



Highlights of [GAO-07-1000](#), a report to Ranking Member, Committee on Homeland Security and Governmental Affairs, U.S. Senate

Why GAO Did This Study

The General Services Administration (GSA) issues different types of delegations, whereby agencies may request authority to perform certain real property activities, such as leasing space and maintaining property. Effective management of the program is critical to ensuring that federal dollars are well spent and adequate workspace is provided. GAO was asked to determine (1) what real property authority GSA has delegated to its tenant agencies, (2) what policies GSA used to manage delegated authority, and (3) reasons the tenant agencies requested delegated authority. GAO reviewed the law, federal regulations, and GSA policies relating to six types of delegated authority and interviewed GSA officials and officials from six select tenant agencies. GAO analyzed GSA data on delegations issued from fiscal years 1996 to 2006.

What GAO Recommends

GAO recommends that the Administrator of GSA (1) develop written procedures for reviewing the different sources of its lease delegation data to identify and determine an accurate count of the leases awarded and (2) update the guidance for managing delegations, including procedures for assessing the cost-effectiveness of certain delegations. In response, GSA agreed with the report's findings and recommendations and stated it will use them to improve its delegations programs. GSA also provided written technical comments which we incorporated.

www.gao.gov/cgi-bin/getrpt?GAO-07-1000.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Kay E. Brown (202) 512-7215, BrownKE@gao.gov.

GENERAL SERVICES ADMINISTRATION

Improvements Needed in Managing Delegated Authority of Real Property Activities

What GAO Found

GSA delegated authority for operations and maintenance, utility services, lease management, administrative contracting officer, repair and alteration activities, and real estate leasing to its tenant agencies. However, GSA did not have complete or consistent data for key delegations. GSA officials believe the lack of complete data for repair and alteration delegations up to \$100,000 was not problematic because they involve relatively small projects with limited program risk, and GSA has not noticed a pattern of problems that would warrant increased oversight. Regarding delegations of authority for real estate leasing, two offices within GSA collected separate sets of data. One office collected data on the number of general purpose lease delegations issued while another collected data on the number of lease delegations exercised for three different types of lease delegations (including general purpose, categorical, and special purpose). One office said its data are likely an undercount, and the different sets of data have not been reconciled. GSA is currently implementing several changes to improve its data collection for lease delegations and will issue separate oversight procedures that include a requirement to reconcile the two sources of lease delegation data. However, it is unclear when the oversight procedures will be issued. It is important to have accurate data on lease delegations because these delegations appear to be used more frequently than other delegation types. Federal agencies using these delegations may lack experience in acquiring office space, which could result in the government not receiving the best deal.

We found that GSA had written policies and procedures for managing the six types of delegations we reviewed, but the guidance was not always current. GSA officials acknowledged the need to update some of its guidance and said the updates are in process, but it is unclear when these updates will be finalized. Further, GSA officials stated they did not always use mandated cost-effectiveness criteria when deciding to delegate authority for certain delegations due, in part, to staffing constraints. In addition, the procedures used for assessing cost-effectiveness were not always included in written guidance. The lack of updated guidance and limited use of mandated criteria inhibits GSA's ability to manage its delegations and determine if they are in the best interests of the government.

According to the six tenant agencies we interviewed, the main reasons agencies sought delegations were the ability to complete their delegated real property activities in a timely manner and prioritize their own service requests, particularly in those cases where GSA's knowledge and expertise were less critical. Most of the six agencies we contacted plan to seek delegations in the future.