital projects to ensure adherence to meeting cost and schedule goals.

GSA action: GSA implemented a project review tool to collect and report performance information on capital projects at the program level.

Strategies and Action Plans

Business Planning and Direction

AAS will focus on increasing its market share by improving its ability to capitalize on repeat business and expand the range and value of acquisition services available to satisfy the needs of all prospective customers. AAS will support implementation of the foundational, broad-based Networx and Alliant contracts in FY 2008 by marketing its complementary services to assist in transition and implementation. AAS will assist customer agencies in evaluating their technical and acquisition needs, enable their migration to newer, more secure services and technologies and thereby better serve their needs. AAS will contribute to the savings generated by ITS solutions by lowering prices for IT services, streamlining acquisition activity and eliminating redundant processes. FAS will leverage the value it delivers to its customers to attract additional customers and maximize savings across the Government which supports the overall GSA goal of providing best value solutions to all Federal customers.

Human Capital

AAS continually re-evaluates and refines its human capital strategy to support FAS efforts to attract, develop, and retain the high-quality, professional, results-oriented workforce needed to meet customers' complex acquisition and service delivery needs. Maintaining high-quality human capital is a critical goal of the AAS organization, because AAS provides acquisition and project management expertise to customer agencies. Customers utilize the FAS workforce to fill the gap that exists across the Federal Government in the contracting workforce. Investments in human capital and associate training ensure AAS associates have the needed acquisition, project, and financial management skills to perform effectively.

The recruitment of associates with the skills and aptitude to excel will be essential going forward. Specifically, AAS will increase training requirements in the areas of project management, business case development, and IP-based networking and related security technologies, services, and solutions. AAS will implement an integrated product team approach to access acquisition and technical expertise when needed. AAS will continue to align and evaluate associate performance consistent with business goals and objectives. These collective actions will further enhance AAS' ability to meet and exceed customer expectations.

Long-Term Outcome Goals

In FY 2006, the AAS portfolio adopted new long-term goals to guide its operations going forward. These goals are based on the Federal Acquisition Regulations (FAR), as the primary purpose of FAS is to assist Federal agencies in procuring goods and services to meet their mission critical needs while following the guidelines established in the FAR.

The long-term goals of the AAS portfolio are as follows:

1. Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and Professional Services.

   GSA achieves this goal through the following business practices which are also prescribed in the FAR: 1) Providing customers with the opportunity to maximize the use of commercial products and services in FAS service and product offerings, 2) FAS will not use contractors who have a track record of unsuccessful past performance or who demonstrate an inability to perform; and 3) promoting competition to enable customers to realize best value solutions.

2. Conduct business with integrity, fairness, and openness.

   GSA must uphold the public's trust. The personnel within FAS are at the foundation of this goal. To achieve public trust, our workforce must be well-trained and versed in acquisition policies and procedures and have the taxpayer's interest in mind in all actions taken.

3. Minimize administrative operating costs.

   GSA generates administrative operating cost savings across the Federal Government through efficient operations and aggregating the purchasing of IT and Professional Services within a center of excellence.

4. Fulfill public policy objectives.

   FAS is uniquely positioned to further public policy goals through the establishment and use of supportive acquisition vehicles.

Once FAS completely implements its organizational design, annual performance goals and measures will be established that will be linked to these long-term goals to monitor the organization's progress in achieving these long-term goals. While the organization works through this transition period, it will continue to use annual goals and measures from the legacy programs that were consolidated to form the AAS Portfolio.

The specific application of these long-term goals to business lines is discussed in the following sections.

Professional Services program

Long-Term Outcome Goal: Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and Professional Services.

Performance Goal: Manage acquisitions to ensure industry provides solutions that meet client agencies mission needs.

Performance Measure: Percentage of dollar value of eligible service orders awarded with performance-based statements of work (SOWs).

FAS promotes performance-based contracting (PBC) because it allows clients to obtain best value solutions by defining program or project objectives -- rather than specific requirements – in SOWs. PBC includes positive and negative incentives to ensure timely and cost-effective delivery of solutions.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
64%	66%	52%	53%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
54%	55%	56%	57%

Performance Goal: Improve performance against business performance metrics, including timeliness, cost-effectiveness, and efficiency to verify best value and effective acquisition management are achieved.

Performance Measure: Percentage of negotiated award dates for services and commodities that are met or bettered.

FAS is determined to minimize time-to-award for all customers. FAS ensures timely delivery of acquisition services by comparing actual task order award dates for products and services against award dates that are negotiated with customers.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
88%	93%	>95%	>95%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
>96%	>96%	>96%	>96%

Long-Term Outcome Goal: Conduct business with integrity, fairness, and openness.

Performance Goal: Provide quality ITS services through appropriate consistency in the acquisition management process from pre-award through closeout.

Performance Measure: Percentage of task and delivery orders subject to the fair opportunity process.

FAS is committed to fostering fair and equal competition. FAS tracks its progress towards this goal by measuring the proportion of orders where all contract holders were afforded an opportunity to be considered for an award, as a percentage of total orders.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
Not Measured	Not Measured	>86%	>86%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
>86%	>86%	>86%	>86%

Performance Measure: Percentage of Schedule task orders solicited using e-Buy.

FAS is committed to fostering fair and equal competition. FAS tracks its progress towards this goal by measuring the proportion of completed schedule acquisitions solicited through the e-Buy website, as a percentage of total completed schedule acquisitions.   e-Buy acquisitions over $2,500 give all schedule holders an opportunity to be considered, and e-Buy awards must have at least three realistic bids received for consideration.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
78%	93.48%	90%	90%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
90%	90%	90%	90%

Long-Term Outcome Goal: Minimize administrative operating costs.

Performance Goal: Improve the financial condition of the Fund.

Performance Measure: Total program expense as a percentage of gross margin.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages the costs of providing assisted acquisition services to Federal agencies by tracking the ratio of program expenses to gross margin.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
50%	86%	65%	64%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
63%	62%	61%	60%

Professional Services Budget Links
$ (Thousands)

Long Term Outcome Goal / Performance Goals	Performance Measure	FY 2006 Actual		FY 2007 Current		FY 2008 Request		Change FY07 to FY08	
		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and ProfessionalServices.									
Manage acquisitions to ensure industry provides solutions that meet client agencies mission needs.	Percentage of dollar value of eligible service orders awarded with performance-based SOWs.	66%	$ 5,360	52%	$ 4,686	53%	$ 4,441	1%	$ (245)
Improve performance against business performance metrics, including timeliness, cost-effectiveness, and efficiency to verify best value and effective acquisition management are achieved.	Percentage of negotiated award dates for services and commodities that are met or bettered.	93.0%	$ 6,292	>95%	$ 5,501	>95%	$ 5,213	-	$ (288)
Conduct business with integrity, fairness, and openness.									
Provide quality ITS services through appropriate consistency in the acquisition management process from pre-award through closeout.	Percentage of task and delivery orders subject to the fair opportunity process.	NA	$ 6,059	>86%	$ 5,297	>86%	$ 5,020	-	$ (277)
	Percentage of Schedule task orders solicited using e-Buy.	93%	$ 4,894	90%	$ 4,278	90%	$ 4,054	-	$ (224)
Minimize administrative operating costs.									
Improve the financial condition of the Fund.	Total program expense as a percentage of gross margin.	86%	$ 699	65%	$ 611	64%	$ 579	-1%	$ (32)
	Total	-	$ 23,305	-	$ 20,373	-	$ 19,307	-	$ (1,067)

National IT Solutions program

The goals and measures for this business line are currently under review and will be revised to be consistent with the newly formed AAS portfolio.

Long-Term Outcome Goal: Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and Professional Services.

Performance Goal: Manage acquisitions to ensure industry provides solutions that meet client agencies' mission needs.

Performance Measure: Percent of dollar value of eligible service orders awarded with performance-based statements of work (SOWs).

FAS promotes performance-based contracting (PBC) because it allows clients to obtain best value solutions by defining program or project objectives -- rather than specific requirements – in SOWs. PBC includes positive and negative incentives to ensure timely and cost-effective delivery of solutions.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
26%	4.56%	>50%	>50%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
>50%	>50%	>50%	>50%

Performance Goal: Improve performance against business performance metrics, including timeliness, cost-effectiveness, and efficiency to verify best value and effective acquisition management are achieved.

Performance Measure: Percentage of negotiated award dates for services and commodities that are met or bettered.
FAS is determined to minimize time-to-award for all customers. FAS ensures timely delivery of acquisition services by comparing actual task order award dates for products and services against award dates that are negotiated with customers.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
87%	89%	>95%	>95%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
>95%	>95%	>95%	>95%

Long-Term Outcome Goal: Conduct business with integrity, fairness, and openness.

Performance Goal: Provide quality IT solutions services through appropriate consistency in the acquisition management process from pre-award through closeout.

Performance Measure: Percentage of task and delivery orders subject to the fair opportunity process.

FAS is committed to fostering fair and equal competition. FAS tracks its progress towards this goal by measuring the proportion of orders where all contract holders were afforded an opportunity to be considered for an award, as a percentage of total orders.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
94%	90%	>95%	>95%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
>95%	>95%	>95%	>95%

Long-Term Outcome Goal: Minimize administrative operating costs.

Performance Goal: Improve the financial condition of the Fund.

Performance Measure: Total program expenses as a percentage of gross margin.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages the costs of providing IT solutions to Federal agencies by tracking the ratio of program expenses to gross margin.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
80%	89.4%	79%	78%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
77%	76%	75%	75%

National IT Solutions Program Budget Links
$ (Thousands)

Long Term Outcome Goal / Performance Goals	Performance Measure	FY 2006 Actual		FY 2007 Current		FY 2008 Request		Change FY07 to FY08	
		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and ProfessionalServices.									
Manage acquisitions to ensure industry provides solutions that meet client agencies' mission needs.	Percent of dollar value of eligible service orders awarded with performance-based statements of work.	4.56%	$ 13,016	>50%	$ 12,372	>50%	$ 11,834	-	$ (538)
Improve performance against business performance metrics, including timeliness, cost-effectiveness, and efficiency to verify best value and effective acquisition management are achieved.	Percentage of negotiated award dates for services and commodities that are met or bettered.	89%	$ 15,260	>95%	$ 14,505	>95%	$ 13,874	-	$ (630)
Conduct business with integrity, fairness, and openness.									
Provide quality IT solutions services through appropriate consistency in the acquisition management process from pre-award through closeout.	Percentage of task and delivery orders subject to the fair opportunity process	90%	$ 14,812	>95%	$ 14,078	>95%	$ 13,466	-	$ (612)
Minimize administrative operating costs.									
Improve the financial condition of the Fund.	Total program expenses as a percentage of gross margin.	89.4%	$ 1,795	79%	$ 1,706	78%	$ 1,632	1%	$ (74)
	Total	-	$ 44,884	-	$ 42,661	-	$ 40,807	-	$ (1,854)

Regional IT Solutions program

Long-Term Outcome Goal: Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and Professional Services.

Performance Goal: Improve performance against business performance metrics, including timeliness, cost-effectiveness, and efficiency to verify best value and effective acquisition management are achieved.

Performance Measure: Percentage of negotiated award dates for services and commodities that are met or bettered.

FAS is determined to minimize time-to-award for all customers. FAS ensures timely delivery of acquisition services by comparing actual task order award dates for products and services against award dates that are negotiated with customers.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
84%	95%	>95%	>95%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
>95%	>95%	>95%	>95%

Performance Goal: Provide cost management for solutions delivery.

Performance Measure: Percentage of solutions that are met at or below initial cost estimates.

FAS provides customer agencies significant cost savings by negotiating with industry to obtain the best price for the customer. FAS measures its success in managing solutions delivery costs by comparing initial cost estimates to award amounts.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
Not Measured	Not Measured	83%	86%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
88%	90%	91%	92%

Long-Term Outcome Goal: Conduct business with integrity, fairness, and openness.

Performance Goal: Provide quality IT solutions services through appropriate consistency in the acquisition management process from pre-award through closeout.

Performance Measure: Percentage of task and delivery orders subject to the fair opportunity process.

FAS is committed to fostering fair and equal competition. FAS tracks its progress towards this goal by measuring the proportion of orders where all contract holders were afforded an opportunity to be considered for an award, as a percentage of total orders.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
92%	92%	>95%	>95%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
>95%	>95%	>95%	>95%

Long-Term Outcome Goal: Minimize administrative operating costs.

Performance Goal: Improve the financial condition of the Fund.

Performance Measure: Total program expenses as a percentage of gross margin.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages the costs of providing IT solutions to Federal agencies by tracking the ratio of program expenses to gross margin.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
96%	148.5%	94%	93%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
92%	91%	90%	89%

General Services Administration
Acquisition Services Fund

Regional IT Solutions Program Budget Links
$ (Thousands)

Long Term Outcome Goal / Performance Goals	Performance Measure	FY 2006 Actual: Actual	FY 2006 Actual: Dollars	FY 2007 Current: Target	FY 2007 Current: Dollars	FY 2008 Request: Target	FY 2008 Request: Dollars	Change FY07 to FY08: Target	Change FY07 to FY08: Dollars
Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service for the delivery of IT and ProfessionalServices.									
Improve performance against business performance metrics, including timeliness, cost-effectiveness, and efficiency to verify best value and effective acquisition management are achieved.	Percentage of negotiated award dates for services and commodities that are met or bettered.	95%	$ 40,364	>95%	$ 32,488	>95%	$ 29,444	-	$ (3,044)
Provide cost management for solutions delivery.	Percentage of solutions that are met at or below initial cost estimates.	NA	$ 22,306	83%	$ 17,954	86%	$ 16,272	3%	$ (1,682)
Conduct business with integrity, fairness, and openness.									
Provide quality IT solutions services through appropriate consistency in the acquisition management process from pre-award through closeout.	Percentage of task and delivery orders subject to the fair opportunity process	92%	$ 39,302	>95%	$ 31,633	>95%	$ 28,669	-	$ (2,964)
Minimize administrative operating costs.									
Improve the financial condition of the Fund.	Total program expenses as a percentage of gross margin.	148.5%	$ 4,249	94%	$ 3,420	93%	$ 3,099	-1%	$ (320)
	Total	-	$ 106,221	-	$ 85,494	-	$ 77,484	-	$ (8,010)

General Supplies and Services Portfolio

Introduction

The General Supplies and Services (GSS) Portfolio provides customer agencies with a wide range of general products including furniture, office supplies and hardware products. This portfolio also provides personal property disposal services to customer agencies. These services were provided by the former Federal Supply Service (FSS) and were contained in three separate business lines. Consolidation of these functions into one portfolio allows FAS to focus on the acquisition of each product type and establish a supply chain mechanism that is appropriate for each product type.

The **Global Supply** business line proactively supports the Federal community by providing mission-critical global supply chain services and access to competitively priced products. Global Supply supports every element of the supply chain including contracting, order processing, warehousing, distribution and transportation of products. These activities are supported through GSA maintained distribution facilities as well as through direct vendor channels.

The **Multiple Award Schedule** (MAS) program provides direct access to a vendor's goods and services through contracts established by GSA. The GSS Portfolio contains all schedules that were previously provided by the FSS Commercial Acquisition business line with the exception of IT Schedules.

The **National Furniture Center** program provides services that range from the procurement of furniture to the design and build out of work space. The National Furniture Center was previously managed within the FSS Commercial Acquisition business line.

The **Personal Property Management** business line specializes in property reutilization and sales. Property no longer needed by one Federal agency may fill a need in another, thereby avoiding new procurements. If no other Federal agency needs this property, the Federal Government may donate it through state agencies for surplus property to approved public or non-profit organizations. Personal property items that are not claimed through the utilization and donation process are sold to the public.

Strategic Direction / Value Proposition

The GSS portfolio value proposition to customer agencies is outlined below.

- Provide supplies and services to help agencies meet their mission critical requirements, fire/disaster Federal Emergency Management Agency (FEMA) emergency response around the clock and rapid deployment to support the military.
- Use strategic sourcing to leverage the Government's purchasing power.
- Assist customers in meeting their socioeconomic program goals.
- Utilize volume purchasing to reduce cost of goods and provide best value to agency customers.
- Provide expert assistance in acquisition and assist customers in ensuring compliance with Federal Acquisition Regulations (FAR).
- Generate savings through efficient use of Government assets and maximize proceeds received from the sale of excess personal property.

PART Status

FAS (and its predecessor organizations) have worked jointly with the Office of Management and Budget (OMB) to review three components of the GSS portfolio: Supply Depots and Special Order, Personal Property Management and the National Furniture Center.

OMB and GSA reviewed the **Supply Depots and Special Order** program in the FY 2004 OMB PART review cycle and rated the program "Adequate". OMB recommended specific actions to improve the performance of the program. GSA has taken actions to improve program performance; these actions are discussed below.

OMB recommendation: Benchmark program performance against similar Federal agencies.

> GSA action: GSA and the Defense Logistics Agency (DLA) are in the beginning stages of a broad partnership initiative designed to leverage each organization's capabilities in the areas of distribution, supply/acquisition, and customer engagement. The goal is to identify areas of collaboration in each of the areas that would benefit mutual customers and would allow the organizations to realize improvements in performance. In the 4th quarter of FY 2006, Joint Working Groups recommended a consolidated plan to for (internal and external) communication of joint DLA-GSA value propositions, and processes to facilitate collaboration at the operational level to better serve customers. This recommendation was presented to the Executive Steering Committee (ESC) and will be reported to the committee in FY 2007. The overall objective is to establish an ongoing customer support relationship that would continue to examine systemic ways in which to partner.

OMB recommendation: Evaluate its information technology systems to improve automation and become more customer-oriented.

> GSA action: The Global Supply business line implemented an automated inventory management system in its depots in September of 2005 to more effectively manage inventory and support customer needs. This program is meets the Department of Defense (DoD) active Radio Frequency Identification (RFID) mandate as a result of the incorporation of technology in customer service offerings.

OMB recommendation: Continue to evaluate the program to identify opportunities to increase efficiency and effectiveness by ensuring that redundancy with commercial sources is minimized and delivery models are standardized and/or consolidated.

> GSA action: In FY 2005, Global Supply initiated 14 re-engineering teams to examine various aspects of the program's operations. Several key recommendations were implemented in FY 2006, including a customer engagement strategy to seek out new business opportunities. Global Supply is currently conducting a third-party review of its business model. The results will guide the program going forward to ensure that customer needs and expectations are met through the program's operations.
>
> GSA's partnership with the Defense Logistics Agency is another example of how Global Supply has realized operating efficiencies through process improvement. Through this partnership, Global Supply ships large quantities of products to stock an independently managed facility in Kuwait to support the military in Iraq and Afghanistan at a lower cost than would be incurred if GSA were to ship these supplies as needed from domestic operations.

OMB and GSA reviewed the **Personal Property Management** program in the FY 2005 OMB PART review and rated it "Moderately Effective". OMB recommended specific actions to improve the performance of the program. GSA has taken actions to improve program performance; these actions are discussed below.

OMB recommendation: Developing and implementing an independent evaluation process that assesses, on a regular basis, the full scope of this program's activities in carry out its mission.

> GSA action: The Utilization & Disposal program will undergo an independent review of its operations in FY 2007.

OMB recommendation: Working with the Office of Government-wide Policy and National Association of State Agencies for Surplus Property to identify any additional performance measures that should be added to the state agency agreements.

> GSA action: GSA actions to address this recommendation are still in the planning phase and will be initiated in the coming year.

OMB and GSA reviewed the **National Furniture Center** in the FY 2006 OMB PART review and rated the program "Moderately Effective". OMB recommended specific actions to improve the performance of the program. GSA actions to address these recommendations are still in the planning phase and will be initiated in the coming year.

OMB recommendation: Use the National Furniture Center's strategic assessment process to define ambitious performance targets that lead to the successful achievement of long term goals.

OMB recommendation: Review and streamline operations to increase efficiencies by standardizing internal contracting processes.

OMB recommendation: Increase efficiency in assessing customer requirements by finding new avenues to promote NFC products, capture customer buying habits, and enhance customer service.

Strategies and Action Plans

The GSS portfolio will continue to foster its relationship with the Department of Defense (DoD) and will work to adapt Global Supply programs to better fill the needs of DoD. It is essential that Global Supply keep pace with the current transformations taking place in DoD, as it is the largest customer of the Global Supply program. The support of DoD programs is also paramount as many of the products and services provided are in support of national security at home and abroad. The changing nature of warfare dictates many changes to the way in which Global Supply interacts with DoD. DoD has transformed its acquisition, procurement and logistics business processes and systems into an integrated, end-to-end supply chain that directly supports our troops at home and abroad. Global Supply has established formal partnerships with the Defense Logistics Agency (DLA) to support the full integration of GSA and FAS business processes and to ensure alignment of program strategies and actions.

Global Supply will continue to serve as a key partner and resource in the response of the Federal Government to major events such as natural disasters, which include events such as wild fires and floods. Global Supply's position as a strategic source ensures timely delivery of products to customers, supporting the protection of both public and private assets to the greatest possible extent. Global Supply will continue to build strategic relationships with customer agencies such as the Federal Emergency Management Agency (FEMA) that support clear lines of communication to ensure prompt delivery of time-critical goods and services.

Global Supply will continue to focus on business development as an essential component of continued operations. Global Supply will carry on efforts to educate our customers -- as well as our associates -- on the most efficient means to satisfy the recurring needs of our customer agencies. Global Supply will continue an on-going business model review, designed to identify operating efficiencies. One option being considered is adjusting the mix of items stocked in depot facilities relative to those that can be provided directly from the vendor. Process improvements like these will increase operating efficiency and assist FAS in providing best value solutions to the Federal community.

The Personal Property Management (PPM) program will continue its use of automation to improve program efficiency. Personal Property Management has already successfully integrated information technology into its business model with the deployment of GSA Auctions®. The web-based GSA Auctions® is not location-dependent, giving it an advantage over the traditional sealed bid and public auction processes. GSA Auctions® is expected to generate significant savings annually within the business line through reduced printing, mailing, advertising, and travel expenses. It also enables PPM to realize cost savings by consolidating sales functions. GSA Auctions® has been recommended as a Center of Excellence for the Federal Asset Sales initiative, an e-Government initiative to simplify citizen access to all sales of Federal real and personal property assets. The use of GSA Auctions® as part of this initiative is expected to increase the program's market share of surplus and exchange/sale business.

Personal Property Management will continue to incorporate customer education into its business processes by ensuring that field representatives are available and receptive to customer inquiries and customer training needs. PPM will segment the market by customer agency needs to better serve each segment of the market. Additionally, PPM has set an aggressive nationwide schedule for customer outreach to promote the benefits of using our exchange/sale and utilization & donation programs to key new customers at national and regional events. PPM will continue to cultivate a close working relationship with the customer base, leaving GSA well-positioned to address the needs of all customer agencies.

The National Furniture Center (NFC) will work to increase its market share by utilizing new avenues to attract customers and educate the Federal community about buying from GSA. NFC will stay abreast of emerging trends in the furniture industry in order to offer services to customers in new areas. Some examples of emerging trends in the furniture industry include the use of the Packaged Furniture Schedule and the Comprehensive Furniture Management Service Schedule. NFC also is currently working with the Public Building Service (PBS) to form a strategic partnership to provide for the furniture needs of new and refurbished office space provided to GSA customers.

The National Furniture Center will continue its focus on human capital development. The NFC will ensure that the Contracting Officers (1102 associates) within the organization are Clinger-Cohen compliant. NFC will increase training opportunities on new electronic acquisition tools, including e-Offer, e-Mod, and e-Buy; enhanced training will better enable NFC personnel to provide the highest level of service possible to its customers.

Long-Term Outcome Goals

The long-term goals of the GSS portfolio reflect the wide variety in this portfolio's customers, customer interfaces, and products and services offered. Although worded differently, the long-term goals of each business line drive the portfolio to provide best-value solutions to customers while upholding the public trust and reducing operating costs.

GSA delivers timely, reliable, best-value solutions to our customers by maintaining business practices as they are prescribed in the FAR: 1) FAS provides customers with the opportunity to maximize the use of commercial products and services, 2) FAS will not use contractors who have a track record of unsuccessful past performance or who demonstrate an inability to perform; and 3) FAS promotes competition to enable customers to realize best value solutions.

GSA upholds the public trust by operating with integrity, fairness and openness. The personnel within FAS are the foundation of this goal. To achieve public trust, our workforce must be well-trained and well-versed in acquisition policies and procedures and have the taxpayer's interest in mind in all actions taken.

GSA reduces administrative operating costs across the Federal Government through efficient operations and by aggregating the purchasing of supplies and furniture and the disposal of personal property.

The long-term goals of the GSS portfolio are as follows:

1. **(Global Supply)** Provide supply chain solutions for the global needs of our customers (the Departments of Defense, Homeland Security, Agriculture, and others) by delivering dependable, reliable and timely supplies at best value.

2. **(Personal Property Management)** Provide optimal property disposal solutions for Federal agencies to maximize cost avoidance (utilization and disposal) while efficiently and effectively managing the exchange/sale of surplus property.

3. **(National Furniture Center)**

    a. Satisfy the customer in terms of cost, quality and timeliness of the delivered product or service.

    b. Minimize administrative operating expenses.

    c. Conduct business with integrity, fairness and openness.

The long-term goals of the Global Supply and Personal Property Management business lines were developed by legacy Federal Supply Service programs. The National Furniture Center has long-term goals and measures that are derived from the Federal Acquisition Regulations (FAR).

Once FAS completely implements its organizational design, annual performance goals and measures will be established that will be linked to these long-term goals to monitor the organization's progress in achieving these long-term goals. While the organization works through this transition period, it will continue to use annual goals and measures from the legacy programs that were consolidated to form the GSS Portfolio.

The specific application of these long-term goals to business lines is discussed in the following sections.

Global Supply program

Long-Term Outcome Goal: Provide supply chain solutions for the global needs of our customers (in the Departments of Defense, Homeland Security, Agriculture, and others) by delivering dependable, reliable and timely supplies at best value.

Performance Goal: Reduce Supply blended mark-up from 31% to 29% toward goal of 28%.

Performance Measure: Percentage of Supply blended mark-up.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages operating costs of Global Supply by tracking the difference between the price paid by GSA and the price charged to customer agencies for products provided (the "mark-up").

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
31.6%	32.71%	30.5%	30%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
29.5%	29%	28.5%	28%

* This measure has been updated from prior years which measured the mark-up on stocked items only. The blended mark-up is a better representation of the program's operating costs.

Performance Goal: Achieve timely delivery for customer orders.

Performance Measure: Compliance rate with DoD Time Definite Delivery (TDD) shipment processing standards.

FAS contributes to the mission of each of its customers by delivering critical supplies at the lowest cost and on time. FAS measures the timeliness of Global Supply's deliveries as the percent variance from a range of acceptable standards. Performance targets for deliveries are 10% over the variable baseline (VBL) for the given time period, as determined by the priority mix of products that are supplied to customers.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
20.5%	22.2%	10% > VBL	10% > VBL
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
10% > VBL	10% > VBL	10% > VBL	10% > VBL

* This measure replaces last year's measure for timeliness.

Performance Goal: Increase program efficiency and value to Global Supply customers by minimizing program-operating costs.

Performance Measure: Direct cost as percentage of revenue.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages the costs of providing supplies to Federal agencies by tracking the ratio of direct costs to revenue.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
10.6%	10.5%	10.4%	10.3%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
10.2%	10.1%	10.0%	9.9%

* This measure replaces "Operating cost per $100 of Business Volume", as direct cost relative to revenue provides a better gauge of operating efficiency.

Performance Goal: Increase customer satisfaction toward the 75th percentile for customer satisfaction in Government.

Performance Measure: External customer satisfaction survey score.

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. FAS regularly surveying clients in order to ensure the Global Supply program is meeting customer needs.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
77.3	80.3	80.0	78
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
78.25	78.5	78.75	79.0

Global Supply Budget Links
$ (Thousands)

Long Term Outcome Goal			FY 2006 Actual		FY 2007 Current		FY 2008 Request		Change FY07 to FY08	
Performance Goals	Performance Measure		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Provide supply chain solutions for the global needs of our customers (DOD, Homeland Security, USDA, et. al.) by delivering dependable, reliable and timely supplies at best value.										
Reduce Supply blended mark-up from 31% to 29% toward goal of 28%	Percentage of Supply blended mark-up.		32.7%	$ 54,754	30.5%	$ 60,521	30.0%	$ 61,732	-0.5%	$1,210
Achieve timely delivery for customer orders.	Compliance rate with DOD Time Definite Delivery (TDD) shipment processing standards.		22.2%	$ 54,105	10%>VBL	$ 59,890	10%>VBL	$ 61,088	-	$1,198
Increase program efficiency and value to Global Supply customers by minimizing program-operating costs.	Direct cost as percentage of revenue.		10.5%	$ 24,092	10.4%	$ 26,662	10.3%	$ 27,195	-0.1%	$ 533
Increase customer satisfaction toward the 75th percentile for customer satisfaction in government.	External customer satisfaction survey score.		80.3	$ 29,295	80.0	$ 32,077	78.0	$ 32,719	(2.0)	$ 642
		Total	-	$162,245	-	$179,150	-	$182,733	-	$3,583

Personal Property Management program

Long-Term Outcome Goal: Provide optimal property disposal solutions for Federal agencies to maximize cost avoidance, while efficiently and effectively managing the exchange/sale of surplus property.

Performance Goal: Decrease the time it takes to complete disposal action for excess property to 55 days by FY 2008.

Performance Measure: Cycle time for disposal process (days).

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on the customer agencies through fees charged. FAS measures of the number of days to dispose of a given item because it directly relates to warehousing, personnel and other operating costs incurred by GSA as part of this process.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
56	52	55	55
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
54	54	53	53

Performance Goal: Align program operating costs relative to revenue generated by the Sales Program, and strive to maximize the return on these resources.

Performance Measure: Direct cost of Sales Program as a percent of revenue.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages the costs of the Sales program by tracking the ratio of direct costs to revenue.

FY 05*Actual	FY 06 Actual	FY 07 Target	FY 08 Target
35%	47.49%	45%	44%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
43.5%	43.0%	42.5%	42.0%

* FY 2005 experienced much higher than normal sales volumes as a result of the one time sale of a large number of FEMA trailers. This resulted in a better than expected operating result in FY 2005 which was not maintained in FY 2006.

Performance Measure: Operating cost per $100 business volume.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages operating costs of the Personal Property Management program by tracking the ratio of operating costs to business volume.

FY 05*Actual	FY 06 Actual	FY 07 Target	FY 08 Target
$15.23	$18.77	$21.50	$21.00
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
$20.50	$20.00	$19.50	$19.25

* FY 2005 experienced much higher than normal sales volumes as a result of the one time sale of a large number of FEMA trailers. This resulted in a better than expected operating result in FY 2005 which was not maintained in FY 2006.

Performance Goal: Maintain a customer satisfaction score higher than the Federal Government American Customer Satisfaction Index (ACSI) reflecting customer satisfaction in Government in FY 2007 and each year thereafter.

Performance Measure: External customer satisfaction survey score.

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. FAS regularly surveys clients in order to ensure the Personal Property Management program is meeting customer needs.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
74.6	82.3	79	75.5
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
75.75	76	76.25	76.5

General Services Administration
Acquisition Services Fund

Personal Property Management Budget Links
$ (Thousands)

Long Term Outcome Goal / Performance Goals	Performance Measure	FY 2006 Actual: Actual	FY 2006 Actual: Dollars	FY 2007 Current: Target	FY 2007 Current: Dollars	FY 2008 Request: Target	FY 2008 Request: Dollars	Change FY07 to FY08: Target	Change FY07 to FY08: Dollars
Provide optimal property disposal solutions for Federal agencies to maximize cost avoidance (Utilization/Donation) while efficiently and effectively managing the exchange/sale of surplus property.									
FAS Personal Property Programs Funded through Acquisition Services Fund									
Decrease the time it takes to complete disposal action for excess property to 55 days by FY 2008.	Cycle time for disposal process (days)	52	$ 6,792	55	$ 7,755	55	$ 7,893	0	$ 138
Align program-operating costs relative to revenue generated by the Sales Program, and strive to maximize the return on these resources.	Direct cost of Sales Program as a percent of revenue.	47%	$ 1,378	45%	$ 1,548	44%	$ 1,576	-1%	$ 28
	Operating cost per $100 business volume.	$18.77	$ 1,378	$21.50	$ 1,548	$21.00	$ 1,576	$ (0.50)	$ 28
Maintain a customer satisfaction score higher than the Federal Government American Customer Satisfaction Index (ACSI) reflecting customer satisfaction in government in FY 07 and each year thereafter.	External customer satisfaction survey score.	82.3	$ 2,719	79	$ 3,205	75.5	$ 3,263	-3.5	$ 58
FAS Personal Property Utilization and Donation Program Fund 142									
Decrease the time it takes to complete disposal action for excess property from 56 days to 55 in FY 2008 and continue to reduce cycle time to 53.5 days in FY 2010.	Cycle time for disposal process (days)	52	$ 11,485	55	$ 11,860	54.5	$ 12,645	-0.5	$ 785
ASF Personal Property Programs' Operating Expenses Allocated to Measures			$ 12,267		$ 14,056		$ 14,308		$ 252
GSA Corporate Overhead and Other Costs of Operations funded through the ASF and not allocated to performance measures			$ 2,796		$ 2,895		$ 3,159		$ 264
	Operating Expense Fund 142 Appropriated Funding		$ 11,485		$ 11,860		$ 12,645		$ 785
	Operating Expense Fund 142 Reimbursable Funding		$ 1,738		$ 2,834		$ 2,913		$ 79
	Total		$ 28,286		$ 31,645		$ 33,025		$ 1,380

National Furniture Center program

Long-Term Outcome Goal: Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.

Performance Goal: Reduce the time required to award new contracts and modify existing contracts.

Performance Measure: Timeliness to award new contracts (days).

FAS is determined to minimize time-to-award for all customers. FAS ensures timely delivery of acquisition services by tracking the average number of days required to award new contracts.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
84	73.5	80	79
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
78	77	76	75

Performance Measure: Timeliness to award contract modifications to add products and services (days).

FAS is determined to minimize time-to-award for all customers. FAS ensures timely delivery of acquisition services by tracking the average number of days required to award modifications to existing contracts.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
13	18.1	12	11.75
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
11.50	11.25	11.0	10.75

Long-Term Outcome Goal: Minimize administrative operating cost.

Performance Goal: Align program operations to support efficiency of operations and reduce operating costs.

Performance Measure: Direct operating expenses as a percentage of gross margin.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages operating costs of the National Furniture Center by tracking the ratio of operating expenses to gross margin.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
51.34%	52.09%	48.20%	43.80%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
43.23%	42.67%	42.14%	41.50%

Performance Measure: Ratio of full-time equivalents (FTE) to business volume.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS measures the efficiency of the National Furniture Center by tracking the ratio of full-time equivalents to business volume.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
0.0062%	0.0056%	0.0052%	0.0047%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
0.0046%	0.0045%	0.0044%	0.0043%

Long-Term Outcome Goal: Conduct business with integrity, fairness, and openness.

Performance Goal: Enable customers to capitalize on cost savings and improved services through competition in the vendor community.

Performance Measure: Number of schedule task orders solicited using GSA e-Buy.

FAS is committed to fostering fair and equal competition. FAS tracks its progress towards this goal by measuring the proportion of completed schedule acquisitions solicited through the e-Buy website, as a percentage of total completed schedule acquisitions. e-Buy acquisitions over $2,500 give all schedule holders an opportunity to be considered, and e-Buy awards must have at least three realistic bids received for consideration.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
6,775	8,207	8,200	8,600
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
9,000	9,300	9,500	9,600

National Furniture Center Budget Links
$ (Thousands)

Long Term Outcome Goal / Performance Goals	Performance Measure	FY 2006 Actual: Actual	FY 2006 Actual: Dollars	FY 2007 Current: Target	FY 2007 Current: Dollars	FY 2008 Request: Target	FY 2008 Request: Dollars	Change FY07 to FY08: Target	Change FY07 to FY08: Dollars
Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.									
Reduce the time required to award new contracts and modify existing contracts.	Timeliness to award new contracts (days).	73.5	$ 12,363	80	$ 12,805	79	$ 12,994	-1	$ 189
	Timeliness to award contract modifications to add products and services (days).	18.1	12,363	12	$ 12,805	11.75	$ 12,994	-0.25	$ 189
Minimize administrative operating cost.									
Align program operations to support efficiency of operations and reduce operating costs.	Direct operating expenses as a percentage of gross margin.	52.09%	$ 4,215	48.20%	$ 4,080	43.80%	$ 4,145	-4.40%	$ 65
	Ratio of full-time equivalents (FTE) to business volume.	0.0056%	$ 4,215	0.0052%	$ 4,080	0.0047%	$ 4,145	-0.0005%	$ 65
Conduct business with integrity, fairness, and openness.									
Enable customers to capitalize on cost savings and improved services through competition in the vendor community.	Number of schedule task orders solicited using GSA e-Buy	8,207	$ 5,890	8,200	$ 5,928	8,600	$ 6,018	400	$ 91
	Total	-	$ 39,045	-	$ 39,697	-	$ 40,296	-	$ 599

Travel, Motor Vehicle and Card Services Portfolio

Introduction

The Travel, Motor Vehicle and Card Services (TMVCS) Portfolio provides customer agencies with a broad scope of services that include travel and relocation services, freight management, motor vehicle acquisition, fleet management and credit card services. These services were provided by the former Federal Supply Service (FSS), where they were contained in three separate business lines. Although these programs are all unique, they all operate as national programs and conduct highly leveraged buys for Government-wide use. All of these programs depend on electronic tools to interact with customers and carry out their missions, and utilize charge cards as a common acquisition channel.

The **Vehicle Acquisition and Leasing** business line provides two distinct services to the Federal Government: Vehicle Acquisition and Vehicle Leasing.

- GSA Automotive (Vehicle Acquisition) manages the acquisition of vehicles for all Federal agencies. GSA Automotive consolidates customer requirements to leverage the Government's buying power and achieve significant discounts.
- GSA Fleet (Vehicle Leasing) leases non-tactical vehicles to Federal agencies with a comprehensive "cradle to grave" program. GSA Fleet handles vehicle acquisition, maintenance and repairs, accident management, fuel expenses and resale of used vehicles within its umbrella of services.

The **Travel and Transportation** business line provides a variety of services. Travel services provided include: access to commercial travel agency and travel consulting services, negotiated airline contracts, travel card services, lodging and employee relocation services. This business line manages the electronic Travel Service (eTS), which is one of the Presidential Management Agenda initiatives for promoting electronic Government. Transportation services provided include: express package delivery, freight services and household goods moves to support the relocation of Government employees.

The **Card Services** program consolidates the management of Government-wide charge cards, and reduces Government-wide administrative expenses for this function.

Strategic Direction / Value Proposition

The TMVCS portfolio value proposition to customer agencies is outlined below.

- Support agency best management practices and accountability.
- Reduce Government management, capital expenditure and operating costs.
- Leverage the Government's purchasing power and deliver best value goods and services at the best price.
- Deliver fast and easy-to-use services through streamlined processes and provide superior customer service.
- Use customer and internal information to manage processes and programs to support continuous improvement.

PART Status

FAS (and its predecessor organizations) have worked jointly with the Office of Management and Budget (OMB) to review five components of the TMVCS portfolio Vehicle Leasing, Vehicle Acquisition, GSA Travel, GSA Transportation Management, and Card Services (SmartPay®).

OMB and GSA reviewed the **Vehicle Leasing** program during the FY 2004 PART cycle and rated the program "Moderately Effective". OMB recommended specific actions to improve the performance of the program. GSA has taken actions to improve program performance; these actions are discussed below.

OMB recommendation: More aggressively pursuing the marketing of unbundled fleet management services to Federal agencies

> GSA action: GSA Fleet hired an outside contractor to ensure a consistent message was being communicated to all GSA Fleet associates as well as customer agencies regarding the full line of unbundled fleet services. In FY 2006, GSA Fleet offered a vehicle monitoring product as an unbundled service; customers ordered over 1,000 units as part of this new offering.

OMB recommendation: Use GSA's performance management process to improve the linkages between program performance and funding needs.

> GSA action: GSA Fleet continues to work with the FAS Office of the Controller in the formulation of its operating budget on an ongoing basis. In addition to establishing the program's funding requirements Fleet also works with the Controller's Office in completing the requirements of the GSA CFO's Performance Management Process including the completion of the program's Strategic Assessment and Strategy and Action Plan all which are building blocks for the service wide external budget submission.

OMB recommendation: Commission regular, independent, outside evaluations of this program that would assess the performance of the various components of the program (e.g. maintenance management, accident control, management reporting, etc.) as well as overall performance against commercial and other fleet service providers.

> GSA action: GSA Fleet has requested the GSA Inspector General (IG) perform a formal review of Fleet's cross-service fuel certification and payment policies and procedures to validate the business processes. The IG also is currently conducting a review of the controls placed on the Fleet Services Card. The goal of this audit is to check for consistency across regional loss prevention detection programs.

OMB and GSA reviewed the **Vehicle Acquisition** program during the FY 2004 PART cycle and rated the program "Adequate". OMB recommended specific actions to improve the performance of the program. GSA has taken action to improve program performance; these actions are discussed below.

OMB recommendation: Define the relationship between resource levels and performance results.

OMB recommendation: Annually reassess targets for performance measures where actual results indicate that more aggressive targets are appropriate.

> GSA action: GSA Automotive addresses these action items through the following practices. Program measures are monitored and updated quarterly or as required. Strategic Assessment and Strategy Action Plans for the program are evaluated and updated annually. Long-term strategic goals,

annual performance goals, and performance measures were initially developed for inclusion in the FY2006 Congressional Budget and have been updated annually, as a part of the GSA Performance Management Process.

OMB recommendation: Commission regular, independent outside evaluations of the program that assess its performance against commercial and other vehicle fleet acquisition programs.

GSA action: GSA has not commissioned any outside evaluations of the Automotive program. GSA must balance the need for routine, independent operational reviews with the pressure to minimize operating costs, which are passed on to customer agencies through fees charged. GSA has prioritized PART recommendations and taken action to address those recommendations that will produce the greatest benefit for the cost incurred.

GSA Automotive is not a high-priority candidate for independent evaluation because it is a relatively low-cost program -- operating expenses are just $12 million annually – with performance against commercial benchmarks that routinely exceeds program goals. For example, the average discount realized by GSA for the seven top selling vehicles was 38.9% below the manufacturers' invoice prices in FY 2006, compared to a goal of 28%.

GSA regularly monitors performance of the Automotive program against commercial benchmarks, and will reassess the need for independent evaluations if program performance warrants.

OMB and GSA reviewed **GSA Travel** programs during the FY 2005 OMB PART cycle and rated the programs “Results Not Demonstrated”. GSA initiated a number of program improvements, and OMB improved the program’s rating to “Adequate” when it reassessed the program during the FY 2006 PART cycle. OMB recommended the following new actions to further improve program performance. GSA actions to address these recommendations are still in the planning phase and will be initiated in the coming year.

OMB recommendation: Finalize decisions on the organizational placement and management structure of the travel operational activities under the Federal Acquisition Service (FAS).

OMB recommendation: Reassess the performance measures and related data sources for each of the travel services offered by GSA to assure that the desired outcomes are being reported correctly.

OMB recommendation: Continue to work with customer agencies and vendors to increase the adoption of the E-Gov Travel Service and bring this program to a financial break-even point.

OMB and GSA reviewed **GSA Transportation Management** programs during the FY 2005 OMB PART cycle and rated the program “Results Not Demonstrated”. GSA implemented a number of program improvements, and OMB improved the program’s rating to “Moderately Effective” when it reassessed the program during the FY 2006 PART cycle. OMB recommended the following new actions to further improve program performance. GSA actions to address these recommendations are still in the planning phase and will be initiated in the coming year.

OMB recommendation: Identify organizational and other changes that will make it easier for GSA’s customers to choose and obtain “best value” transportation services to meet their needs.

OMB recommendation: Focus management attention on achieving the annual outcome and efficiency targets.

OMB recommendation: Develop data on the services and benefits provided to specific agency customer, including the types, quantities, and costs of the services and the associated savings and other benefits.

GSA and OMB reviewed the **Card Services** (SmartPay®) program for the first time during the FY 2006 OMB PART cycle and rated the program “Effective”. OMB recommended the following actions to improve program performance. GSA actions to address these recommendations are still in the planning phase and will be initiated in the coming year.

OMB recommendation: Continue to train customers in the proper use of the charge card and in the effective use of the program management tools and controls provided by GSA SmartPay®.

OMB recommendation: Work with the banks that provide charge card services to ensure that agencies are provided data on card purchases in a timely manner.

Strategies and Action Plans

GSA Automotive provides value to customer agencies by consolidating motor vehicle acquisitions across the Federal Government in order to obtain volume discounts. GSA Automotive volume purchases generate discounts exceeding this program’s long-term goal of achieving 28 percent savings for customer agencies. GSA Automotive will continue to deliver savings for the Government in FY 2008 by consolidating the vehicle purchasing power of the Federal Government.

GSA Automotive will increase the use of technology to increase program efficiency and effectiveness. GSA Automotive applies technology primarily through AutoChoice, an on-line ordering module that allows customers to choose and compare vehicle models and contract prices for many vehicle types. Some of the benefits of this system include allowing customers to view base prices as well as prices of equipment options, choose delivering dealers and place orders. AutoChoice calculates the prices for the selected vehicles and provides a price summary, including the GSA surcharge. This type of all-inclusive interface that is able to accomplish multiple tasks for customers is an integral part of business processes. Enhancements to the system will only increase the benefits that are realized by customers and will be integral to the success of the program in the future.

GSA Fleet provides value to customer agencies by providing total vehicle management services, customized to customer needs. Customers save money in the form of reduced personnel costs as GSA associates take over the management of the customers’ fleet. By shifting management of an agency’s fleet to GSA, the customer agency is able to realign its personnel to work on mission critical activities and redundancies in fleet management activities are eliminated. Savings are also generated through the economies of scale generated by the GSA Fleet program.

GSA Fleet will continue to manage operating costs to ensure that customers are receiving services at the best value to the taxpayer. GSA Fleet will balance acquisition prices against maintenance and repair costs to provide the least costly vehicle within the needs of each customer’s mission. GSA Fleet will ensure that resources are being used efficiently by staying abreast of service providers that provide optimal service and recommending customers use these providers. GSA Fleet will also monitor vendors to assure competitive pricing and quality work. GSA Fleet will enhance program efficiency through the continued monitoring of vehicle-specific transaction data to eliminate waste, fraud and abuse and working with the GSA Inspector General to prosecute fraudulent activity.

GSA Fleet has a critical role in supporting the Federal Government's Energy Policy Act (EPACT) and Executive Order 13149, which require Federal Fleets to acquire fuel-efficient and alternative-fuel vehicles (AFVs), and to use alternative fuels. It is more difficult for individual agencies to meet these environmental requirements because AFVs are more expensive than conventional vehicles and the infrastructure to support these vehicles is not in place throughout the country. GSA Fleet has assisted the Government in meeting AFV requirements through leveraged buys of AFVs reducing the acquisition costs, and financing the cost of the vehicle over the life of the lease. GSA also has concentrated the placement of AFVs to six major markets in an attempt to encourage the development of the infrastructure to support these vehicles in the private sector, through services stations as well as resale markets.

GSA Transportation Management programs will focus further implementation of the Transportation Management Services Solution (TMSS), a web-based, fully automated, end-to-end system to handle all of our customers' transportation management needs, from rate and routing through pre-pay audit, payment, post-pay audit and dispute resolution. Within the Government, there is considerable fragmentation in the transportation sector. TMSS is a valuable tool to agencies as end-to-end services may be purchased from this system, eliminating the need for independent transportation experts within multiple agencies.

GSA Transportation Management will engage customers in strategic level discussions in FY 2008 to stay abreast of future requirements and to ensure that customer needs are met going forward. This will be facilitated through open communication channels between customers and FAS. At the core of the Transportation programs will be a workforce that possess customer relationship skills, project management skills, systems knowledge and overarching knowledge of the transportation industry to support customer's needs.

GSA Travel programs provide the Federal Government the ability to leverage the Government's purchasing power through strategic sourcing of travel services, including airline and lodging programs, and travel agent and travel consulting services.

GSA Travel will focus on continuing the full deployment of the e-Gov Travel System (eTS), one of the electronic Government initiatives of the President's Management Agenda. eTS gives Federal travelers the ability to manage their travel through a common, web-based system that integrates all aspects of individual travel: Travel Planning and Cost Estimating, Travel Authorization, Reservations, Fulfillment Services, Vouchering, Reimbursement and Reporting. eTS allows Federal travelers and travel managers to operate more efficiently by eliminating manual processes, improving the accuracy of information, and simplifying authorization and approval procedures. Government travel budgeting, financing and accounting activities will be more consistent and accurate when agencies fully implement eTS. GSA Travel will ensure that eTS is the best value solution for customer agencies and all travel programs are provided in such a way that the services provided complement each other.

GSA Travel will continue to offer the Travel Services Solutions (TSS) Schedule, a comprehensive contracting vehicle that encompasses a variety of distinct commercial travel services in support of the Government's travel needs. This schedule includes, but is not limited to, travel agent services and travel consultants. Through the TSS Schedule, GSA Travel provides the Federal Government with flexible, streamlined acquisition tools to meet its travel needs, obtain quality services at the best value, reduce acquisition time and cost, meet regulatory requirements, and achieve socio-economic goals.

The GSA Card Services program, SmartPay®, will place a stronger emphasis on customer service to enhance the program's value proposition to customer agencies. Card

Services will concentrate on managing transaction data to assist customer agencies in reporting and reducing fraud, waste and abuse of charge cards. Card Services will update training of customer agencies to ensure that card usage is consistent with the most recent policies and guidance for card services programs.

Long-Term Outcome Goals:

The long-term goals of the TMVCS portfolio reflect the portfolio's primary purpose of aggregating administrative activities across the Federal Government in order to obtain bulk discounts and to reduce operating costs Government-wide. Although worded differently, the long-term goals of each business line drive the portfolio to provide best value products and services to customers while maintaining high standards of customer satisfaction and reducing operating costs.

GSA delivers best value products and services to customers by aggregating purchases across all Federal agencies in order to obtain bulk discounts and by using our unique acquisition expertise to negotiate with venders.

GSA maintains high levels of customer satisfaction by providing timely, relevant, and best-value products to our customers.

GSA reduces administrative operating costs across the Federal Government through efficient operations and by relieving the Government of the costs of duplicating independent, in-house acquisition and management services in multiple Federal agencies.

The long-term goals of the TMVCS portfolio are as follows:

1. **(GSA Fleet)** Continue to achieve leasing rates to customer agencies that offer 20% or more savings when compared to commercial rates.

2. **(Vehicle Acquisition)** Achieve acquisition cost savings for customer agencies by providing vehicles at 28% or more below manufacturers' invoice price.

3. **(GSA Travel)** Provide an end-to-end and fully integrated travel management shared service that is: 1) Policy compliant, cost-effective, and customer focused, 2) An enabler for agencies to better manage their individual travel businesses, and 3) Fulfills agency needs while delivering the best value to agencies (at discounts unattainable by individual agencies) by leveraging the Government's purchasing power via strategic sourcing.

4. **(GSA Transportation)** Provide end-to-end fully integrated management system/solutions to increase value for agency customers.

5. **(GSA Card Services (SmartPay®))**

   a. Satisfy the customer in terms of cost, quality and timeliness of the delivered product or service.

   b. Minimize administrative operating expenses.

The long-term goals of the TMVCS portfolio were developed by legacy Federal Supply Service programs. GSA Card Services (SmartPay®) has long-term goals and measures that are derived from the Federal Acquisition Regulations (FAR).

Once FAS completely implements its organizational design, annual performance goals and measures will be established that will be linked to these long-term goals to monitor the organization's progress in achieving these long-term goals. While the organization works through this transition period, it will continue to use annual goals and measures from the legacy programs that were consolidated to form the GSS Portfolio.

The specific application of these long-term goals to business lines is discussed in the following sections.

GSA Fleet program

Long-Term Outcome Goal: Continue to achieve leasing rates to customer agencies that offer 20% or more savings when compared to commercial rates.

Performance Goal: Maintain the gap between GSA Fleet rates and commercial rates at 20% or more.

Performance Measure: Percentage GSA Fleet leasing rates below commercial rates on the GSA Vehicle Leasing Schedule.

FAS provides customer agencies with significant savings by offering a better price for fleet services than a customer could obtain from commercial vendors. FAS ensures that Fleet prices are competitive by tracking the difference between GSA Fleet rates and commercial rates.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
43.13%	39.06%	= >29.25%	= >29.50%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
= >29.75%	= >30%	= >30.25%	= >30.5%

* This goal is the weighted average rates for sedans, SUVs and minivans.

Performance Measure: Program support and operational expenses per vehicle year of operation.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages the cost of providing fleet services by tracking the ratio of support and operating expenses to vehicle-years of operations.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
$508	$496	$500	$495
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
$490	$485	$484	$483

Performance Goal: Aggressively pursue consolidation opportunities to reduce overall Government expenses.

Performance Measure: Number of vehicles managed per onboard associate.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS measures efficiency of operations by tracking the ratio of vehicles managed to on-board associates in the Fleet program.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
329	352	340	345
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
350	355	356	357

Performance Goal: Maintain the Vehicle Leasing program's current level of world-class customer satisfaction in Government.

Performance Measure: External customer satisfaction survey score.

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. FAS regularly surveys clients in order to ensure the GSA Fleet program is meeting customer needs.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
85.9	84.5	83.1	83.2
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
83.4	83.5	83.6	83.7

GSA Fleet Budget Links
$ (Thousands)

Long Term Outcome Goal									
Performance Goals	Performance Measure	FY 2006 Actual		FY 2007 Current		FY 2008 Request		Change FY07 to FY08	
		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Continue to achieve leasing rates to customer agencies that offer 20% or more savings when compared to commercial rates.									
Maintain the gap between GSA Fleet rates and commercial rates at 20% or more.	Percentage GSA Fleet leasing rates below commercial rates on the GSA Vehicle Leasing Schedule.	39.1%	$ 37,346	=>29.25%	$ 39,553	=>29.50%	$ 40,344	-	$ 791
	Program support and operational expenses per vehicle year of operation.	$496	$ 18,584	$500	$ 20,361	$495	$ 20,768	($5)	$ 407
Aggressively pursue consolidation opportunities to reduce overall government expenses.	Number of vehicles managed per onboard associate.	352	$ 18,584	340	$ 20,361	345	$ 20,768	5	$ 407
Maintain the Vehicle Leasing program's current level of world-class customer satisfaction in government.	External customer satisfaction survey score.	84.5	$ 10,311	83.1	$ 10,983	83.2	$ 11,202	0.1	$ 220
	Total	-	$ 84,825	-	$ 91,258	-	$ 93,083	-	$1,825

Vehicle Acquisition program

Long-Term Outcome Goal: Achieve acquisition cost savings for customer agencies by providing vehicles at 28% or more below manufacturers' invoice price

Performance Goal: Maintain 28% or better discount from manufacturer's invoice price.

Performance Measure: Percentage discount from invoice price.

FAS provides customer agencies with significant savings by offering a better price for motor vehicles than a customer could obtain from commercial vendors. FAS ensures that automobile prices are competitive by tracking the difference between GSA price paid and the invoice price.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
40.6%	39.0%	= > 28.5%	= > 28.7%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
= > 28.9%	= > 29%	= > 29.1%	= > 29.2%

Performance Goal: Manage program resources to meet its future needs while maximizing program efficiency.

Performance Measure: Number of vehicles purchased per FTE.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS measures efficiency of operations by tracking the ratio of vehicles purchased to on-board associates in the Vehicle Acquisition program.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
1498	1676	1310	1320
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
1330	1335	1340	1345

Performance Goal: Maintain the Vehicle Acquisition program's customer satisfaction at or above the 75th percentile for customer satisfaction in Government.

Performance Measure: External customer satisfaction score.

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. FAS regularly surveys clients in order to ensure the Vehicle Acquisition program is meeting customer needs.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
79.3	77.9	80	80.1
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
80.2	80.3	80.4	80.5

Vehicle Acquisition Budget Links
$ (Thousands)

Long Term Outcome Goal									
Performance Goals	Performance Measure	FY 2006 Actual		FY 2007 Current		FY 2008 Request		Change FY07 to FY08	
		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Achieve acquisition cost savings for customer agencies by providing vehicles at 28% or more below manufacturers' invoice price									
Maintain 28% or better discount from manufacturer's invoice price.	Percentage discount from invoice price.	39.0%	$ 5,302	=>28.5%	$ 5,720	=>28.7%	$ 5,835	=>0.2%	$ 114
Manage program resources to meet its future needs while maximizing program efficiency.	Number of vehicles purchased per FTE.	1,676	$ 2,456	1,310	$ 2,729	1,320	$ 2,783	10	$ 55
Maintain the Vehicle Acquisition program's customer satisfaction at or above the 75th percentile for customer satisfaction in government.	External customer satisfaction score.	77.9	$ 1,473	80	$ 1,754	80.1	$ 1,789	0.1	$ 35
	Total	-	$ 9,231	-	$ 10,203	-	$ 10,407	-	$ 204

GSA Travel programs

Long-Term Outcome Goal: Provide an end-to-end and fully integrated travel management shared service that is: 1) Policy compliant, cost-effective, and customer focused, 2) An enabler for agencies to better manage their individual travel businesses, and 3) Fulfills Agency needs while delivering the best value to agencies (at discounts unattainable by individual agencies) by leveraging the Government's purchasing power via strategic sourcing.

Performance Goal: Reduce program-operating costs.

Performance Measure: Direct cost as a percent of revenue.*

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages operating costs of GSA Travel programs by tracking the ratio of direct costs to revenue.

FY05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
56%	37.75%**	63%	62%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
61%	60%	59%	58%

*The eTravel program is excluded at this time since the majority of the program financing comes from ASF contributions and not revenue generated by the program. Including that program would distort the measures value and relevance.

**FY 2006 results are atypical as the program realized higher than anticipated revenue from its emergency lodging schedule as a result of the use of this tool following Hurricane Katrina.

Performance Goal: Increase the program's customer satisfaction toward the 75th percentile for customer satisfaction in Government.

Performance Measure: External customer satisfaction score.

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. FAS regularly surveys clients in order to ensure that GSA Travel programs are meeting customer needs.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
73.6	75.4	75.5	75.6
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
75.8	76	76.2	76.3

Performance Goal: Provide policy compliant, consolidated and fully integrated end-to-end travel services Government-wide.

Performance Measure: Percentage of vouchers serviced through the eTS (percent of total voucher population).

FAS provides customer agencies with significant savings in travel services and related administrative costs, primarily through use of the eTS system. FAS measures the success of the eTS program as the percentage of vouchers processed is relative to the estimated total voucher population of the Federal Government.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
1%	6.7%	18.41%	45.54%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
84%	90%	90%	90%

Performance Measure: Percentage of Business Reference Model (BRM) agencies migrating to eTS.

FAS provides customer agencies with significant savings in travel services and related administrative costs, primarily through use of the eTS system. FAS measures the success of the system by tracking the percentage of BRM agencies that have implemented and deployed eTS by signing a contract with at least one of the eTS vendors. There are a total of 24 BRM agencies within the Federal Government that are covered by the Federal Enterprise Architecture (FEA) and are the intended customers of eTS.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
29.2%	54.2%	70.83%	100%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
100%	100%	100%	100%

Performance Goal: Provide programs that enable customer agencies to realize discounts off of commercially available rates.

Performance Measure: FedRooms percentage off consortia rate.

FAS provides customer agencies with significant savings by offering a better price for lodging than a customer could obtain from commercial vendors. FAS measures these savings by comparing the rates that customer agencies pay when using the GSA FedRooms program to the rates that large companies or agencies realize through volume negotiated rates (consortia).

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
Not Measured	29%	28%	27%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
26%	26%	26%	26%

Performance Measure: City Pair Program percentage off the lowest published full economy fare.

FAS provides customer agencies with significant savings by offering a better price for airfare than a customer could obtain from commercial vendors. FAS measures these savings by comparing the discount that customer agencies pay for air travel tickets when using the GSA City Pair Program to rates that customers pay if they purchased comparable airline tickets through their own methods.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
Not Measured	Not Measured	67%	67%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
66%	66%	66%	66%

General Services Administration
Acquisition Services Fund

GSA Travel Program Budget Links
$ (Thousands)

Long Term Outcome Goal / Performance Goals	Performance Measure	FY 2006 Actual: Actual	FY 2006 Actual: Dollars	FY 2007 Current: Target	FY 2007 Current: Dollars	FY 2008 Request: Target	FY 2008 Request: Dollars	Change FY07 to FY08: Target	Change FY07 to FY08: Dollars
Provide an end-to-end and fully integrated travel management shared service that is: Policy compliant, cost-effective, and customer focused. An enabler for agencies to better manage their individual travel businesses. Fulfilling Agency needs as well as delivering the best value to agencies (at discounts unattainable by individual agencies) by leveraging the government's purchasing power via strategic sourcing.									
Reduce program-operating costs.	Direct cost as a percent of revenue.	38%	$ 934	63%	$ 1,051	62%	$ 1,056	-1%	$ 6
Increase the program's customer satisfaction toward the 75th percentile for customer satisfaction in government.	External customer satisfaction score.	75.4	$ 925	75.5	$ 1,156	75.6	$ 1,171	0.1	$ 14
Provide policy compliant, consolidated and fully integrated end-to-end travel services Governmentwide.	Percentage of vouchers serviced through the eTS (percent of total voucher population).	6.70%	$ 5,699	18.41%	$ 6,339	45.54%	$ 6,300	27.13%	$ (39)
	Percentage of Business Reference Model (BRM) agencies migrating to eTS.	54.20%	$ 4,640	70.83%	$ 5,164	100%	$ 5,135	29%	$ (29)
Provide programs that enable customer agencies to realize discounts off of commercially available rates.	FedRooms percentage off consortia rate.	29%	$ 411	28%	$ 462	27%	$ 469	-1%	$ 7
	City Pair Program percentage off the lowest published full economy fare.	NA	$ 487	67%	$ 597	67%	$ 607	-	$ 10
	Total	-	$ 13,096	-	$ 14,770	-	$ 14,739	-	$ (31)

GSA Transportation programs

Long-term Outcome Goal: Provide end-to-end fully integrated management system/solutions to increase value for agency customers.

Performance Goal: Increase the program's customer satisfaction toward the 75th percentile for customer satisfaction in Government.

Performance Measure: External customer satisfaction score.

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. FAS regularly surveys clients in order to ensure that GSA Transportation programs are meeting customer needs.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
73.3	78.8	77.4	77.5
FY 09 Target	FY 10 Target	FY 11 Target	FY 11 Target
77.6	77.7	77.8	77.9

Performance Goal: Reduce program operating costs.

Performance Measure: Direct cost as a percent of revenue.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS manages operating costs of GSA Transportation programs by tracking the ratio of direct costs to revenue.

FY05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
56.3%	48%	51.5%	51%
FY 09 Target	FY 10 Target	FY 11 Target	FY 11 Target
50.5%	50%	49.5%	49%

Performance Goal: Maximize customer savings through the use of GSA Transportation programs.

FAS provides customer agencies with significant savings in a variety of transportation services. Beginning in FY 2007, FAS will track savings realized by GSA customers in three key transportation services: Freight, household goods, and domestic delivery.

Performance Measure: Freight savings.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
Not Measured	Not Measured	40.5%	41%
FY 09 Target	FY 10 Target	FY 11 Target	FY 11 Target
41.5%	42%	42.5%	43%

Performance Measure: Household goods savings.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
Not Measured	Not Measured	59%	59.5%
FY 09 Target	FY 10 Target	FY 11 Target	FY 11 Target
60%	60.5%	61%	61.5%

Performance Measure: Domestic delivery services savings.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
Not Measured	Not Measured	70%	70.5%
FY 09 Target	FY 10 Target	FY 11 Target	FY 11 Target
71%	71.5%	72%	72.5%

General Services Administration
Acquisition Services Fund

GSA Transportation Programs Budget Links
$ (Thousands)

Long Term Outcome Goal / Performance Goals	Performance Measure	FY 2006 Actual: Actual	FY 2006 Actual: Dollars	FY 2007 Current: Target	FY 2007 Current: Dollars	FY 2008 Request: Target	FY 2008 Request: Dollars	Change FY07 to FY08: Target	Change FY07 to FY08: Dollars
Provide end-to-end fully integrated management system/solutions to increase value for agency customers.									
FAS Transportation Programs Funded through Acquisition Services Fund									
Increase the program's customer satisfaction toward the 75th percentile for customer satisfaction in government.	External customer satisfaction score.	78.8	$ 728	77.4	$ 911	77.5	$ 927	0.1	$ 17
Reduce program operating costs.	Direct cost as a percent of revenue.	48.0%	$ 2,674	51.5%	$ 2,884	51.0%	$ 2,940	-0.5%	$ 56
Maximize customer savings through the use of GSA Transportation programs.	Freight savings.	NA	$ 920	40.5%	$ 1,022	41.0%	$ 1,041	0.5%	$ 19
	Household goods savings.	NA	$ 920	59.0%	$ 1,022	59.5%	$ 1,041	0.5%	$ 19
	Domestic delivery services savings.	NA	$ 920	70.0%	$ 1,022	70.5%	$ 1,041	0.5%	$ 19
FAS Transportation Audits Program Funded through Fund 130									
Incorporate automation in the audits process to ensure claims are processed in a timely manner	Percent of audits performed electronically.	92%	$ 6,316	95%	$ 7,500	95%	$ 6,900	0.0%	$ (600)
	Percent of claims processed within 120 days.	79%	$ 4,211	80%	$ 5,000	85%	$ 4,600	5.0%	$ (400)
ASF Transportation Programs' Operating Expenses Allocated to Measures			$ 6,162		$ 6,860		$ 6,989		$ 129
Miscellaneous Account Fund 130 Transportation Audits			$ 10,527		$ 12,500		$ 11,500		$ (1,000)
GSA Corporate Overhead and Other Costs of Operations funded through the ASF and not allocated to performance measures			$ 1,565		$ 1,471		$ 1,610		$ 138
Total		-	$ 18,254	-	$ 20,831	-	$ 20,099	-	$ (732)

GSA Card Services (SmartPay®) Program

Long-Term Outcome Goal: Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.

Performance Goal: Provide quality services to our customers as determined by satisfaction scores.

Performance Measure: Overall customer satisfaction of GSA SmartPay® Program.

FAS is committed to meeting customer needs and maintaining the flexibility necessary to evolve with its customers. In FY 2007, FAS will being surveying clients in order to ensure that GSA SmartPay® is meeting customer needs.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
Not Measured	Not Measured	63%	65%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
70%	75%	77%	79%

Performance Measure: GSA SmartPay® Conference satisfaction as determined by attendee survey results.

The annual GSA SmartPay® Conference serves as a major opportunity to train customer agencies in the proper use of the tools that are provided as part of the program. Approximately 4,000 customers attend this event each year.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
95%	91.2%	93%	93.5%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
94%	94.5%	94.75%	95%

Performance Goal: Provide timely information to customers as requested to meet their needs.

Performance Measure: Timeliness of report submission.

The measure is being put in place to track the timeliness of banks in providing requested reports to customer agencies and GSA in support of administering charge card programs. The targets for this measure will flat line beyond 2009 as the target is >=95%, performance beyond this point will be more costly than the benefit realized.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
Not Measured	Not Measured	>=85%	>=90%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
>=95%	>=95%	>=95%	>=95%

Long-Term Outcome Goal: Minimize administrative operating cost.

Performance Goal: Maximize program-operating efficiency.

Performance Measure: Government-wide spend per GSA SmartPay® contract administration FTE.

FAS is committed to operating efficiently and effectively, and minimizing the operating costs passed on to customer agencies through fees charged. FAS measures the efficiency of the GSA SmartPay® program by tracking the ratio of GSA associates administering the SmartPay® contract to SmartPay® business volumes.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
$4.99 billion	$5.31 billion	$5.05 billion	$5.11 billion
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
$5.14 billion	$5.15 billion	$5.16 billion	$5.17 billion

General Services Administration
Acquisition Services Fund

GSA SmartPay® (Card Services) Budget Links
$ (Thousands)

Long Term Outcome Goal			FY 2006 Actual		FY 2007 Current		FY 2008 Request		Change FY07 to FY08	
Performance Goals	Performance Measure		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Satisfy the customer in terms of cost, quality, and timeliness of the delivered product or service.										
Provide quality services to our customers as determined by satisfaction scores.	Overall customer satisfaction of GSA SmartPay® Program.		NA	$ 4,927	63%	$ 5,905	65%	$ 5,764	5%	$ (141)
	GSA SmartPay® Conference satisfaction as determined by attendee survey results.		91.2%	$ 1,057	93.0%	1,345	93.5%	$ 1,322	0.5%	$ (23)
Provide timely information to customers as requested to meet their needs.	Timeliness of report submission		NA	$ 895	>=85%	$ 1,156	>=90%	$ 1,127	>=5%	$ (29)
Minimize administrative operating cost.										
Maximize program-operating efficiency.	Government-wide spend per GSA SmartPay® contract administration FTE.		$5.31 Billion	$ 2,150	$5.05 Billion	$ 2,720	$5.11 Billion	$ 2,614	$0.06 Billion	$ (106)
	Total		-	$ 9,029	-	$ 11,126	-	$ 10,827	-	$ (300)

In addition to the four business portfolios, FAS contains two enterprise wide organizations: Customer Accounts & Research (CAR) and Acquisition Management (AM). These organizations support the operations of the business portfolios and focus on agency wide solutions for FAS customers. These are non-revenue generating national centers of excellence and are funded by the business portfolios that they support.

Customer Accounts & Research (CAR) conducts market research, customer outreach, and customer research. CAR customer outreach includes providing customers with information about the full range of acquisition solutions that FAS offers. CAR customer relationship enables FAS to understand customer requirements for acquisition services and become a strategic partner helping customers select the best value solution for their needs. The value proposition of CAR is to provide enterprise-wide representation of the value of FAS to agency customers and of the needs of agency customers to FAS.

Acquisition Management (AM) provides acquisition career management, supplier management, acquisition review and improvement, and acquisition program management. AM works cooperatively with the GSA Chief Acquisition Officer to ensure FAS compliance with GSA acquisition policies, and coordinates program reviews with the acquisition operations units in the ITS, AAS, GSS, and TMVCS portfolios. The variety of services provided by AM are unified in their purpose of supporting and promoting contract integrity and contracting excellence within FAS. The value propositions of the AM organization are as follows: 1) Ensure quality and integrity throughout the acquisition lifecycle, 2) Develop a highly competent and experienced acquisition workforce, 3) Ensure a positive customer experience through efficient, effective, and consistent processes and procedures for directing and implementing acquisition policy, and 4) Enhance vendor performance and customer satisfaction through efficient, effective, and consistent processes and procedures for managing suppliers.

General Services Administration
WORKING CAPITAL FUND

INTRODUCTION

In support of the President's Management Agenda (PMA) and government-wide management initiatives, GSA developed the following goals: provide best value for customer agencies and taxpayers, achieve responsible asset management, operate efficiently and effectively, ensure financial accountability, maintain a world-class workforce and world-class workplace, and carry out social, environmental, and other responsibilities as a Federal agency.

These goals support GSA's mission statement "We help Federal agencies better serve the public by offering, at best value, superior workplaces, expert solutions, acquisition services and management policies."

The Working Capital Fund (WCF) is a fully reimbursable revolving fund that finances the full range of administrative support services to GSA and select services to other Federal organizations. The agency-level management activities funded through the WCF include the Chief Financial Office, Chief People Office, Chief Information Office, Chief Acquisition Office, the Office of General Counsel, the Office of Small Business Utilization, the Office of Civil Rights, the Office of Performance Improvement, and the Office of Emergency Response and Recovery. The total WCF program level for Fiscal Year (FY) 2008 is estimated to be $420 million with 1,450 full-time equivalent (FTE) positions.

Centralized Administrative Support

Centralized Administrative Support (CAS) represents the largest portion of the WCF, at approximately 55% of total obligations. The CAS functions are provided to internal GSA customers and include agency-wide functions such as finance, budget and accounting support, information technology, personnel administration, acquisition policy, and legal services. Centralizing administrative support functions has enabled GSA to achieve economies of scale, reducing costs and increasing operational efficiencies, and allowed GSA's program areas to focus on and accomplish their goals.

<u>Other Reimbursable</u>

Other Reimbursable activities provide services to both GSA and non-GSA clients. Included in Other Reimbursable are Centralized Charges ($67,579 thousand), External Reimbursable ($18,772 thousand), and Enterprise Infrastructure Operations ($71,706 thousand).

<u>Major Equipment Acquisition and Development</u>

Major Equipment Acquisition and Development provides for the acquisition of computer hardware and software needed to implement the Chief Financial Officers Act (Public Law 101-576), and any other laws or regulations. FY 2008 funding will be used to complete a billing/accounts receivable module for the GSA financial system, create a data warehouse, and replace GSA's time and attendance application.

Resources and Obligations

	FY 2006 Actual	FY 2007 Budget	FY 2008 Request	FY 2007/FY 2008 Change
Resources Available for Obligation				
Operating Programs				
Centralized Administrative Support	231,552	222,124	228,862	6,738
Other Reimbursable	214,486	160,748	176,967	16,219
Major Equipment Acquisition, and Development 1/	16,351	14,515	13,950	(565)
Total Resources	462,389	397,387	419,779	22,392
Obligations				
Operating Programs				
Centralized Administrative Support	215,830	222,124	228,862	6,738
Other Reimbursable	140,339	160,748	176,967	16,219
Major Equipment Acquisition, and Development 1/	2,491	14,515	13,950	(565)
Total Obligations	358,660	397,387	419,779	22,392
Net Outlays	9,978	0	0	0-
Total Employment	1,352	1,458	1,450	(8)

1/ Includes IG and OCFO Lapsed Balances available
for obligation.

Explanation of Estimates:

The FY 2008 total request of $419,779 thousand reflects a net increase of $22,392 thousand from the adjusted FY 2007 operating program level of $397,387 thousand. The net increase of $22,392 thousand resulted from the following actions:

An increase of $27,722 thousand related to:

- $2,675 thousand for annualized pay raise;
- $1,123 thousand for operations and maintenance of equipment;
- $1,777 thousand for rent and DHS security increases;
- $3,978 thousand for Increase costs of goods and services;
- $2,860 thousand for general inflation; and
- $15,309 thousand for implementation of Chief Information Office reorganization.

A decrease of $5,330 thousand related to:

- $2,879 thousand for reduction of one-time costs to programs;
- $1,282 thousand for decrease in Centralized Charges;
- $ 604 thousand for transfer of the Office of Management Services to PBS; and
- $ 565 thousand for decrease in Financial Systems Development.

General Services Administration
WORKING CAPITAL FUND

	Centralized Administrative Support		Other Reimbursable		Major Equip Acquisition & Development	Total	
	FTE	$(000)	FTE	$(000)	$(000)	FTE	$(000)
FY 2007 Operating Program	**1,316**	**$ 244,425**	**168**	**$ 190,067**	**$ 13,250**	**1,484**	**$ 447,742**
Elimination of ECRM			(6)	(18,351)	-	(6)	(18,351)
Enterprise Infrastructure		(6,585)		(8,100)			(14,685)
Consolidation/decrease in contractural services	(14)	(12,738)		-		(14)	(12,738)
Reduction of CFO/PBS/FAS MOU	(15)	(5,600)				(15)	(5,600)
Program growth for IT Support and Maintenance		2,075		(3,802)			(1,727)
Decrease in projected Other Reimbursable				(766)			(766)
Financial Systems Development				-	1,265		1,265
Net changes to Centralized Charges			8	1,700		8	1,700
Implementation of Student Loan Repayment Program		400					400
Tele-productions FTE transfer	1	147				1	147
Adjusted FY 2007 Operating Program	**1,288**	**$ 222,124**	**170**	**$ 160,748**	**$ 14,515**	**1,458**	**$ 397,387**
Pay Raise, annualized		2,375		300			2,675
Operations and maintenance of equipment		1,123		-			1,123
Rent and Department of Homeland Security increases		1,577		200			1,777
Increase costs of goods and services		3,978		-			3,978
General inflation		1,168		1,692			2,860
Implementation of Chief Information Office reorganization				15,309			15,309
Reduction for one-time costs to programs		(2,879)					(2,879)
Reduction in Centralized Charges				(1,282)			(1,282)
Transfer of the Office of Management Services to PBS	(8)	(604)				(8)	(604)
Decrease in Financial Systems Development					(565)		(565)
Fiscal Year 2008 Total Request	**1,280**	**$ 228,862**	**170**	**$ 176,967**	**$ 13,950**	**1,450**	**$ 419,779**

General Services Administration
WORKING CAPITAL FUND

OBLIGATIONS BY OBJECT CLASS
$(Thousands)

		FY 2006 Actual	FY 2007 Budget	FY 2008 Request
	Personnel Compensation:			
11.1	Full-time permanent	107,691	114,137	130,088
11.3	Other than full-time permanent	349	0	351
11.5	Other personnel compensation	4,572	4,788	5,426
11.8	Special personal services payment	100	243	45
12.1	Civilian personnel benefits	40,734	40,787	45,077
13.0	Benefits for former personnel	1,284	948	983
21.0	Travel and transportation of persons	3,548	4,084	4,156
22.0	Transportation of things	224	22	25
23.1	Rental payments to GSA	13,963	14,403	16,263
23.2	Rental payments to other	57	110	542
23.3	Communications, utilities and miscellaneous charges	23,895	25,483	25,684
24.0	Printing and reproduction	1,507	1,730	1,731
25.1	Advisory and assistance services	83,373	118,676	112,438
25.2	Other services	94	2,182	2,201
25.3	Purchases of goods and services from Government Accounts	57,984	47,522	52,288
25.4	Operation & maintenance of facilities	0	108	111
25.7	Operation & maintenance of equipment	2,597	4,669	5,921
26.0	Supplies and materials	1,211	1,268	1,486
31.0	Equipment	15,477	16,227	14,963
99.0	**Total Working Capital Fund**	**358,660**	**397,387**	**419,779**

STRATEGIC ASSESSMENT

The strategic directions presented focus on initiatives for improving services, including technological innovations, to meet the needs of both internal and external customers and achieving the criteria for success under the President's Management Agenda.

Chief Financial Officer (CFO)

The Office of the GSA Chief Financial Officer (OCFO) serves as a provider of "corporate" shared services and full service financial management for all of GSA and more than 40 external customers. To provide professional financial management services, guidance, and innovative solutions to our customers, our mission directly supports GSA's mission by providing high quality financial management services including strategic planning; budget, and performance management; labor forecasting and distribution; financial analysis; financial operations (accounts payable, accounts receivable, cost allocation, asset management, and payroll); financial reporting; internal controls; and audit follow-up.

The Performance Management Process (PMP) institutionalized performance-based budgeting at GSA, thereby enabling leaders to identify Business Line/Program areas requiring performance improvement; develop strategy and action plans, performance goals, and measures to initiate and track the improvement; and execute the strategies at the operational level to achieve desired results. This process has reinforced and strengthened discussion among senior managers throughout the year about planning, budget prioritization, and performance results.

The OCFO has developed a long-term goal to deliver timely and accurate financial and performance management policies and services needed for management decision-making and financial reporting. To accomplish the long-term goal, the following seven key supporting objectives will be emphasized:

(1) Provide executive direction for financial systems life cycle analysis, including implementation of e-Travel services application, Cost Allocation module, and Asset Management module; replacement of National Electronic Accounting and Reporting (NEAR) system including accounts receivable, billings and collections; and development of GSA's financial management data warehouse including Performance Measurement Toot (PMT), and executive and managerial reporting;

(2) Provide executive direction for establishing and revising GSA's financial policies/guidance, in particular, establishing revised policy direction for OMB Circular A-123, "Management's Responsibilities for Internal Controls;"

(3) Refine and identify processes to improve the overall Performance Management Process;

(4) Refine human capital strategy for the financial management workforce;

(5) Provide strategic direction of management control policies and procedures, including direction to ensure new FAS organization stand-up of management controls policies, procedures, documentation and testing;

(6) Provide strategic direction for the E-Gov Financial Management Line of Business (FMLOB) activities; and

(7) Provide strategic business and financial advice to advance quality of management decision making and financial analysis and reporting.

Strategies

During FY 2007 and into FY 2008, the OCFO has a variety of initiatives, both financial and systems, to position GSA as a provider of professional financial services, including guidance and innovative solutions for our customers. All of the efforts conducted during FY 2007 will lay the foundation for the FY 2008 activities and improve upon our vision as a shared service provider designated under OMB's Financial Management Line of Business E-Gov program.

GSA's OCFO regained a clean opinion for the FY 2006 financial audit. OCFO has initiatives currently underway to improve upon our management and implementation of financial policy compliance and internal controls. OCFO has fully implemented OMB Circular A-123, "Management Responsibilities for Internal Control" and will continue to document, assess, test and report on internal controls over financial reporting. OCFO continues to review and revise financial policies to ensure that we have the appropriate policies in place for the financial and contract staff at GSA. Further, OCFO continues to address improvement in internal control processes and financial analysis.

Financial Management Systems

Over the next two and half years, OCFO will undertake systems upgrades or implementation of new modules in support of the Pegasys systems applications. OCFO continues to refine and revise its financial systems architecture. We anticipate that by FY 2008, we will need another system update to address emerging requirements from OMB and the E-Gov office. In addition, we continue to manage emerging requirements for systems IT security and quality assurance. Financial systems initiatives underway or planned:

- We have integrated the Performance Measurement Tool (PMT) and the Activity Based Costing (ABC) as tools which will accurately assess "actual to targeted" and allocate support costs to assist GSA in achieving the objective of linking performance to budget to ensure GSA achieves the objectives of the President Management Agenda (PMA). We will also migrate all financial reporting to the Business Objects software and establish a single GSA Financial Data Warehouse. This will contain, consolidate and integrate reporting information from legacy, production and feeder financial systems with focus on GSA-wide financial and business reports and financial data and support the CFO's vision of "good data in the system all the time" by creating a single reporting entity.

- In FY 2008, the OCFO will develop and implement new/update information technology (IT) systems, software and hardware (i.e., cost allocation module, data warehouse, asset management module and replacement of NEAR) that will align GSA and CFO goals.

- During FY 2007, the OCFO implemented a cost allocation module. This subsystem will provide agencies with a tool to distribute centrally charged costs or centrally collected revenues to the objects that benefit from or drive the particular cost or revenue. This distribution process will allow managers to facilitate cost management reporting or for financial management purposes, to transfer costs or revenues to the benefiting entity.

- In FY 2006, OCFO completed business requirements identification and development for an Asset Management Module that will consolidate the accounting for all GSA's funds and client services property, plant, and equipment into one consolidated Asset Accounting Subsystem in Pegasys. OCFO will then develop a business case for asset management investment and determine an implementation strategy. In FY 2007, the OCFO will implement the new asset management module. Replacement of the asset management module is the first step to replacing the NEAR legacy application.

- During FY 2007, OCFO will complete business requirements identification and development for the "NEAR legacy replacement." This replacement will be a significant and high-risk conversion to a yet to be determined solution for all of GSA's accounts receivable, billing and collections. The plan is to replace and implement all NEAR applications with modules and sub-applications predicated on business process reengineering. This will provide an efficient and effective way to collect GSA revenues and streamline operations by consolidating, storing, and processing financial data under a single platform.

Long-Term Outcome Goal:

Deliver timely and accurate financial and performance management policies and services needed for management decision-making and financial reporting.
Performance Goal: Increase the percentage of vendor invoices received electronically by Electronic Data Interchange (EDI) or through the Internet.

Performance Measure: Percent of invoices received electronically.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
64%	71%	80%	80%
FY 09 Target	**FY 10 Target**	**FY 11 Target**	**FY 12 Target**
85%	90%	95%	95%

Financial Management Line of Business

The Office of Management and Budget (OMB) approved GSA to be a provider of financial management services to other Federal agencies. The Financial Management Line of Business (FM LOB) program utilizes Centers of Excellence (COEs) to provide information technology hosting, while leveraging Government-wide standardized business processes. These COEs will consist of a combination of Federal Agencies and/or private sector contractors supporting a FSIO-compliant (Financial Systems Integrity Office) financial management solution. The COE will be engaged in tasks such as project management, system migration, system implementation, change management, training, independent validation and verification, certification & accreditation testing, help desk, and other functions. COEs may offer additional value-added services to agencies, such as core financial operations support, and/or hosting and processing for subsidiary systems such as procurement, fixed asset management, real property, fleet management, and investment management.

The selection by OMB of GSA OCFO to be a FM LOB COE supports the overall GSA mission and OCFO mission to provide both internal and external customers with high quality, best value financial products, services, and support. GSA will serve as the manager of a private/public partnership providing IT hosting of GSA's FSIO-certified core financial system, while adopting and leveraging Government-wide standardized business processes and data. In addition, GSA has the capability to offer additional value-added services to agencies, beyond just core financial operations support, and is developing an agile business model that will meet our Federal customers' needs.

Comprehensive planning and "standing up" a COE within the GSA OCFO occurred during FY 2006 time frame. Concurrent and coordinated with the planning and execution work related to becoming a COE, the GSA OCFO will complete the integration of its core financial system by defining and implementing the solutions for cost allocation, asset management, accounts receivable, as well as robust data warehousing and business intelligence functionality. Since GSA is partnering with the private sector to provide IT hosting and support, time to "scale up" is minimized and significant Government capital costs outlays are avoided. During FY 2007, GSA will continue to implement financial management services for new small agencies and prepare to enter into agreements and begin migration planning with larger client agencies.

Chief Human Capital Officer (CHCO) (formerly Chief People Officer (CPO)

On October 1, 2006, the CPO was officially renamed the Office of the Chief Human Capital Officer (CHCO).

The Office of the Chief Human Capital Officer's (CHCO's) mission is to contribute to GSA's business success by providing human capital management strategies, policies, advice, information, services, and solutions consistent with merit system principles. In order to remain focused on this mission, the CHCO will continue to lead the implementation of the Strategic Management of Human Capital on the President's Management Agenda (PMA) and the achievement of specific PMA Scorecard objectives, as well as other agency-specific objectives in GSA's Human Capital Strategic Plan (HCSP). During FY 2007, these efforts will include the successful establishment of the Federal Acquisition Service, support to the various initiatives of the President's Management Agenda, and focus on GSA's performance culture through continued enhancement of the Associate Performance Plan and Appraisal System (APPAS) and the Associate Performance Recognition System (APRS) for all employees. The CHCO will continue to modernize recruitment programs to help GSA develop/acquire the needed skills identified in organization specific human capital strategies through Business Process Reengineering efforts. In addition, the CHCO will provide placement and outplacement programs for GSA organizations that are undergoing "workforce transitions" as part of reorganization, downsizing, competitive sourcing, or direct outsourcing.

Internally, the CHCO will continue to transform its business processes across Central Office and Regional HR offices to improve internal efficiency and service to customers. The CHCO will continue to refocus/re-skill its own workforce to provide human capital solutions to meet customer needs by implementing its own human capital strategy.

Depending on the availability of funds, the CHCO will implement the information technology strategy and priorities established in previous years, and make adjustments based upon changes in customer needs, the external environment, and the Federal HR Line of Business (LOB) environment. Some e-HR initiatives (E-Payroll, GoLearn, Recruitment One Stop, and e-Clearance) have fairly clear project plans and are already in the implementation stage.

Strategies

The goal of the CHCO is to move from a reactive organization to one that is more focused on providing human capital solutions to ensure GSA business success. The CHCO Business Model includes understanding its customer's business, determining workforce needs based on business requirements, conducting workforce analyses, developing organization-specific and corporate human capital solutions, and ensuring that GSA has the talent to successfully accomplish its mission. Much of the day-to-day transaction work will be accomplished through improved business processes and technology solutions.

Through the continued implementation and refinement of its own human capital strategies, the CHCO will continue to refocus its workforce to provide human capital solutions to meet customers' needs. The CHCO will continue to enhance its training, recruitment, placement, and outplacement programs to help GSA acquire and develop the needed skills and talent identified in human capital programs. Also, the CHCO will determine best value solutions for GSA on human capital information management systems. The CHCO will continue to transform business processes across all Central Office and Regional Human Resources Offices to improve internal efficiency and services to customers and, at the same time, continue to improve the accuracy and availability of information needed in the strategic management of human capital.

Long-Term Outcome Goal:

Develop and deliver human capital programs, policies and services that promote GSA's strategic management of human capital, in order to enhance GSA's capability to achieve its mission, strategic goals, and performance outcomes.

Performance Goal: Enhance ability to attract talent to GSA.

Performance Measure: Number of days to fill a vacancy.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
26.3 days	30.1 days	45 days	45 days *
FY 09 Target	**FY 10 Target**	**FY 11 Target**	**FY 12 Target**
45 days	45 days	45 days	45 days

***Note: This target is set by Office of Personnel Management and is subject to change in FY 2008 and beyond.**

Performance Goal: Enhance performance culture by the successful implementation for all employees of associate performance plans that are linked to the Performance Management Process.

Performance Measure: Percentage of employees that have individual performance plans and receive ratings at end of rating cycle.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
95%	96%	95%	95%
FY 09 Target	**FY 10 Target**	**FY 11 Target**	**FY 12 Target**
95%	95%	95%	95%

Chief Information Officer (CIO)

The mission of the Office of the Chief Information Officer (OCIO) is to provide high quality, enterprise IT services and solutions at best value by leveraging IT resources to support

GSA business needs and electronic government. OCIO provides six major services to GSA and its external customers. They are: 1) Enterprise-wide IT infrastructure services, 2) IT portfolio management (Capital Planning and Investment Control), 3) Management of IT security programs, 4) Enterprise architecture linking business to IT, 5) IT leadership, and 6) Integration and Alignment of E-Gov and Line of Business initiatives. These services are provided through two major business lines: IT Direction and Management, and Enterprise Infrastructure Operations (EIO).

The Office of the Chief Information Officer (OCIO) developed a GSA IT Strategic Plan to guide the agency's IT effort over the next five years. OCIO is focused on maintaining the One-GSA Enterprise Architecture and developing a configuration management system to capitalize on prior fiscal year investments. The OCIO needs to improve the execution of information technology portfolio management to ensure that it continually meets the standards for Earned Value Management Systems.

Strategies

IT Direction and Management Support

GSA has established the initial One GSA Enterprise Architecture (EA) as a strategic asset in support of capital planning and investment control, business performance planning and monitoring, and systems engineering and integration across the GSA enterprise. The EA will define the business activities supporting GSA's mission, the information necessary to perform these activities, and the technologies that support them. Near term focus is on adding performance measures and security to the architecture. The long-term outcome goal of EA is to develop, maintain, and manage the execution of the "Business Modernization Blueprint" to capture the full project lifecycle.

Investment evaluation and control will consist of systematic management of the Agency's IT investment portfolio. It will be founded upon the use of an Earned Value Management System for all development, modernization, or enhancement, and the use of an operational analysis for all steady state projects.

The OCIO currently provides program management support for GSA's E-Government initiatives approved by the President's Management Council. OCIO, in conjunction with OMB, has developed an E-Gov implementation plan to ensure that GSA investments properly align with the appropriate eGov initiatives. Future activity will focus on the execution of the approved E-Gov implementation plan.

<u>**Long-Term Outcome Goal:**</u>

Ensure that GSA's information technology investments increase Federal productivity, customer satisfaction, and legal compliance.

Performance Goal: Provide a secure IT environment

Performance Measure: Percentage of IT systems that have a current certification and accreditation.

FY 05 Actual	**FY 06 Actual**	**FY 07 Target**	**FY 08 Target**
100%	100%	100%	100%
FY 09 Target	**FY 10 Target**	**FY 11 Target**	**FY 12 Target**
100%	100%	100%	100%

Performance Goal: Obtain a high rating of major IT initiatives by OMB for Enterprise Architecture – FY 05 Exhibit 300 Submission.

Performance Measure: Percentage of major IT initiatives rated highly by OMB for Enterprise Architecture – FY 05 Exhibit 300 Submission.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
100%	100%	100%	100%
FY 09 Target	**FY 10 Target**	**FY 11 Target**	**FY 12 Target**
100%	100%	100%	100%

Enterprise Infrastructure Operations (EIO)

EIO, which is funded under the “Other Reimbursable” activity ($71,706 thousand), is critical to the efficient operation of all GSA systems and, in some instances, is vital to interfacing individual programs/projects with GSA's enterprise systems. EIO is an Agency-wide utility supporting the business lines. It comprises the telecommunications foundation of the Agency, supporting local area networks, client facilities and the public Internet. It holds a unique place in service to Agency missions because it is the "glue" which unifies all IT communications and processing related to GSA and customer business lines. The management, operation and maintenance of EIO is a critical component in the achievement of the OCIO long-term outcome goal. Continued emphasis will be in the areas of standards compliance, improved IT security posture, and increased associate productivity. Key initiatives targeted for FY 2008 are:

- Make the GSA IT Infrastructure IPv6 capable.
- Implement Voice over Internet Protocol (VoIP).
- Continue to use commercially benchmarked metrics GSA-wide.
- Continue to manage and maintain the GSA Directory Services Program.
- Continue to manage the GSA IT Infrastructure in a shared services fashion.
- Begin targeted server and storage consolidations.

Operational efficiencies will be gained through targeted consolidations and by adopting the tenets of service level management. EIO will become a more customer centric, shared services entity.

Coordination is paramount between OCIO and all Services, Staff Offices, and Regions to ensure that information technology requirements are collected and acted upon in a coordinated, consolidated fashion for the effective and efficient delivery of IT services to GSA.

EIO will be required to contract for additional subject matter experts, operations, testing and implementation resources, to work in conjunction with the OCIO staff on this strategic investment initiative. In addition, there will be a need for new hardware and software acquisitions. Contractor support is needed to accomplish these actions.

Other Centralized Administrative Support Offices

The **Office of General Counsel (OGC)** provides sound and timely legal support to GSA's programs in areas such as contracting, information technology, travel and transportation, E-Government initiatives, disposal of government property, bankruptcy, real estate, construction, historic preservation, leasing, environmental issues, telecommunications, litigation, personnel and labor relations, equal employment opportunity (EEO), appropriations, finance, the Freedom of Information Act, the Privacy Act, and the Federal Advisory Committee Act. OGC also supports GSA's responses to Congressional inquiries, develops and manages GSA's ethics program and supports the agency's alternative dispute resolution efforts.

The **Office of Small Business Utilization (OSBU)** has nationwide responsibility for GSA’s small business programs. OSBU focuses on programs, policy and outreach to the small business community and is GSA’s advocate for small business. The mission of the OSBU is to promote and facilitate programs and activities that provide “Access to Opportunity” to small, small disadvantaged, women-owned, HUBZone certified, and service-disabled veteran-owned businesses in GSA contracting nationwide. The OSBU is the lead office for a nationwide network of regional Small Business Utilization Centers (SBUC). The SBUCs provide information, assistance, and counseling to private sector concerns seeking to do business with the Government.

In FY 2005, GSA’s contracts with small businesses totaled more than $4.3 billion including $269 million for women-owned small businesses, $468.7 million for minority-owned small businesses, $176.4 million for HUBZone small businesses, and $52.2 million for Service-Disabled Veteran-Owned small businesses.

The **Office of Civil Rights (OCR)** and regional counterparts are responsible for implementing both the internal and external Civil Rights Programs at GSA. The internal civil rights program ensures equal employment opportunity for all GSA associates and applicants for employment on the basis of sex, race, color, national origin, religion, disability, age (40 and over), and retaliation for protected EEO activity. The internal civil rights program processes EEO complaints of discrimination pursuant to 29 C.F.R. Part 1614. The external civil rights program ensures nondiscrimination on the basis of race, color, sex, age (40 and over), national origin, and disability by recipients of GSA’s Federal Financial Assistance and Federally Conducted Programs. Both the internal and external civil rights programs have enforcement and prevention as the cornerstones of their programs.

The **Office of Performance Improvement (OPI)** tracks and analyzes GSA agency-wide performance by monitoring Service and Staff Office performance measures and also identifies and directs GSA’s performance improvement planning initiatives by ensuring that there is a robust and rigorous process in place to identify, develop, and execute changes necessary to achieve performance improvements. OPI directs and oversees the competitive sourcing process. Also, OPI is responsible for facilitating the successful implementation of the six management agenda items included in the President's Management Agenda (PMA) and ensures PMA goals and milestones are met by providing technical and analytical performance measurement advice and counsel to GSA's decision makers.

The **Office of Emergency Response and Recovery (OERR)** is responsible for the GSA Nationwide Continuity of Operations Program (COOP) and the GSA Interagency Emergency Response Program. OERR sets nationwide GSA Emergency Management policies, procedures, and guidance for COOP and Emergency Response activities. These policies and procedures guide GSA’s role in implementing Emergency Support Function #7 of the National Response Plan and GSA’s provision of COOP Training to other Government

Agencies. OERR is funded from Policy and Operations as well as the Working Capital Fund.

In addition to its government-wide policy role discussed under the Policy and Operations account, the **Office of the Chief Acquisition Officer (OCAO)** has agency-wide responsibility for planning, directing, and controlling functions that affect all GSA contracting activities. It is responsible for establishing and maintaining GSA's acquisition policies, regulations, guidance and procedures through issuance of the General Services Acquisition Manual and other policy documents. It establishes and monitors GSA's contracting activities to ensure compliance with applicable statutes, regulations and directives; and performance measures for GSA's acquisition system. It conducts procurement management reviews of buying activities, and also determines non-Federal entities' eligibility to use GSA sources of supply. It performs the debarment and suspension functions, the agency protest function, the agency ombudsmen function and serves as the Head of Contracting Activity for GSA. OCAO conducts annual Procurement Management Reviews to monitor and review GSA's Regional Office contractual and other procurement activities to ensure compliance with applicable procurement statutes, regulations and directives.

In addition to its acquisition policy mission, OCAO has both government-wide and GSA-wide responsibility for ensuring that the Acquisition Workforce is adequately trained, and meets educational qualification standards. OCAO manages the Federal Acquisition Institute and the GSA Acquisition Workforce Development programs, and establishes and administers programs such as the Contracting Officer Warrant Program and 1102 Occupational Certification Program to support this important mission.

GSA's **Regional Acquisition Management (RAM)** staffs are located in the GSA Regional Offices and are responsible for monitoring and reviewing GSA Regional Office contractual and other procurement activities to ensure compliance with applicable procurement statutes, regulations and directives in conjunction with the Office of the Chief Acquisition Officer.

General Services Administration
EXPENSES OF TRANSPORTATION AUDIT CONTRACTS AND CONTRACT ADMINISTRATION

Introduction

The Transportation Audits program is a mandatory function which recovers overpayments to carriers for Government moves under rate and service agreements that are established by GSA or by other Federal agency traffic managers. Program expenses are financed from overcharges collected from carriers as a result of post-payment audits that compare the rates charged by the carriers to the rates agreed upon. This account is a permanent, indefinite appropriation that does not require annual Congressional action.

In 2006, $12 million of carrier overcharges were collected, and $1 million was returned to the U.S. Treasury, resulting in net receipts of $11 million.

Explanation of Changes

The FY 2008 Budget requests $1,000,000 less than the FY 2007 operating level. The FY 2008 request includes $1,310,000 in savings resulting from increased use of automation in the audit process. Electronic audits as a percentage of total audits continues to climb and is approaching our target of 95%. Process improvements made possible by new technology have reduced contract costs, resulting in permanent cost savings to the Government and the American taxpayer.

Explanation of Changes Obligations ($Thousands)	
FY 2007 Program Level...	**12,500**
Efficiency Savings...	-1,310
Pay Raise, January 2008...	+162
Inflation...	+133
Rent Increase...	+15
FY 2008 Budget Request...	**11,500**

EXPENSES OF TRANSPORTATION AUDIT CONTRACTS AND CONTRACT ADMINISTRATION
($Thousands)

	FY 2006 Actual	FY 2007 Estimate	FY 2008 Request	FY 2007/2008 Change
DIRECT PROGRAM:				
Budget Authority (BA)	14,985	12,500	11,500	-1,000
Obligations:				
Audit contracts	2,014	2,391	2,200	-191
Contract administration	8,513	10,109	9,300	-809
TOTAL DIRECT (Obligations)	10,527	12,500	11,500	-1,000
REIMBURSABLE PROGRAM:				
Audit contracts	0	0	0	0
Contract Administration	0	0	0	0
TOTAL REIMBURSABLE	0	0	0	0
NET OUTLAYS	10,527	12,500	11,500	-1,000
EMPLOYMENT (FTE):				
Direct	53	61	61	0
Reimbursable	0	0	0	0

EXPENSES OF TRANSPORTATION AUDIT CONTRACTS AND CONTRACT ADMINISTRATION
Obligations by Object Class
($Thousands)

		FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
	Personnel Compensation:			
11.1	Full-time permanent	4,056	4,400	4,000
11.5	Other personnel compensation	150	192	170
11.9	Total personnel compensation	4,206	4,592	4,170
12.1	Civilian personnel benefits	779	800	750
21.0	Travel and transportation of persons	70	68	68
23.1	Rental payments to GSA	704	698	713
23.3	Communications, utilities, and misc. charges	20	43	44
24.0	Printing and reproduction	1	44	45
25.2	Other services	2,509	3,308	3,158
25.3	Purchases of goods/svcs from Gvmt. accounts	2,191	2,806	2,412
26.0	Supplies and materials	48	118	117
31.0	Equipment	0	23	23
99.0	Subtotal, direct obligations	10,527	12,500	11,500
99.0	Reimbursable obligations	0	0	0
99.0	Total Obligations	10,527	12,500	11,500

Strategic Assessment

The Transportation Audits program is a mandatory transportation audit function which recovers overpayments to carriers for Government moves under rate and service agreements that are established by GSA or by other Federal agency traffic managers. The transportation audit function business strategies include the development of a web-based, fully automated, end-to-end system to handle all customers' transportation management needs, from rating and routing through pre-pay and post-pay audit as well as dispute resolution. This account is a permanent, indefinite appropriation that does not require annual Congressional action. Business operations in this program still contain some manual processes and those that are automated are being realigned to promote program efficiency.

The Transportation Audits program is managed by the Federal Acquisition Service (FAS), as a part of GSA Transportation Management programs. Transportation Audits shares the long-term goals of GSA Transportation Management programs, and was evaluated with these programs in the FY 2005 OMB PART process.

Program Assessment Rating Tool (PART) Review

This program was reviewed during the FY 2005 OMB PART cycle as part of the Federal Acquisition Service (FAS) Transportation Program and was rated Results Not Demonstrated (RND). The program was reassessed during the FY 2006 OMB PART cycle and received a score of "Moderately Effective". OMB recommended the following actions to improve program performance.

- Identify organizational and other changes that will make it easier for GSA's customers to choose and obtain "best value" transportation services to meet their needs.
- Focus management attention on achieving the annual outcome and efficiency targets.
- Develop data on the services and benefits provided to specific agency customer, including the types, quantities, and costs of the services and the associated savings and other benefits.

The Transportation program will address these action items in the coming years.

Strategy and Action Plans

Strategies adopted by the program include GSA working with agency payment offices, carriers and audit contractors to increase the number of electronic audits. This will help in achieving shorter cycle times for handling protests and claims. Currently, the benchmark to resolve protests and claims is approximately six months. Through converting to electronic audits and upgrading systems' capabilities, the timeframe will be reduced significantly as it will be possible to generate monthly reports to monitor the handling of claims and expedite the resolution of outstanding claims. The incorporation of improved technology into the business processes will not only create efficiencies in the time to complete an audit but will also allow for more intensive program management of current operating procedures that will lead to procedural improvements.

These strategies and key actions will help the Transportation Audits program improve its operating efficiency and save agencies money through prepayment audits and the recovery of funds from overpayment through post-payment audits. The funds recovered through post-payment audits in excess of expenses are returned to the U.S. Treasury, benefiting the taxpayer.

Long-Term Outcome Goal: Provide an end-to-end fully integrated management system/solutions to increase value for agency customers.

This goal is intended to focus on improving operations and efficiency that will in turn generate savings for the taxpayers in FY 2008 and in the out-years.

Performance Goal: Incorporate automation in the audits process to ensure claims are processed in a timely manner.

This goal focuses on increasing the number of audits that are conducted electronically. The achievement of this goal requires the incorporation of automated process improvements and the adoption of technology. Two performance measures will be used to monitor the success of this goal, these measures are discussed below.

Performance Measure: Percent of audits performed electronically.

This measure will track the number of audits that are performed electronically relative to the entire population of audits that are conducted through manual processes. Increases in the percent of audits performed electronically of all audits performed by the Transportation Audits program will indicate the success of this goal.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
94%	92.4%	96.5%	97%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
95%	95%	95%	95%

Performance Measure: Percent of claims processed within 120 days.

This measure will track the number of claims processed within 120 days relative to the total number of claims processed. Increases in the number of claims processed within 120 days will indicate the success of this goal.

FY 05 Actual	FY 06 Actual	FY 07 Target	FY 08 Target
69.3%	79%	80%	85%
FY 09 Target	FY 10 Target	FY 11 Target	FY 12 Target
85%	85%	90%	91%

General Services Administration
EXPENSES OF TRANSPORTATION AUDIT CONTRACTS AND CONTRACT ADMINISTRATION

GSA Transportation Programs Budget Links
$ (Thousands)

Long Term Outcome Goal									
Performance Goals	Performance Measure	FY 2006 Actual		FY 2007 Current		FY 2008 Request		Change FY07 to FY08	
		Actual	Dollars	Target	Dollars	Target	Dollars	Target	Dollars
Provide end-to-end fully integrated management system/solutions to increase value for agency customers.									
FAS Transportation Programs Funded through Acquisition Services Fund									
Increase the program's customer satisfaction toward the 75th percentile for customer satisfaction in government.	External customer satisfaction score.	78.8	$ 728	77.4	$ 911	77.5	$ 927	0.1	$ 17
Reduce program operating costs.	Direct cost as a percent of revenue.	48.0%	$ 2,674	51.5%	$ 2,884	51.0%	$ 2,940	-0.5%	$ 56
Maximize customer savings through the use of GSA Transportation programs.	Freight savings.	NA	$ 920	40.5%	$ 1,022	41.0%	$ 1,041	0.5%	$ 19
	Household goods savings.	NA	$ 920	59.0%	$ 1,022	59.5%	$ 1,041	0.5%	$ 19
	Domestic delivery services savings.	NA	$ 920	70.0%	$ 1,022	70.5%	$ 1,041	0.5%	$ 19
FAS Transportation Audits Program Funded through Fund 130									
Incorporate automation in the audits process to ensure claims are processed in a timely manner	Percent of audits performed electronically.	92%	$ 6,316	95%	$ 7,500	95%	$ 6,900	0.0%	$ (600)
	Percent of claims processed within 120 days.	79%	$ 4,211	80%	$ 5,000	85%	$ 4,600	5.0%	$ (400)
	ASF Transportation Programs' Operating Expenses Allocated to Measures		$ 6,162		$ 6,860		$ 6,989		$ 129
	Miscellaneous Account Fund 130 Transportation Audits		$ 10,527		$ 12,500		$ 11,500		$ (1,000)
	ASF Funding not allocated to performance measures		$ 1,565		$ 1,471		$ 1,610		$ 138
	Total	-	$ 18,254	-	$ 20,831	-	$ 20,099	-	$ (732)

INTRODUCTION

The Acquisition Workforce Training Fund was authorized by the Services Acquisition Reform Act of 2003 (SARA), Title XIV of the National Defense Authorization Act for Fiscal Year 2004 (P.L. 108-136) signed into law on November 24, 2003. Section 1412 of SARA amended section 37 of the Office of Federal Procurement Policy Act to establish the Acquisition Workforce Training Fund within GSA. The fund was created to ensure that the Government's non-defense acquisition workforce has sufficient training resources to adapt to the changing nature of Federal Government acquisition.

GSA, under direct oversight of the OMB Office of Federal Procurement Policy (OFPP), manages the fund through the Federal Acquisition Institute to develop training resources for the acquisition workforce of all executive agencies, except the Department of Defense. SARA authorized the fund to be credited with five percent of the fees collected from executive agencies (other than the Department of Defense) under the following contracts:

- Government-wide task and delivery-order contracts entered into under sections 303H and 303I of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253h and 253i).
- Government-wide contracts for the acquisition of information technology as defined in section 11101 of Title 40, U.S.C., and multi-agency acquisition contracts for such technology authorized by section 11314.
- Multiple-award schedule contracts entered into by the Administrator of General Services.

Amounts credited to the fund are available to be expended in the fiscal year for which credited and the two succeeding fiscal years.

The OMB Office of Federal Procurement Policy (OFPP) works closely with the Chief Acquisition Officer's Council (CAOC), the Federal Acquisition Institute (FAI), and the Defense Acquisition University (DAU) to identify the activities that will be funded from the Acquisition Workforce Training Fund.

BUDGET AUTHORITY
$(Thousands)

	FY 2006 Actual	FY 2007 Budget	FY 2008 Request	FY 2007/FY2008 Change
Carryover	3,656	11,766	7,676	-4,090
Collections (New Budget Authority)	16,770	8,060	8,217	+157
Total Available	20,426	19,826	15,893	-3,933
Total Obligations	8,660	12,150	13,008	+858
Outlays	3,657	11,976	12,966	+990

EXPLANATION OF BUDGET CHANGES
IN PRIORITY ORDER
$(Thousands)

FY 2007 Continuing Resolution Availability ………………………….. $8,060

Increase ……………………………………………………………. +157

FY 2008 Total Budget Request……………………………………………… $8,217

Obligations by Object Class $(Thousands)				
		FY 2006 Actual	**FY 2007 Current**	**FY 2008 Request**
25.1	Advisory and assistance services	2,213	2,313	2,400
25.3	Purchases of goods and services from Government accounts	6,447	9,837	10,608
99.9	**Total Obligations**	**8,660**	**12,150**	**13,008**

General Services Administration
PUBLIC BUILDINGS SERVICE
EXPENSES, DISPOSAL OF SURPLUS REAL AND RELATED PERSONAL PROPERTY

Program Description

Expenses, Disposal of Surplus Real and Related Personal Property is a permanent, indefinite appropriation authorized by section 204 (b) of the Federal Property and Administrative Services Act of 1949, as amended. This section was added by P.L. 83-760 (40 U.S.C. 485(b)) of August 31, 1954, and later recodified as 40 U.S. Code 572. This account finances contractual services of appraisers, auctioneers, and brokers familiar with local real estate markets to accelerate the utilization or sale of surplus real property. It also covers the costs of surveying, advertising, environmental services, historic preservation services, highest and best use of property studies, property utilization studies and deed compliance inspections.

Financing is provided through receipts from sales of surplus property and outleasing of government-owned space.

The performance goals and measures for this account are reflected in the Office of Real Property Disposal (RPD) section of the Policy and Operations account. These goals include awarding 95% of utilization and donation (U&D) property within 240 days for Fiscal Year 2008; awarding 100% of public sales within 170 days for fiscal year 2008; and, attaining 1.08% cost of sales as a percentage of sales proceeds for reimbursable sales for Fiscal Year 2008, based upon projected sales and the correlating sliding scale target.

General Services Administration
PUBLIC BUILDINGS SERVICE
EXPENSES, DISPOSAL OF SURPLUS REAL AND RELATED PERSONAL PROPERTY

FY 2006 - FY 2008 Obligations (Direct) $(Thousands)			
	FY 2006 Actual	**FY 2007 Program**	**FY 2008 Request**
Obligations Categories:			
Salaries and Benefits	-	-	-
Contractual Services	4,239	10,743	10,743
All Other	4	350	350
Total Obligations	**4,243**	**11,093**	**11,093**
Outlays	2,661	10,871	10,871
Employment (FTE)	-	-	-

FY 2006 - FY 2008 Obligations (Reimbursable) $(Thousands)			
	FY 2006 Actual	**FY 2007 Program**	**FY 2008 Request**
Obligations Categories:			
Salaries and Benefits	-	-	-
Contractual Services	-	520	520
All Other	-	80	80
Total Obligations	-	600	600
Outlays	-	-	-

General Services Administration
PUBLIC BUILDINGS SERVICE
EXPENSES, DISPOSAL OF SURPLUS REAL AND RELATED PERSONAL PROPERTY

Explanation of Budget Changes (Direct)
$(Thousands)

	FTE	$
FY 2007 Request………………………………………..	0	**11,093**
No Change		0
FY 2008 Request……………………………………….	0	**11,093**

Explanation of Budget Changes (Reimbursable)
$(Thousands)

	FTE	$
FY 2007 Request…………………………………..	0	**600**
No Change		0
FY 2008 Request ………………………………..	0	**600**

General Services Administration
PUBLIC BUILDINGS SERVICE
EXPENSES, DISPOSAL OF SURPLUS REAL AND RELATED PERSONAL PROPERTY

Obligations by Object Class (Direct)
$ (Thousands)

		FY 2006 Actual	FY 2007 Program	FY 2008 Request
24.0	Printing and reproduction	4	350	350
25.2	Other Services	4,239	10,743	10,743
	Total Obligations	**4,243**	**11,093**	**11,093**

Obligations by Program Activity (Direct)
$ (Thousands)

	FY 2006 Actual	FY 2007 Program	FY 2008 Request
Disposal - Real Property:			
a. Appraisers, auctioneers, brokers fees, surveying	1,674	3,259	3,259
b. Advertising	169	2,062	2,062
c. Environmental Services	681	1,997	1,997
d. Historical Preservation Services	0	1,760	1,760
e. Highest and best use of property studies, Utilization of property studies and deed compliance inspections	1,458	1,500	1,500
Outleasing - Government-owned Space:			
a. Appraisers, auctioneers, brokers fees, surveying, advertising	261	500	500
b. Advertising	0	15	15
Total Obligations	4,243	11,093	11,093

General Services Administration
PUBLIC BUILDINGS SERVICE
EXPENSES, DISPOSAL OF SURPLUS REAL AND RELATED PERSONAL PROPERTY

Obligations by Object Class (Reimbursable)
$ (Thousands)

		FY 2006 Actual	FY 2007 Program	FY 2008 Request
24.0	Printing and reproduction	0	80	80
25.2	Other Services	0	520	520
	Total Obligations	0	600	600

Obligations by Program Activity (Reimbursable)
$ (Thousands)

	FY 2006 Actual	FY 2007 Program	FY 2008 Request
Disposal - Real Property:			
a. Appraisers, auctioneers, brokers fees, surveying	0	240	240
b. Advertising	0	50	50
c. Environmental Services	0	300	300
d. Historical Preservation Services	0	10	10
Total Obligations	0	600	600