



MAR 19 2007

RSL-2007-05

MEMORANDUM FOR ASSISTANT REGIONAL ADMINISTRATORS PBS
REGIONAL REALTY SERVICES OFFICERS

THRU: ANTHONY E. COSTA 
DEPUTY COMMISSIONER - PD

FROM: MARTHA J. BENSON 
ACTING ASSISTANT COMMISSIONER FOR OFFICE OF
NATIONAL CUSTOMER SERVICES MANAGEMENT - PQ

SUBJECT: Tenant Improvement Costs/Reimbursable Work
Authorization Tracker and Agency Concurrence for RWA
Expenditure

1. Purpose. This Realty Services Letter (RSL) issues mandatory operating procedures for tracking tenant improvement (TI) costs, reimbursable work authorization (RWA) expenditures, and agency concurrence for the RWA expenditures for leases. It also provides tools to obtain the agency concurrence and to track TI and RWA costs during construction. These formats are for use by GSA associates and support contractors.
2. Background.
 - a. In 2005, GSA's Office of Inspector General (IG) conducted an audit of leases to assess whether PBS effectively manages the tenant improvement (TI) buildout process in leased space. Their findings are reported in the Review of PBS's Tenant Improvement Process Audit A050063.
 - b. PBS agreed with the findings and committed to a multi-step corrective action plan (CAP) to better manage the TI and RWA processes in leases. This RSL implements the following action items:
 - i. Recommendation a, Step 2, second paragraph:

We will create a spreadsheet template that will track obligations against the RWA. Additional guidance will be provided in the eLease task regarding need for amended RWAs and ensuring charges are made against the right RWA.
 - ii. Recommendation b, Initiate a standardized methodology for tracking and reconciling Tenant Improvement costs. Step b:

We will develop a worksheet/process that will track TI costs and RWA costs together. We will develop guidance that will address how/when to use this tool.

- c. Many of the items in the audit are interrelated; however, certain templates represent discrete steps in the TI process. So that users can more easily identify which RSL addresses a particular subject and contains a particular template, the RSLs are being issued concurrently, and they address the following topics:

RSL 2007-03 Tenant Improvements Schedule and Submittals Revisions in the Solicitation for Offers

RSL 2007-04 Tenant Improvements Price Negotiation Memorandum, Notice to Proceed, and Supplemental Lease Agreement to Order Excess TIs

RSL 2007-05 Tenant Improvements Costs/Reimbursable Work Authorization Tracker and Agency Concurrence for RWA Expenditure

RSL 2007-06 Tenant Improvements Project Management Support

- d. A national RWA team is working on a tracking tool that will pull information from various information and financial systems. The tools in this RSL may be replaced in the future once a new tracking system is available agency wide. In the interim, use the TI-RWA Tracker provided in this RSL.
- e. Prior to the effective date of this RSL, eLease will contain the TI-RWA Tracker as well as additional tasks.
3. Effective Date/Expiration Date. This RSL and instructions are effective immediately and will expire 12 months from the date of issuance unless modified, cancelled, or reissued earlier.
4. Cancellation. None
5. Applicability. This RSL and its tools are mandatory, and they apply to all real property leasing activities.
6. Instructions/Procedures. The instructions in this RSL must be implemented for all SFOs using tenant improvement allowances issued on or after April 1, 2007.

Attachments

- 1 Mandatory Operating Procedures for RSL 2007-05
- 2 TI-RWA Tracker Sample
- 3 Agency Concurrence for RWA Expenditures Template