



2008

PERFORMANCE AND ACCOUNTABILITY REPORT

Change and Progress: Serving the Nation's Capitol for Over Two Centuries

THE ARCHITECT OF THE CAPITOL



In recent years, the AOC has revised its Strategic Plan, improved communication and customer service practices, and continued initiatives to improve internal controls and accountability.



The AOC performed the infrastructure work that supported the launch of the New Visitors Experience Program at the Library of Congress in 2008.

2008 PERFORMANCE AND ACCOUNTABILITY REPORT

CHANGE AND PROGRESS: SERVING THE NATION'S CAPITOL FOR OVER TWO CENTURIES

Purpose and Components

This 2008 Performance and Accountability Report (PAR) provides financial and performance information for the Fiscal Year (FY) beginning on October 1, 2007 and ending on September 30, 2008 for the Architect of the Capitol (AOC). This is the AOC's sixth accountability report, and the fourth to include annual performance information. Though the AOC is not required to prepare a PAR, we choose to publish one as a sound business practice. This allows us to provide accountability to Congress and the American people by offering a transparent snapshot of the AOC's operations, accomplishments, and challenges.

The 2008 PAR begins with a letter from the Acting Architect, Stephen T. Ayers, AIA, LEED AP, and an Executive Summary of this report, followed by three main components:

Management's Discussion and Analysis

This section gives an overview of the AOC with a description that includes the organization's mission, vision, history, and organizational structure. It discusses the AOC's significant accomplishments for the year and highlights four key projects and exhibitions. It also summarizes the AOC's financial and performance information. This section concludes by looking ahead to upcoming challenges that may impact our performance and how the organization plans to address them.

Performance Information

In this section, the AOC describes the process for assessing our performance. It details our actual performance results and compares this to our strategic targets and goals, as specified in the AOC's *Strategic and Performance Plan*. Accomplishments are highlighted, as well as areas of continued focus. For any goals that were not met in 2008, this section identifies and describes plans for improvement.

Financial Information

The section begins with messages from the Chief Financial Officer, Paula G. Lettice, and from the Audit Committee. Next, it contains the AOC's audited annual financial statements and footnotes and the independent auditor's reports. It provides an opinion on the AOC's statements, internal controls, and the results of tests of AOC compliance with laws and regulations. This section also provides audited financial schedules for the Capitol Visitor Center (CVC) project. Finally, it includes unaudited information on the AOC's heritage assets, as discussed in the Required Supplementary Information section. Together, this information provides a complete assessment of the organization's financial status for the year.

Our Mission

The mission of the Architect of the Capitol (AOC) is to provide Congress and the public a wide range of professional expertise and services to preserve and enhance the Capitol complex and related facilities.

Our Vision

The AOC will be an innovative and efficient team dedicated to service excellence and to preserving, maintaining, and enhancing the national treasures entrusted to our care.

The AOC is responsible for the maintenance, operation, development, and preservation of 16.5 million square feet of building space throughout the Capitol complex.



The AOC maintains and preserves the national treasures entrusted to its care so that present and future generations may continue to enjoy an informative and inspiring experience at the Capitol.

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A MESSAGE FROM THE ACTING ARCHITECT OF THE CAPITOL

On behalf of the Office of the Architect of the Capitol (AOC), I am pleased to share our Performance and Accountability Report (PAR) for Fiscal Year (FY) 2008. This annual report details the AOC's role in working for and serving the U.S. Congress. It highlights our organization's operations and stewardship responsibilities, and our accomplishments and challenges. The PAR is an important element in our efforts to consistently advance an open and transparent relationship with Congress and demonstrate accountability to the American public.



Stephen T. Ayers,
AIA, LEED AP
*Acting Architect of the
Capitol*

Operations Support and Stewardship Responsibilities

In recent years, we have undergone a transformation of our business, operational, and communication practices to better support our unique mission—to provide the Congress with a wide range of professional expertise and services that preserve and enhance the Capitol complex and related facilities. We are responsible for the maintenance, operation, development, and preservation of 16.5 million square feet of owned and leased building space and more than 450 acres of land throughout the Capitol complex. On any given day, there are numerous projects underway across our campus, with much of this work done behind the scenes and after traditional working hours. Some of our varied responsibilities include:

- Supporting the day-to-day activities of the Congress and Supreme Court so that they may go about the legislative and judicial business of government without disruption;
- Serving as preservation stewards for the priceless heritage assets and other national treasures that have been entrusted to our care;

- Maintaining and operating our facilities on- and off-Capitol Hill, as well as tending to the historic Capitol Grounds; and
- Supporting Congress during official, national events, such as Presidential Inaugurations, state funerals, the annual State of the Union address, and other ceremonies.

During this Fiscal Year, the AOC succeeded on many fronts. From completing and opening the Capitol Visitor Center, to winning major industry awards for our construction projects, to developing challenging performance targets, to continuing to progress in the implementation of our cost accounting system, we have continued to build a stronger, more effective, and more accountable organization.

Key Highlights

I am proud to highlight the following key achievements for 2008:

- **Capitol Visitor Center (CVC) Milestones.** This year marked the achievement of key milestones in the creation of the historic Capitol Visitor Center. During this year, construction was substantially completed; the newly hired Chief Executive Officer for Visitor Services prepared the CVC to receive its first visitors; a Temporary Certificate of Occupancy was received; and a date was set for its highly-anticipated public opening. The CVC will offer a remarkable U.S. Capitol experience to the millions of visitors expected annually.
- **Energy Savings Initiatives.** The AOC continues to realize its long-term goals of reducing energy consumption across the Capitol complex. Our organization's commitment to decreasing energy use is part of our *Strategic and Performance Plan*, and our philosophy and efforts were exemplified in the U.S. Botanic Garden (USBG) summer exhibition, *One Planet—Ours!*, hosted to inform the public on available practices to achieve sustainability.
- **Garnering Strong Congressional Support for Critical Projects.** In 2008, we successfully worked with Congress to significantly increase

funding in support of numerous long-term deferred maintenance and capital renewal projects. These efforts, and the promise of continued mission support from Congress, represent real progress and transformation for our organization.

- **Clean Audit Opinion.** For the fourth consecutive year, we received a clean audit opinion for all of our principal financial statements. This opinion concluded that the AOC accurately presented its financial position for Fiscal Years 2008 and 2007, including its net cost of operations, changes in net position, and budgetary resources.
- **Government Accountability Office (GAO) Recommendations Addressed.** FY 2008 saw further progress in addressing the GAO's General Management Review recommendations. While GAO will continue monitoring our progress, the Congress will no longer require a formal, annual status report.
- **Managing Utility Tunnel Safety Issues.** The AOC has taken focused and sustained steps to address its utility tunnel improvement activities. It will take continued dedication and several years to address these issues by their June 2012 compliance deadline, and we are committed to working with Congress to resolve them.
- **New Inspector General Position.** A new statutory Inspector General position to review the efficiency and effectiveness of the AOC's activities was created and filled.

In addition, the AOC made significant changes to our internal operations so that we may better support our mission. Such changes include:

- **Investment in Human Capital.** We are dedicated to pursuing innovative strategies to identify, attract, hire, and retain a high-performing and diverse workforce. Recent efforts focused on transforming our management policies, providing the best training opportunities for managers and staff, creating workplace flexibilities, and beginning work on a succession plan.
- **Customer Satisfaction Ratings.** Our customer satisfaction ratings testify to the high-quality work and services that we provide. The AOC achieved ratings of more than 90 percent overall by our customers.
- **Overtime Management Improvements.** To better understand our use of labor resources, a robust suite of internal reports using real-time payroll data was created to show labor and overtime trends throughout the organization. At the close of FY 2008, we reduced overtime by over 50,000 hours from the prior year—a significant decrease.
- **Implementation of Union Agreement.** In 2008, the AOC's collective bargaining agreement with the American Federation of State, County, and Municipal Employees (AFSCME) went into effect, emphasizing our commitment to maintain a cooperative and effective working

relationship with the unions that represent our workers.

- **Privatization of Senate Restaurants.** During 2008, we successfully coordinated and supported the FY 2009 privatization of the catering and food service operations for the U.S. Senate Restaurant facilities to improve business management and services.
- **Improved Worker Safety.** Our worker safety record has shown continuous improvement. This is an impressive life-safety milestone and continues our accomplishments in this area for the eighth consecutive year.

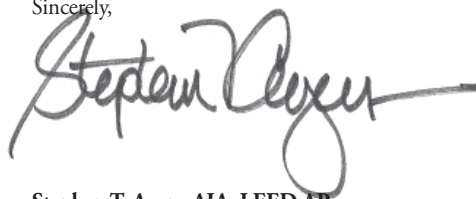
Management Opportunities and Challenges

Our organization has evolved to meet the many challenges of being an excellent steward and a provider of exceptional facilities management service. We pledge to continue to adapt to meet future challenges and provide a transparent look at our operations.

As in past years, we look to balance our facilities management role with the challenges of maintaining historic buildings in a period of limited government resources, heightened security, and ever-changing technology. During 2008, the AOC worked with Congress to proactively address our deferred maintenance and capital renewal backlog. As a result, we believe that we have made significant progress towards ensuring long-term investment in our historic buildings in order to preserve our one-of-a-kind facilities for generations to come.

It is with pride that we note the AOC's many accomplishments of this Fiscal Year. This year has demonstrated that our strategic transformation has positioned us well to effectively meet our mission requirements and deliver results. We are honored to be entrusted to serve the Congress and look forward to continued achievements.

Sincerely,



Stephen T. Ayers, AIA, LEED AP

Acting Architect of the Capitol

January 26, 2009

In FY 2008, the AOC continued to transform itself through strategic and operational achievements that delivered greater accountability, transparency, and customer satisfaction.



Over three million visitors a year enjoy the AOC's efforts to preserve and enhance the Capitol campus and its heritage assets. The U.S. Congress and Supreme Court are key beneficiaries of the AOC's facilities management and operations support expertise.

Performance and Accountability Report

Change and Progress: Serving the Nation's Capitol for Over Two Centuries

EXECUTIVE SUMMARY FOR FISCAL YEAR 2008

SECTION I: MANAGEMENT'S DISCUSSION AND ANALYSIS

Overview of the Architect of the Capitol

Founded in 1867 and formally established by an Act of Congress in 1876, the AOC is comprised of nine jurisdictions and several central administrative offices to carry out its mission. The AOC is a nonpartisan, professional services office of the Legislative Branch and oversees 16.5 million square feet of facilities (of which 500,000 square feet are leased), and over 450 acres of land. The expansion of major facilities owned by the AOC over its history is displayed in Figure A.

The Architect of the Capitol (AOC)

Branch of Government:

Legislative

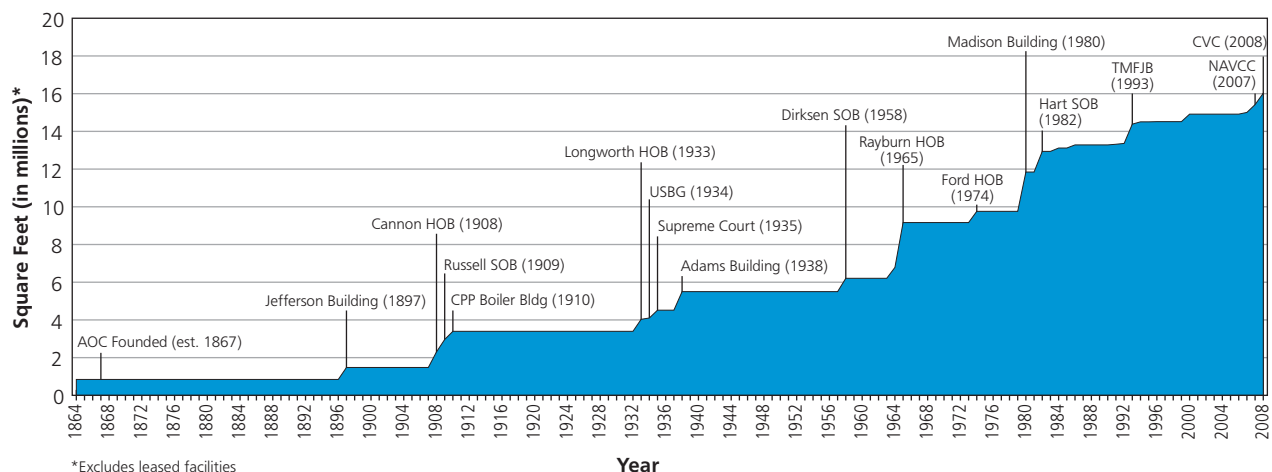
Established in: 1876

Mission: Provide Congress and the public a wide range of professional expertise and services to preserve and enhance the Capitol complex and related facilities.

Leadership: Stephen T. Ayers, AIA, LEED AP
Acting Architect



FIGURE A
Growth in Major Facilities Owned by AOC



How We Have Progressed: AOC Key Accomplishments in Fiscal Year (FY) 2008

The AOC reached a number of key achievements in the past year:

- **Developed Congressional Budget Support:** Budget summits were hosted to communicate the AOC’s long-term infrastructure needs to Congress and set the groundwork for its 2009 budget request.
- **Achieved Clean Audit Opinion:** The AOC received a clean audit opinion on all principal financial statements for the fourth consecutive year.
- **Made Significant Progress in Addressing Government Accountability Office (GAO) General Management Review Recommendations:** The AOC fully implemented an additional eight GAO recommendations, bringing the total number closed to 51 out of 67.
- **Reduced Energy Consumption Rate:** The AOC reduced energy consumption by 10.7%, surpassing the congressionally established nine percent reduction target for 2008.
- **Improved Worker Safety:** The AOC injury and illness rate decreased for the eighth consecutive year to 4.06% in 2008—down from 17.9% in 2000.
- **Increased Customer Satisfaction:** The overall AOC customer service satisfaction rating from our building occupants increased by one percent from the 2007 level of 89.3% to 90.4% in 2008.
- **Workplace Improvements:** A number of new programs have enhanced the AOC’s ability to recruit and retain top talent.

The AOC jurisdictions’ numerous projects and achievements in 2008 supported the organization’s strategic goals outlined in its *Strategic and Performance Plan*. Table A below highlights some of the project accomplishments.

TABLE A: Project and Work Order Accomplishments by Jurisdiction

Jurisdiction	Key 2008 Accomplishments
Capitol Building	<ul style="list-style-type: none"> • Installed new Brumidi Corridor emergency egress door and stairs on the West Terrace entry. • Restored Capitol walls and ceiling murals and the East Front bronze doors.
Capitol Grounds	<ul style="list-style-type: none"> • Improved campus shuttle bus services with on schedule pick-up times. • Preserved Olmsted landmark design through the Summer House Stabilization project.
House Office Buildings	<ul style="list-style-type: none"> • Completed 116 construction and renovation projects, including committee rooms. • Refurbished Longworth House Office Building’s third floor.
Senate Office Buildings	<ul style="list-style-type: none"> • Installed modular furniture in 7 Senator office suites and 3 Senate committee rooms. • Decreased injury and illness rate while achieving a high client satisfaction rate.
Library Buildings and Grounds	<ul style="list-style-type: none"> • Completed restoration of the Thomas Jefferson Building Main Reading Room arches. • Mounted the project work and infrastructure to help launch the New Visitors Experience program.
Capitol Power Plant	<ul style="list-style-type: none"> • Completed operational installation of 3 new chillers at the West Refrigeration Plant. • Replaced existing 1950s controls system with a new digital system for 4 boilers.
Botanic Garden	<ul style="list-style-type: none"> • Mounted the <i>One Planet—Ours!—Sustainability for the 22nd Century</i> exhibition. • Improved visitor education on the interpretation of plant collections.
Supreme Court	<ul style="list-style-type: none"> • Closed 99% of demand work orders within a 30-day time frame. • Repaired and re-pointed the Supreme Court Building West Pediment masonry.
Capitol Police Buildings, Grounds, and Security	<ul style="list-style-type: none"> • Concluded construction of the Practical Application Center Building in Maryland. • Improved customer satisfaction rating by 9% from 2007.

Status of Key Projects and Exhibitions of Interest

Four key projects and exhibitions of interest were spotlighted in the AOC’s 2008 Performance and Accountability Report highlighted in Table B below.

TABLE B: Key Projects and Exhibitions of Interest

Status of Key Projects and Exhibitions of Interest	
<p>Capitol Visitor Center—Substantially completed construction and landscaping; completed fire and life-safety systems testing; received a Temporary Certificate of Occupancy; a newly hired Chief Executive Officer for Visitor Services prepared the CVC for visitors, and recruited and trained operations team in time for the public opening.</p>	<p>Supreme Court Modernization—Conducted renovation work in the building’s southeast quadrant and in 2 mechanical rooms, including building systems upgrades; progressed in interior work on the underground annex; and continued roof system repairs.</p>
<p>Curatorial and Preservation Projects—Relocated plaster model of the Statue of Freedom and selected statues to the CVC’s Emancipation Hall; completed the 10th phase of the Brumidi Corridor conservation project; and restored Senate Room S-311.</p>	<p>U.S. Botanic Garden Summer Exhibition—Featured a showcase of numerous exhibits highlighting energy consumption, renewable energy, water and plant conservation, green gardening, and local sourcing; and displayed the innovative <i>Cool Globes</i> exhibit.</p>

What’s Next? Looking Ahead and Future Challenges

The AOC faces several challenges. The most pressing is to continue to meet its stewardship responsibilities in an era of competing demands for limited financial resources. Many of its heritage real property assets are over 80 years old and have accrued sizable deferred maintenance and capital investment obligations. AOC’s historic buildings and infrastructure require significant funding for maintenance, repair, and refurbishment over the next two decades to remain safe and viable. Congress has supported many key AOC initiatives, and the AOC will continue to work together with Congress in identifying and executing solutions.

SECTION II: PERFORMANCE INFORMATION

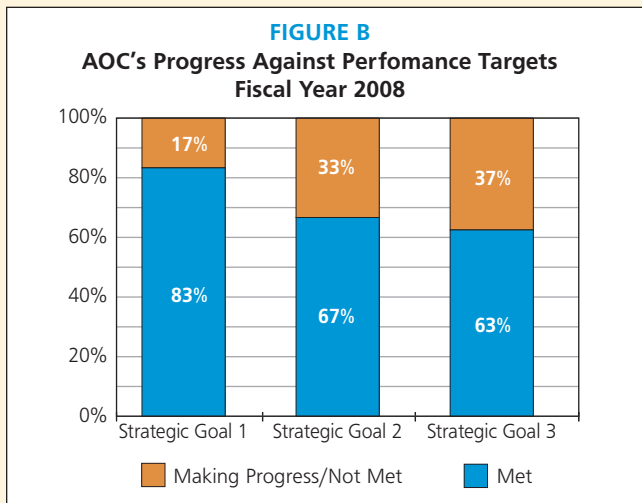
Overview of AOC Strategic and Performance Plan

The AOC's *Strategic and Performance Plan: Fiscal Year 2007–Fiscal Year 2011* focuses on three goals:

- **Goal 1: Congressional and Supreme Court Operations Support**—Congressional and Supreme Court operations are supported through the provision of effective facilities management, project delivery, and related services.
- **Goal 2: Heritage Asset Stewardship**—The national treasures entrusted to the care of the AOC are maintained and preserved for present and future generations and visitors to the Capitol complex are provided an informative and inspiring experience.

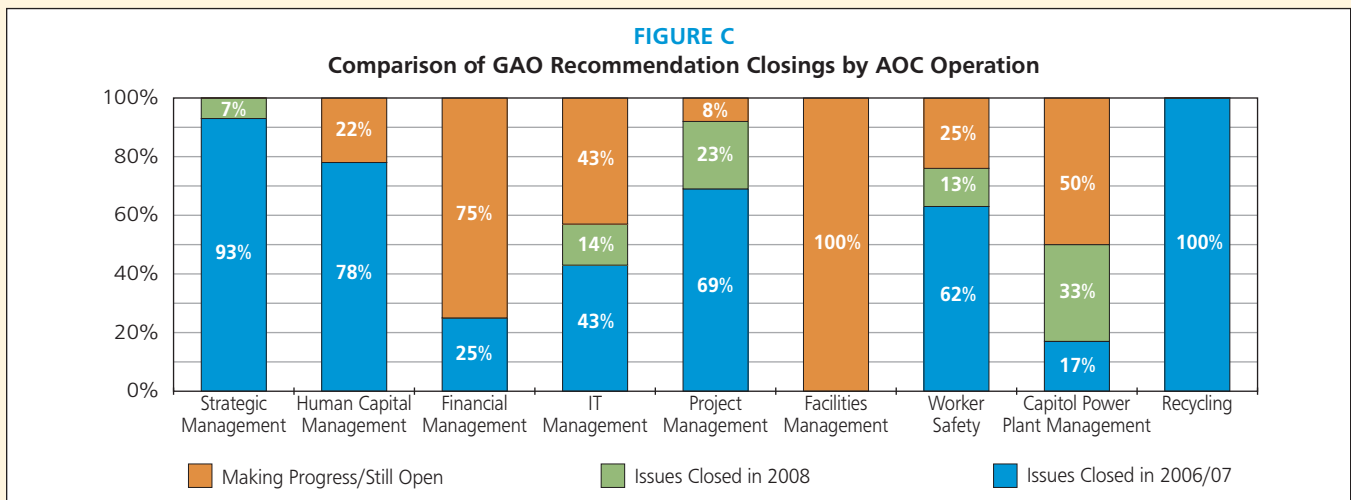
- **Goal 3: Leadership and Administrative Support**—The responsibilities of the AOC are fulfilled efficiently and effectively, and accountability is enhanced through the provision of high-quality leadership and administrative support services.

The *Strategic and Performance Plan* emphasizes the organization's mission areas and enabling services. It is based on the AOC's three strategic goals and contains 41 performance measures and 92 performance indicators, created to support Fiscal Years 2007 through 2011 performance goals. The AOC met or exceeded its targets for 72% of its measures. Figure B shows the breakdown of targets met for each strategic goal.



Overview of Government Accountability Office (GAO) General Management Review Recommendations

The GAO, the investigative and audit arm of Congress, provided recommendations for improving the AOC's operations focusing on: overall management, facilities management, project management, Capitol Power Plant operations, human capital management, financial management, information technology (IT) management, worker safety, and recycling. The AOC made significant progress in 2008 by implementing an additional eight¹ recommendations, bringing the total number of recommendations closed to 51 out of 67, or 76%.² Figure C provides a comparison of progress made by AOC.



¹ Seven recommendations were closed at a February 2008 GAO/AOC meeting. One additional recommendation was closed after the briefing was issued but within 2008 and, thus, is counted as closed for the 2008 PAR.

² Three additional recommendations were added in 2008 from a related review of the Capitol Power Plant.

SECTION III: FINANCIAL INFORMATION

Independent Audit

An independent audit of the annual Financial Statements of the Architect of the Capitol is an integral part of meeting our financial management obligations.

The AOC’s Financial Statements received an unqualified (clean) audit opinion from our independent auditors for the fourth consecutive year. This followed two successive years in which the AOC received an unqualified opinion on its Balance Sheet-only audits. While 2008 saw the clearing of a material weakness, *The Independent Auditor’s Report on Internal Control* contains one new material weakness. In addition, the independent audit resulted in an additional significant deficiency. Table C summarizes the audit findings. The AOC is committed to fiscal accountability and will continue to work diligently to establish internal policies, procedures, and systems to keep accurate records and protect U.S. taxpayer resources.

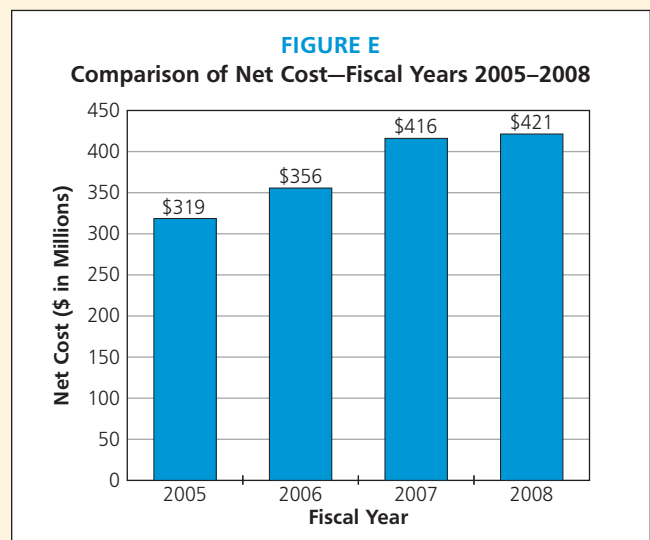
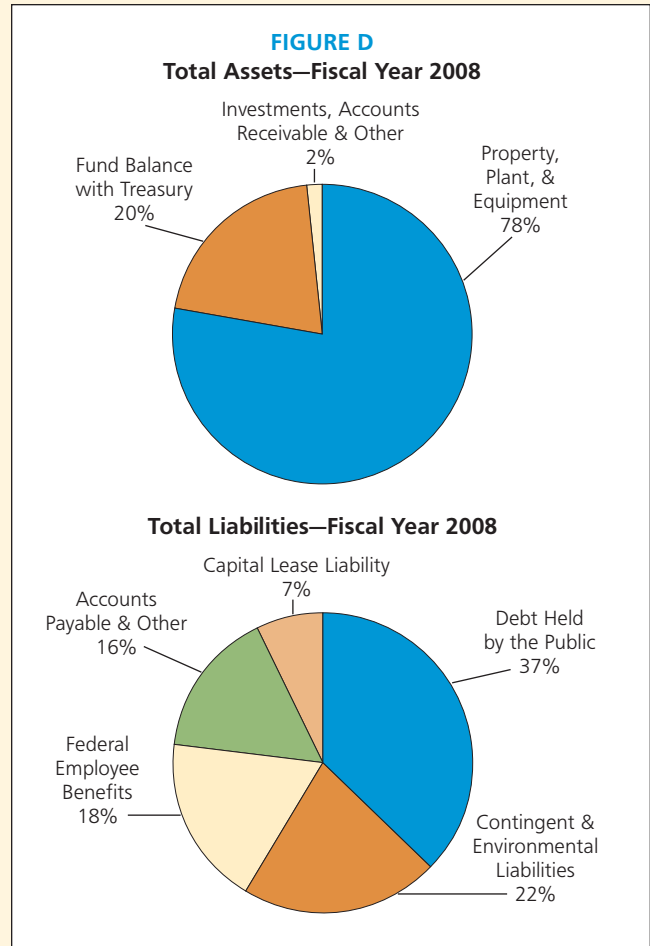
TABLE C: Summary of Auditor’s Internal Control Findings

	FY 2007	FY 2008
Material Weaknesses	Internal Control Assessments (Repeat Condition)	Internal Control Assessments (Repeat Condition)
	Risk Assessment Updates (Repeat Condition)	Risk Assessment Updates (Repeat Condition)
	Internal Control Design and Management of Purchase to Disbursement Process (Modified Repeat Condition)	Financial Information System and Financial Reporting Internal Control Design and Operation (New)
Significant Deficiencies	Information System Controls (Repeat Condition)	Information System General Controls (Repeat Condition)
	Time Recordation, Processing, and Approval Procedures (Repeat Condition)	Time Recordation, Processing, and Approval Procedures (Repeat Condition)
		Information Systems Financial Management and Time and Attendance Application Controls (New)

Financial Statement Highlights

As of September 30, 2008, AOC’s total assets amounted to \$2.38 billion and total liabilities summed up to \$397 million. Figure D shows the distribution of the AOC’s total assets and liabilities, respectively.

The Statement of Net Cost is designed to display, in clear terms, the net cost of the AOC’s operations for the period. Net cost includes total costs less all revenues permitted to be offset against those program costs. Figure E depicts the net cost trend from Fiscal Years 2005 through 2008.



For more information about The Architect of the Capitol, visit our website at: <http://www.aoc.gov/>.



The cast-iron dome of the U.S. Capitol was built between 1855 and 1866. Its design and construction came late in the Capitol's architectural evolution.



The meeting place of Congress, the Capitol has grown and expanded over more than two centuries, and continues to evolve in order to meet the needs of Congress. The Capitol Visitor Center, constructed under the East Front Plaza, is the latest addition.

SECTION 1: MANAGEMENT'S DISCUSSION AND ANALYSIS

HISTORY OF THE U.S. CAPITOL AND THE CAPITOL VISTOR CENTER

Early History

The United States Capitol evolved during several periods of construction over two centuries, with its origins dating back to President George Washington's administration. In 1791, in accordance with the Residence Act of 1790, Washington named a three-man commission to oversee the development of the new federal city and launched a national competition in search of a design for the Capitol, the centerpiece of the Legislative Branch of government. Pierre L'Enfant was hired to design the city and selected Jenkins Hill, on the elevated east end of the Mall, as the location for the Capitol.

As construction of the city began, the commission selected amateur architect Dr. William Thornton's proposal for the Capitol in 1793. His design depicted a grand, two-winged structure (one for the Senate and one for the House of Representatives) topped by a central dome.

In September 1793, to mark the start of construction, President Washington laid the Capitol's cornerstone. By 1800, the federal government had moved to Washington, DC, and Congress took up residence in the Capitol's north wing—the first section ready for occupancy. Construction of the original Capitol and its landscaping were completed in 1829, 36 years after building commenced.

Expansion of the Capitol

Since its initial completion, the Capitol has continued to expand beyond its original design to suit the growing nation. Due to the increased number of states in the Union, in 1850 the Senate launched another competition for a plan to extend the Capitol. President Millard Fillmore selected Thomas U. Walter's design and the extension commenced in 1851. Once finished under Walter's assistant and successor, Edward Clark, the building had tripled in size with extended corridors for each wing and a new fireproof, cast-iron dome sitting atop the structure—resulting in the world's most recognizable symbol of representative democracy. On December 2, 1863, the Statue of Freedom was lifted atop the Capitol amidst the American Civil War. The statue stands above a cast iron globe encircled with E Pluribus Unum ("From many, one.") The Capitol extensions were completed in 1868.



Since its inception, the Capitol has continued to evolve, including the addition of its iconic cast-iron dome in the 19th Century.



The construction of the historic Capitol Visitor Center proceeded in several phases. Site preparation and tree preservation work started in October 2001.

In the next major expansion, from 1874 through 1888, work began on landscape architect Frederick Law Olmsted's sophisticated design for the Capitol grounds, which created drives, paths, trees, fountains, and terraces. Between 1884 and 1892, marble terraces were constructed as part of Olmsted's ambitious plan for the building's north, west, and south sides. This added 100 additional rooms to the Capitol and provided a more substantial visual base for the new iron dome. The 1950s began a significant period of modernization with a new East Front extension built in 1962. The West Front was later restored in 1983 through 1987.

The Capitol Visitor Center (CVC), the newest and largest expansion of the Capitol in its history, began excavation in 2002 and opened in December 2008. With the addition of the CVC's 580,000 square feet to the Capitol complex, the AOC now manages over 16.5 million square feet of owned and leased facilities.¹ When the AOC was established in 1867, it began with nearly 840,000 square feet of building space. Figure 1 shows the growth of the AOC's responsibilities over time as new buildings have been added to the organization's portfolio. This chart displays only those facilities owned by the AOC. While most of the property is located in or near Capitol Hill, some important new additions are located outside Washington, D.C.²

The Need for the Capitol Visitor Center

Throughout its history, the Capitol has evolved in response to the needs of Congress in a changing nation. Not only is the Capitol a working office building, but it is also a museum and tourist destination. One challenge

is an ever-increasing number of visitors to its campus. Over three decades, tourism to the Capitol tripled from one million visitors in 1970 to over three million in 2000. Congress recognized this trend and foresaw that visitors needed improved amenities, accessibility, and provisions for safety and security. Congress also understood that visitors desired an opportunity to learn about the U.S. Constitution; the work of Congress; and the art, architecture, and history of the Capitol.

A proposal for a visitor center began to crystallize in the mid-1970s with the issuance of an AOC report entitled, *Toward a Master Plan for the United States Capitol*. In 1991, Congress authorized funding for conceptual planning of a visitor center, and in 1995, the design report was issued. The report proposed that safety and security precautions could be better handled with a visitor center.

From its inception, the CVC was conceived as an extension of the Capitol, rather than a stand-alone facility. The CVC will welcome millions of visitors as the new sole point of entry to the seat of American government, and its design was guided by four vital goals:

- **Security:** Provide a secure public environment to welcome and manage a large number of visitors and protect the Capitol, its occupants, and guests in an atmosphere of open access.
- **Visitor Education:** Establish and present lively and informative programs on the workings and history of the Congress, the legislative process, and the art and architecture of the Capitol.
- **Visitor Comfort:** Provide the amenities, comfort, convenience, and accessibility for visitors appropriate to one of the nation's most visited tourist destinations.
- **Functional Improvements:** Provide modern, efficient facilities for functions such as truck loading and deliveries, and create improved connections between the Capitol and Library of Congress.

¹ The AOC's total 16.5 million square feet of managed building space includes approximately 500,000 square feet of leased facilities. These include Postal Square, GPO Building, U.S. Capitol Police Maintenance Facility, Fairchild Building, Delivery Center, and Storage/Logistics Warehouse, all located in Washington, D.C.

² National Audio-Visual Conservation Center (Culpeper, Virginia) and the Ft. Meade Book Storage Modules (Anne Arundel County, Maryland.)

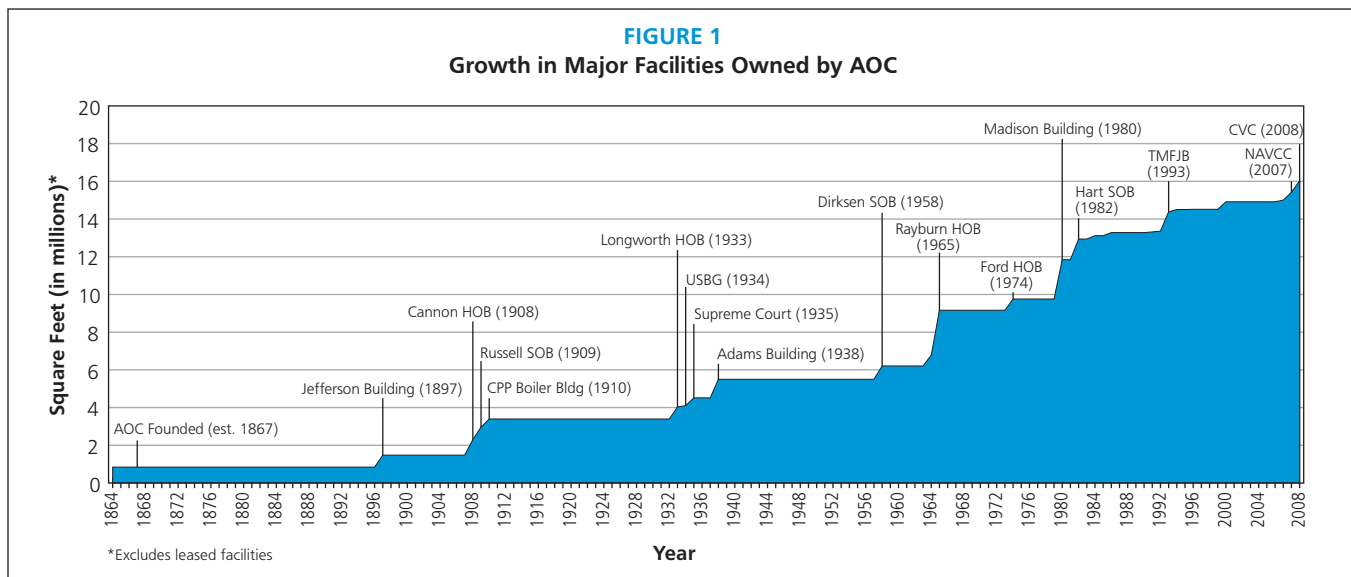


FIGURE 2:
Capitol Visitor Center Planning and Construction Timeline

PHASE	CALENDAR YEARS										
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	
Design Update	■										
Design Development	■	■	■	■	■						
Site Preparation		■	■	■	■						
Sequence 1: Foundation and Structure				■	■	■	■	■			
Sequence 2: CVC Build-Out and Finishes						■	■	■	■	■	
CVC Operations and Hiring Personnel									■	■	■
Acceptance Testing									■	■	■
Grand Opening											★ ★ ★

CVC Construction Planning and Preparation

The construction of the CVC proceeded in several phases. Congress authorized and funded the design of the center in October 1998. After a design update in 1999 for safety and security enhancements, the AOC began drafting the construction documents, which were finished in 2002. Concurrently, site preparation and tree preservation work started in October 2001. To protect the Capitol from the stress of construction, crews cleared the site of obstacles that might impede excavation and utility lines were relocated. Historic fountains and lanterns were disassembled and removed for restoration; temporary visitor screening facilities were positioned; new parking zones were established; trees were removed or transplanted; and noise reduction window units were installed along the East Front of the Capitol. Figure 2 details the CVC planning and construction phases.

Sequence 1: Foundation and Structure

In Spring 2002, project bids were sought and the first major contract awarded to launch the phase “Sequence 1: Foundation and Structure.” Excavation began in August 2002. Sequence 1 involved site demolition; installation of site utilities; waterproofing; and construction of the perimeter slurry wall, columns, concrete and steel structure, and service tunnel. By August 2003, over 60,000 truckloads of material had been removed, which brought the site to its required depth of 70 feet below grade. Excavation and structural activities concluded in July 2005.

Sequence 2: CVC Build-Out and Finishes

In Spring 2004, the phase “Sequence 2: CVC Build-Out and Finishes” began. Its priority was the completion of the roof deck sufficient to accommodate the 2005 Presidential Inauguration. Nearly 500 workers a day installed mechanical, electrical, and plumbing (MEP) systems during peak activity times. Upon MEP completion, teams of painters, masons, carpenters, plasterers, and other finishing tradespeople focused on its interior.

CVC Operations and Hiring Personnel

As CVC finish work continued into 2007, Congress shifted its focus to the operation of the facility and enacted legislation that provided the Architect of the Capitol with the responsibility for CVC operations and hiring. The AOC hired a Chief Executive Officer for Visitor Services (CEOVS) in September 2007, who developed a systematic plan to recruit 300 staff to manage and operate visitor services. Additionally, the CEOVS began meeting weekly with Congressional committees to develop operational policies and procedures to ensure efficient operations.



With roughly three quarters the floor space of the historic Capitol, the underground Visitor Center includes public spaces and 170,000 square feet of new working space for the House and Senate.



As the CVC grand opening approached, numerous project teams made final touches to its interior, including the displays in the 16,500-square-foot Exhibition Hall.

Acceptance Testing and Final Touches to the CVC

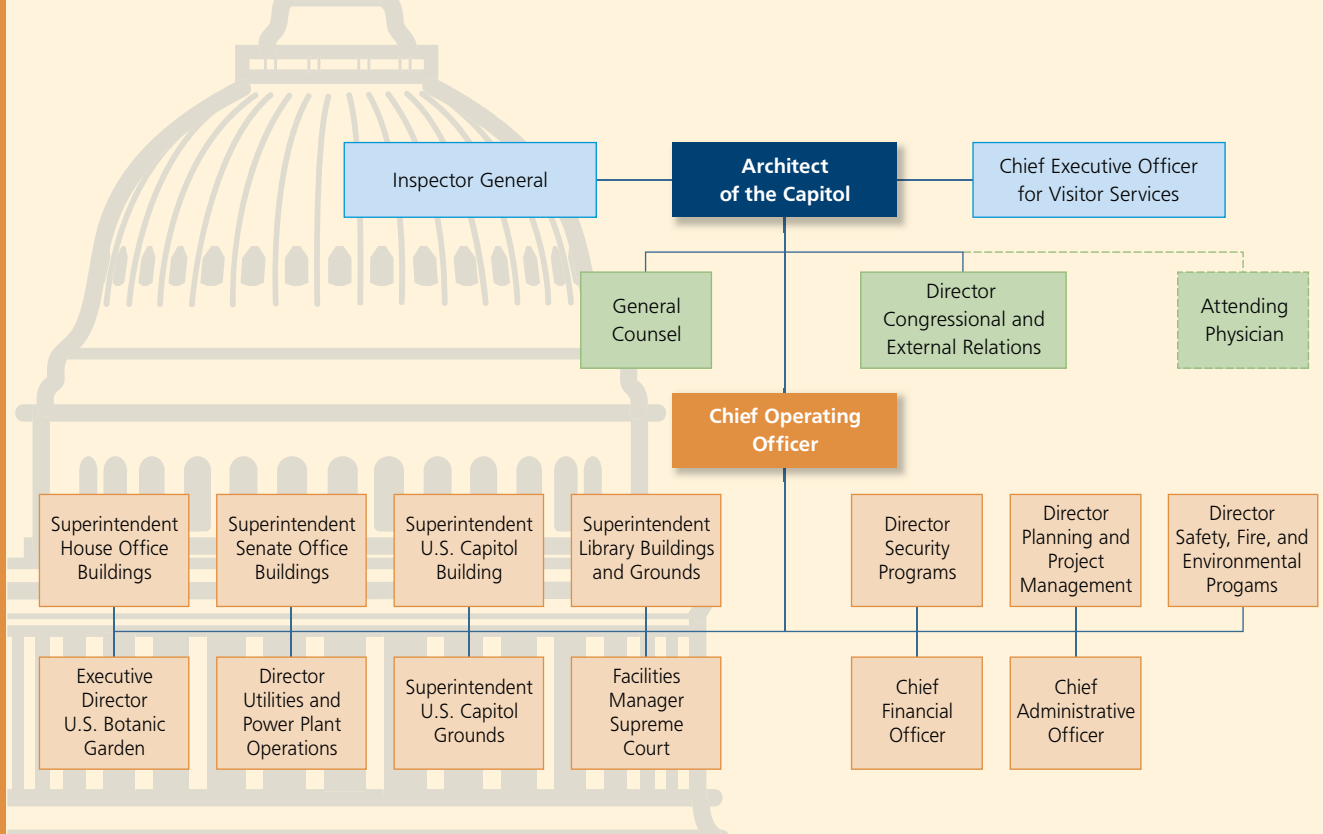
By November 2007, CVC construction was substantially finished and the AOC launched the thorough acceptance testing of its state-of-the-art fire and life-safety systems. Testing continued into the next year and, in July 2008, the AOC Fire Marshal issued a Temporary Certificate of Occupancy. This milestone allowed the AOC to begin installing furniture and equipment inside the CVC, and personnel began to move into its expansion spaces.

Leading to the grand opening, numerous project teams made final touches. In October 2008, a Permanent Occupancy Certificate was received, signaling that the facility was safe for all who work there and for the millions of visitors expected to come through its doors.

Grand Opening of the Capitol Visitor Center

On December 2, 2008, the 145th anniversary of the Statue of Freedom's placement atop the Capitol dome, the largest expansion of the Capitol was unveiled. Inside the impressive CVC, a number of features await its visitors, including: Emancipation Hall—its large central gathering space; Exhibition Hall—a 16,500 square foot area to tell the history of Congress and the Capitol; two orientation theatres; a dining facility; and gift shops. The CVC represents a modern, secure, educational, and convenient addition that respects the Capitol's historic setting.

As the Capitol Building evolved, modern technological advances influenced its development in ways its planners could not have imagined. From the introduction of running water to the structure in the 1830s, to the conversion from gas to electric lighting in the 1890s, and the implementation of computer technology in the 1990s, improvements to keep pace with change have been constant. Through the years, each improvement built on the idea that the Capitol should be functional as well as aesthetically appealing. The Capitol Visitor Center represents a significant transformation in the 215-year-old Capitol, yet one that is consistent with its original vision as the "People's House."



Office of the Architect of the Capitol: Organizational chart

OUR ORGANIZATION

Who We Serve

The Office of the Architect of the Capitol (AOC) ensures the effective and efficient management of the Capitol complex so that Congress and the Supreme Court may fulfill their duties in service to the Nation. This high-profile and historic setting creates a multitude of fast-moving challenges. The AOC remains committed to meeting the needs of the Members of Congress, Justices of the Supreme Court, Congressional and Court staff, dignitaries, members of the visiting public, and others who call on the Nation's Capitol every day. The AOC takes great pride in providing its services and expertise as stewards of the Capitol and looks forward to meeting new requirements in the future.

Major Functions of the Architect of the Capitol

The AOC provides a wide range of professional expertise and services to preserve and enhance the Capitol complex and the national treasures entrusted to its care. The AOC's primary duties are to preserve the historic Capitol campus and its heritage assets and provide effective facilities management expertise and operations support to Congress and the Supreme Court. These facilities management responsibilities are twofold: the operation and maintenance of its properties' infrastructure and grounds, as well as the management of new construction, repair, and renovation projects. Over 2,200 AOC Full-Time Equivalents (FTEs) serve the needs of Congress, the Supreme Court, and the entire Capitol complex.

The AOC's responsibilities have expanded to keep pace with the transformation of the Capitol campus over the past 130 years. In its

early years, the Architect of the Capitol, and related Commissioners and Superintendents, were primarily responsible for the design and construction of the Capitol. However, as campus activities grew and Congress enlarged in size, the permanent Office of the Architect of the Capitol (with responsibility for facilities maintenance and operations) was established in 1867 and formalized by legislation in 1876. Since Edward Clark became the first Architect of the permanent Office of the Architect of the Capitol in the 19th century, the AOC has experienced tremendous growth as Congress authorized the construction and acquisition of new buildings and added to its grounds throughout the 20th and into the 21st centuries.

The organization is led by the Architect of the Capitol, who is appointed by the President with the advice and consent of the Senate. In 1989, Congress passed legislation replacing the traditional indefinite term of the Architect with a fixed 10-year term, with the potential for reappointment. When a vacancy occurs, the names of three candidates are submitted to the President by a bicameral, bipartisan Congressional committee. Upon nomination by the President and confirmation by the Senate, the Architect serves as an official of the Legislative Branch, acting as both an officer and agent of Congress.³

³ The Architect further serves as a member of several governing or advisory bodies, including the Capitol Police Board, Congressional Accessibility Services Board, Advisory Council on Historic Preservation, National Capital Memorial Advisory Commission, and the District of Columbia Zoning Commission. In addition to serving as an *ex-officio* member of the United States Capitol Preservation Commission and the National Building Museum, the Architect serves as the Acting Director of the U.S. Botanic Garden under the Joint Committee on the Library.

The AOC is a nonpartisan, professional services office of the Legislative Branch. Accountability and openness are maintained through the annual federal budget process, by which the AOC's separate appropriations are authorized and appropriated by Congress, and through reporting to several Congressional review and oversight committees. This 2008 Performance and Accountability Report describes the work accomplished over the past year and supplies another means by which the AOC maintains transparency and shares information with Congress and the American people.

Organizational Structure

Central administrative and management offices are responsible for supporting all AOC jurisdictions. Their functions include architecture and engineering design, project and construction management, facilities planning, financial management, legal counsel, safety programs, human resources, information technology, procurement, and strategic planning. The largest of its central administrative offices are the:

- Office of the Chief Financial Officer
- Office of the Chief Administrative Officer
- Office of Planning and Project Management
- Office of Safety, Fire, and Environmental Programs
- Office of the General Counsel

In addition, the AOC supports the Capitol complex through its Offices of Inspector General, Congressional and External Relations, and the Attending Physician. Additional support is provided by the Office of Security Programs.

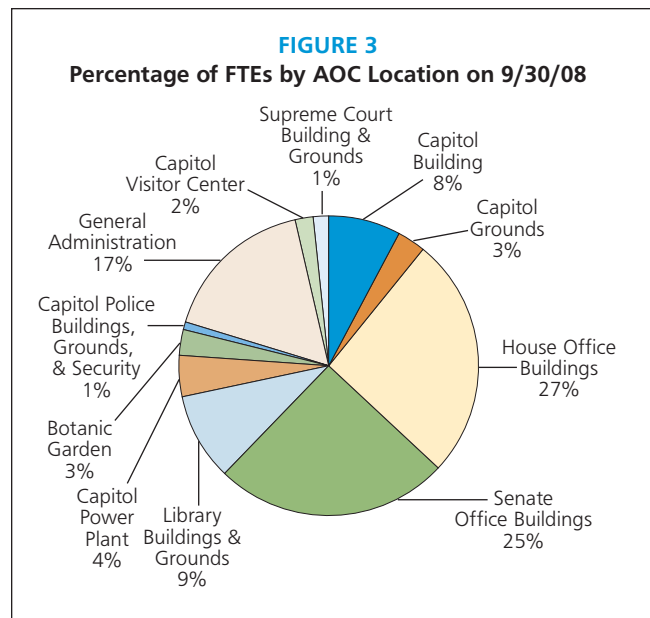
The AOC has oversight responsibility for several jurisdictions across the Capitol complex. Each jurisdiction is responsible for a designated area, as follows:

- Capitol Building
- Capitol Grounds
- House Office Buildings
- Senate Office Buildings
- Library Buildings and Grounds
- Capitol Power Plant
- Botanic Garden
- Supreme Court
- Capitol Police Buildings, Grounds, and Security

During Fiscal Year (FY) 2008, Congress appropriated funds for the Capitol Visitor Center (CVC) construction completion, operational start-up costs, administration, and facility maintenance. Legislation passed by the 110th Congress details the AOC's administration and management responsibilities for operating the CVC.⁴

The organizational chart on page 7 illustrates the relationship of these many jurisdictions and offices within the AOC.

The AOC's skilled employees are responsible for the daily operations throughout the Capitol complex and support facilities. Approximately 500 of its laborers, custodians, gardeners, and other workers are represented by labor unions. The diverse AOC staff includes electricians, plumbers, upholsterers, carpenters, painters, masons, and other skilled craftspeople. Starting in FY 2009, with the opening of the CVC, the AOC will add visitor service operations to its responsibilities. Figure 3 details the distribution of staff across the organization.



⁴ P.L. 110-437



The Office of the AOC has made tremendous strides to transform itself into a highly professional, innovative, service-oriented organization.

STATUS OF CROSS-CUTTING PROGRAMS

The AOC has five major initiatives and programs that are implemented across the Capitol complex:

- Capitol Complex Master Plan
- Sustainability, Energy Efficiency, and Energy Conservation
- Workplace Improvements
- Safer Workplace for Employees
- Customer Satisfaction Surveys

Capitol Complex Master Plan

The Capitol Complex Master Plan (CCMP) serves as a comprehensive, long-range framework and implementation strategy to prioritize the maintenance, renovation, and development of the Capitol complex over the next 20 years. Its planning principles address stewardship; urban design; and the needs of Congress, its workforce, and the visiting public. The CCMP uses Facility Condition Assessment (FCA) updates as the primary tool to evaluate existing buildings and to identify improvement, renewal, and maintenance and repair issues. Incorporating the results of FCA updates and their recommended actions, the long-term CCMP ensures that the Architect of the Capitol (AOC) is positioned to provide safe, sustainable, high quality facilities and grounds that meet the needs of Congress and its visitors; address facility renewal requirements; respond to Congressionally-mandated stewardship goals; anticipate advances in building technologies; and plan for future campus development.

FCA updates create a baseline for existing building conditions. They include information from physical surveys; reviews of recent plans,

reports, or studies; and interviews with current facility managers, staff, and experts. Once an FCA is conducted, it is rolled into a five-year Capital Improvements Plan (CIP) which evaluates capital projects based on select criteria, including: fire and life safety, regulatory compliance, preservation of historic elements, economics and life cycle cost considerations, security, and energy efficiency. In 2008, the AOC conducted condition assessments for the following campus facilities:

- Cannon House Office Building;
- House Page Dormitory;
- Dirksen Senate Office Building (mechanical and general area);
- Supreme Court Building (new area assessment and reassessment);
- Capitol Building;
- Capitol Power Plant;
- Capitol Grounds; and
- Botanic Garden (assessment of mechanical zones for the National Garden and National Conservatory roof assessment).

In addition, the CCMP is composed of six Framework Plans and nine Jurisdiction Plans that prioritize the Capitol complex's facility maintenance, operations, and stewardship needs. The Framework Plans are not confined by location. Instead, they focus on stewardship goals such as: historic and cultural asset preservation; creation of an attractive landscape and open space; incorporation of sustainability measures; circulation and transportation accessibility; utility and infrastructure demands; and security.

The Jurisdiction Plans identify, quantify, and plan for the unmet needs of each distinct, yet complementary, jurisdiction within the campus, while also providing strategies that incorporate reinvestment and new construction to address future concerns. Each Jurisdiction Plan involves a thorough and inclusive evaluation of that jurisdiction's short and long-term priorities.

In 2008, the AOC made significant progress in developing a revised Master Plan. Two Jurisdiction Plans (those for the Botanic Garden and the Supreme Court) finished the review stage and were forwarded to key stakeholders for final evaluation. All remaining plans were at the 85 percent review stage by the end of 2008. As the AOC develops its CCMP, it is also collaborating with a number of federal and local planning organizations.

For 2009, a consolidated, complex-wide project list and timeline is under development. The comprehensive timeline will provide a holistic snapshot of all major recommended Capital Improvements Plan projects, facilitating an opportunity to assess project funding over a 20-year span. Following a review by all AOC jurisdictions, findings will be incorporated into pre-final Jurisdiction Plans and distributed for stakeholder feedback and consensus. The Jurisdiction and Framework Plans will be merged to form the executive summary Capitol Complex Master Plan. The CCMP will be available via the AOC's intranet with links to supporting reference studies and databases. This will ensure that the information contained therein is accurate and up-to-date.

The CCMP initiative will help the AOC strategically prioritize capital improvements, ensuring its existing historic buildings and grounds are preserved, while preparing for the complex's future. These efforts will advance the AOC's mission to preserve, maintain, and enhance the national treasures entrusted to its care, as well as provide a welcoming atmosphere that encourages the public to visit.



The CCMP's six Framework Plans focus on stewardship goals. These goals include transportation accessibility and infrastructure needs.

Sustainability, Energy Efficiency, and Energy Conservation

By improving energy efficiency across the Capitol complex, the Architect of the Capitol reduces greenhouse gas emissions, saves taxpayer dollars, and protects the environment. AOC's commitment to these efforts dates to 1978, with the issuance of a report to Congress proposing the creation of the Program for Energy Conservation (PEC). The PEC began as a small pilot and expanded to a complex-wide effort. With new legislative requirements, the AOC continues to pursue reductions in energy use and emissions.

Legislative Background

Motivated by rising energy costs and environmental concerns, Congress enacted legislation to reduce energy use in federal buildings. The Energy Policy Act of 2005 (EPAAct 2005) established the goal of reducing energy consumption in federal buildings by two percent per year from 2003 levels, with a six percent reduction by 2008 and a 20 percent total reduction by 2015. In 2007, Congress amended EPAAct 2005 with the Energy Independence and Security Act (EISA 2007). EISA 2007's more aggressive standards require the reduction of energy usage by three percent annually from 2003 levels, yielding a nine percent total decrease by 2008 and a 30 percent total reduction by 2015.

In 2007, the Speaker of the House championed the Green the Capitol Initiative (GTCI), which focuses on carbon dioxide emissions and sustainable practices and recommends reducing energy consumption by five percent per year starting in 2008 with a total reduction of 50 percent by 2017. Unlike EPAAct 2005 and EISA 2007, the GTCI energy reduction goals are based on 2006 base levels.

AOC Exceeded Required Energy Consumption Reduction Target

Prior to EISA 2007, the AOC surpassed its EPAAct 2005 energy reduction goals in 2006 by decreasing energy use by 6.5 percent. In 2007, the AOC achieved a 6.7 percent energy consumption reduction from 2003 levels—meeting the four percent goal under EPAAct 2005. In 2008, the AOC achieved a 10.7 percent reduction from 2003 levels, which surpassed the EISA 2007 goal of a nine percent reduction. In addition, the AOC utilized renewable energy credits, purchasing over 120 million kilowatt-hours (kWh), or over 32 percent of AOC's annual electrical usage. EISA 2007 guidance permits the AOC to deduct a maximum of 5.4 percent from the AOC's annual energy calculations, meaning that the AOC reduced energy consumption by a total of 16.1 percent including renewable energy credits. Figure 4 on page 11 illustrates AOC's progress against EPAAct, EISA, and GTCI energy goals.

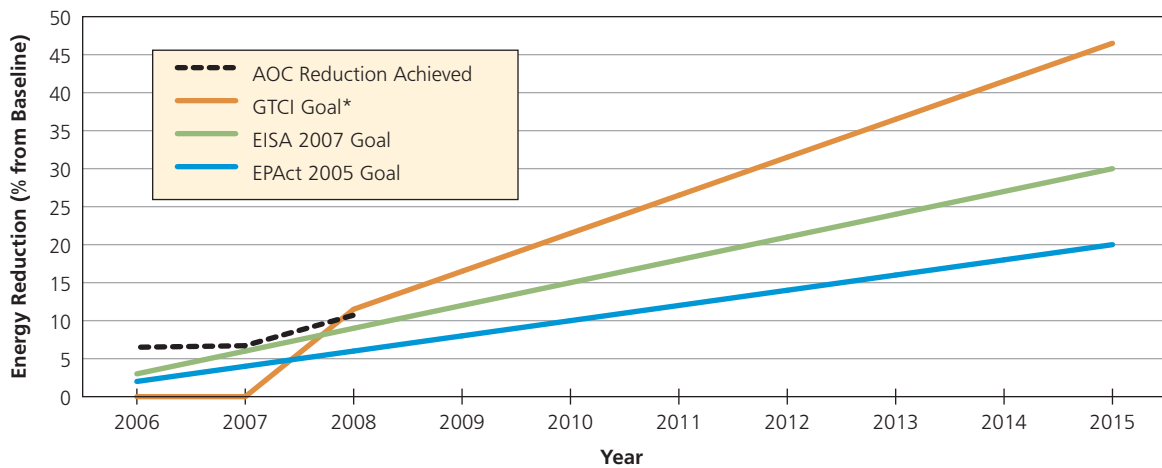
Programs and Initiatives

The AOC implemented a number of programs and initiatives in 2008 to decrease its energy consumption and carbon emissions.

Utility Tracking and Management Program

To identify opportunities to reduce energy use and costs, the AOC used a utility tracking and management program to document energy

FIGURE 4
AOC Energy Reduction vs. Goals



*GTCI is based on a 2006 baseline, but has been adjusted in this graph to match a 2003 baseline for consistency. GTCI applies to the HOB and portions of other facilities, not the entire AOC complex.

consumption and expenditures associated with the use of electricity, domestic water, fuel oil, coal, and natural gas. For example, the AOC monitored water consumption on the complex, which showed that the Capitol Power Plant decreased water consumption by 30 percent between 2003 and 2008.

Metering Programs

To track chilled water and steam consumption throughout the Capitol complex, the AOC began upgrading the existing metering system with new real-time meters that will measure energy reduction. This project addressed metering for the House Office Buildings, the Capitol, and the Capitol Power Plant. The Cannon HOB was due in August 2008 and the remainder required by February 2009. Other AOC facilities will be completed under a FY 2010 project.

Recycling Programs

The AOC developed its recycling program in 2006 to increase office waste recycling by five percent and non-office (i.e., industrial) waste recycling by three percent within three years from 2005 levels. The AOC recycled 738 tons of non-office waste in 2008, which is a 45 percent increase over 2005, far exceeding the targeted three percent. Since 2006, the AOC has recycled 100 percent of all AOC computer and electronic waste, including monitors, computers, printers, and other hardware.

Energy Savings Performance Contracts (ESPCs)

ESPCs permit an energy savings contractor (ESCO) to finance and install energy-saving projects in facilities with minimal investment. The projects are paid for over time from the savings generated by the installed improvements.

In 2008, AOC reviewed initial proposals by ESCOs for facilities on the Capitol complex. The proposals included energy audits to assist the AOC in identifying opportunities for energy efficiency. ESPCs will play a significant

role in helping the AOC reach its required long-term targets through identification of the most cost-effective and energy efficient projects.

Ethanol-85 (E-85) Fueling Station

Ethanol-85, a blend of ethanol and gasoline, is produced from corn and other biofuel products. Over the full cycle of growth and combustion, it creates less carbon emissions than typical gasoline. The AOC completed construction of an on-site E-85 fueling station on time and within budget for use by AOC and other Legislative Branch fleet vehicles. The AOC plans to obtain new or replacement fleet vehicles capable of utilizing E-85 gasoline.

Campus Improvement Projects

The AOC executed a number of greening and energy efficiency improvement projects across the Capitol complex. For additional AOC efforts, please see the *Jurisdictions* section of this report. Some of the projects taking place include:

- Installation of dimmable lighting ballast systems with daylight and occupancy sensor switches in overhead lighting to maintain consistent lighting levels;
- Replacement of conventional incandescent light bulbs with compact fluorescent lamps (CFLs);
- Installation of restroom fixture motion sensors and additional low-flow devices for water conservation;
- Upgrade of heating, ventilating, and air conditioning systems;
- Implementation of a procurement policy that establishes the AOC's preference for bio-based products; and
- Purchasing and leasing only EnergyStar™ energy efficient appliances and equipment.

Transition to Cleaner Fuels

The AOC began to transition to cleaner fuels in an effort to reduce greenhouse gas emissions from the Capitol Power Plant (CPP), which burned approximately 62 percent natural gas and 38 percent low sulfur coal at the end of 2008. The GTCI recommends burning 100 percent natural gas as its carbon dioxide emissions are less than that of coal. To support these efforts, Congress increased 2008 funding by \$2.75 million for CPP to burn additional natural gas. The AOC also began to explore alternative fuel options and technologies, such as biofuels, carbon sequestration, and synthetic coal.

Carbon Capture Technologies

These technologies capture carbon emissions from fossil fuel-fired power plants and other industrial processes and store the emissions deep underground securely away from the atmosphere. The AOC evaluated this new technology for the CPP. As a result, the Department of Energy issued a carbon capture feasibility study on the CPP's coal boilers. This study concluded carbon capture was not practicable at the Capitol Power Plant.

Refrigerant Conversions and Efficiencies

The CPP and the Capitol Police Buildings, Grounds, and Security (CPBG&S) offsite facility houses chillers and air conditioning units that contribute to the AOC's carbon footprint. The AOC has taken steps to ensure the chillers are energy-efficient and environmentally-friendly. As the current model is being phased out under the Montreal Protocol, the AOC began to invest in newer models that are more efficient.

Workplace Improvements

The Office of the Architect of the Capitol has made tremendous strides to transform itself into a highly professional, service-oriented organization. These efforts aim to make the AOC more efficient and accountable, as well as to make it competitive with the private sector in its ability to recruit, develop, and retain employees. With such provisions, the AOC hopes to be an attractive employment option with more satisfied and productive employees. These efforts derive from the Acting Architect's vision of creating a strong and talented workforce to help the AOC accomplish its mission.

The AOC's focus on its people is demonstrated by the Acting Architect of the Capitol's approval of the AOC's revised *Human Capital Plan for FY 2007–FY 2011*. This plan serves as a blueprint for the development of the organization's human resources programs, policies, and procedures. The following workforce and workplace improvements were undertaken in 2008:

- Overtime Management Improvements;
- Focus Groups;
- Flexible Work Schedules;
- Improved Training Opportunities;
- Building and Maintaining Worker Diversity; and
- Annual Leave Flexibility.

GAO Recommendations for Improving Energy Efficiency and Decreasing Emissions

In April 2007, GAO published a carbon footprint calculation of greenhouse gas emissions of the Legislative Branch offices, with recommendations to reduce energy use and emissions. The AOC made significant progress in 2008, detailed in the table below.

GAO Recommendation	AOC's Progress in 2008
Establish a schedule for energy audits that considers cost-effectiveness.	Prioritized energy audits and created a 4-year energy audit schedule with cost projections. Requested \$1.1 million funding for energy audits in 2008 and was appropriated \$400,000.
Implement selected projects as part of an overall plan that considers cost-effectiveness, the extent to which they reduce emissions, and options for funding them.	Implemented numerous energy efficiency projects throughout the complex, including upgrading lighting systems, replacing steam system components, and purchasing energy-efficient equipment and appliances.
Adjust the Capitol Power Plant's fuel mix.	Burned 62% natural gas and 38% coal at the end of 2008. As part of GTCI, Congress increased funding by \$2.75 million for the CPP to burn natural gas in lieu of coal.
Purchase carbon offsets or renewable electricity from external providers.	Purchased 120 million kWh of renewable energy from local utility and will establish goals for purchase of carbon offset credits.

Overtime Management Improvements

On any given day, there are literally hundreds of projects underway across the AOC's campus—with much of this work done behind the scenes and during Congressional recesses. As a result of its unique mission, some base amount of overtime is anticipated and the AOC plans for this accordingly. For instance, seasonal summer hires for grounds work and biennial Congressional office moves cause a predictable spike in overtime hours worked.

To enable a better understanding of the AOC's use of labor resources, a suite of internal reports was created in 2008 to show labor and overtime trends. These reports use real-time payroll records, enabling AOC superintendents and managers to make data-based decisions. The reports provide AOC decision-makers with labor and overtime hours and dollar amounts, ratios, projections, and variances. At the conclusion of FY 2008, AOC overtime declined by over 50,000 hours from the prior year. Some of this decline may be attributed to the biennial work from the 110th Congress office moves in FY2007—work that did not take place in FY2008 and would not recur again until FY 2009. However, a portion of this savings is credited to the organization's renewed focus on the effective and efficient management of its labor resources and the establishment of firm targets by which its superintendents may manage their resources.

Focus Groups

One way the AOC measures how well it supports its staff and provides an environment for professional growth is through focus groups. First conducted in 2004, additional employee focus groups were held in 2008 to gather feedback on the AOC's customer service, internal procedures, mission, and work environment. Over 225 employees from across the organization participated in focus groups, which were held to encourage employees to express their opinions about the AOC's overall operations, work environment, and culture. Figure 5 shows the distribution of AOC employees' satisfaction ratings.

The consensus of these 2008 focus groups was that the AOC had made great improvements in several areas, including: understanding the AOC mission and how individual roles fit within it; providing training opportunities; and establishing a safer work environment. In addition, the focus groups revealed that improvement is desirable in: enhancing workplace communication; making better use of new information technologies; and embracing changes to encourage creative thinking, employee participation, and team building. As a result, the AOC plans to implement in 2009 new action plans to incorporate these suggestions.

A pilot flexible work schedule program for AOC employees occurred in 2008.

Flexible Work Schedules

A pilot flexible work schedule program for full- and part-time AOC employees occurred in 2008 to test the viability of establishing a permanent program for AOC employees. In a flexible work environment, employees have greater control over their leave usage and may better balance work and family responsibilities. Participation was voluntary and subject to supervisory approval and the operating needs of the organization. Each group

established core hours during which their employees were to be present to maintain coverage and minimize adverse impact to customer service.

At the conclusion of the pilot, AOC managers and employees evaluated the program as a success and expressed that the flexible work schedule should be made permanent. AOC subsequently received authority to reinstitute another pilot through September 30, 2010.

Improved Training Opportunities

The AOC *Human Capital Plan: FY 2007–FY 2011* aligns with AOC's *Strategic and Performance Plan* to guide the organization in its development of human capital and to ensure that the workforce continues to perform at the highest level. As part of the plan, the AOC aims to provide training opportunities to enhance AOC employees' skills and leadership development. Guided by the goals of the *Human Capital Plan*, jurisdictions and divisions develop and coordinate training for their staff.

Building and Maintaining Worker Diversity

The AOC is committed to building and maintaining an inclusive and diverse work environment and considers diversity one of its core values. To successfully maintain employee diversity, the new *Human Capital Plan* mandates a diverse workforce in which the AOC fully utilizes, recognizes, and values the talents of its staff. At the close of 2008, 54 percent of its workforce was composed of members of a minority group and 25 percent of its employees were women.

In 2007 and 2008, the organization developed an affirmative employment program designed to achieve a workforce reflective of its diverse labor market. This is being achieved through a comprehensive workforce analysis, identification of areas of concern, and implementation of action-oriented strategies to address under-representation. In 2009, the AOC intends to begin analyzing applicant pool data for positions where under-representation exists to assess diversity composition and plans to take steps to enhance applicant pool diversity, when necessary.

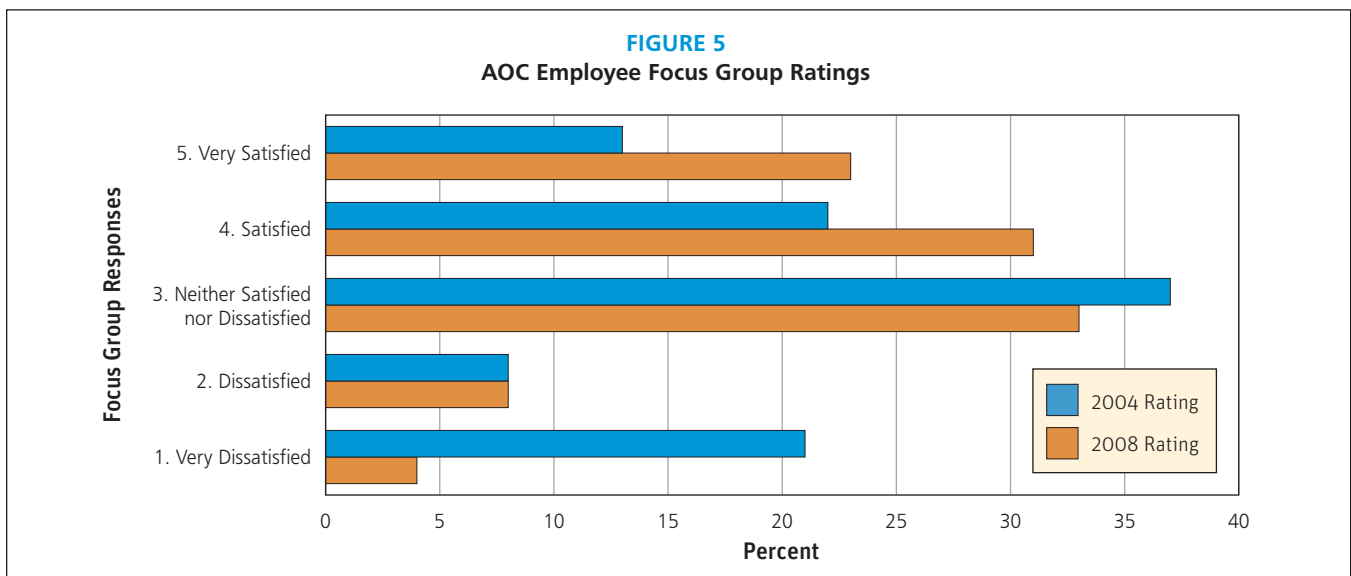
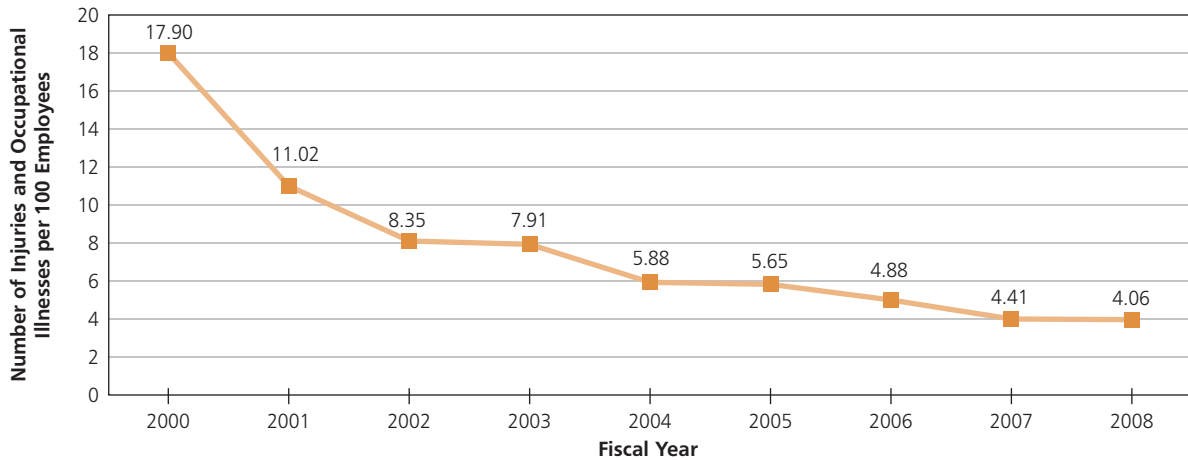


FIGURE 6
Annual Injury and Illness Rate



Annual Leave Flexibility

Congress passed the Federal Workforce Flexibility Act Amendments in 2007, enabling federal agencies to better compete with the private sector in attracting well-qualified workers to the Federal government. The statute provides the flexibility to consider prior, non-Federal work experience or active duty in the uniformed services in determining leave accrual. Thus, new employees in designated mission-critical or hard-to-fill positions may earn leave at a greater rate than previously allowed. This statute has given the AOC a much-needed tool in recruiting new workers.

Safer Workplace for Employees

Worker safety remains a top priority for the Architect of the Capitol (AOC), given the labor-intensive nature of its business operations. A variety of initiatives are in place to maintain a safe working environment and to provide employees with the resources to manage and report safety concerns. In 2008, the Office of Safety, Fire, and Environmental Programs (SFEP) conducted a focus group with AOC employees that revealed nearly 92 percent of those surveyed believed the organization provided a safe work environment. The SFEP office emphasizes strong communication, program coordination, and education in support of the AOC's goal of a safer workplace.

During 2008, the AOC decreased its injury and illness (I&I) rates for the eighth consecutive year. The 2007 I&I rate of 4.41 decreased to 4.06 injuries and occupational illnesses per 100 employees in 2008—almost an eight percent reduction. Since 2000, the AOC has reduced its injury and illness rate by 77 percent. See Figure 6 to view the AOC's decreasing annual I&I rates since 2000.

Though SFEP coordinates organization-wide programs and communications, the individual jurisdictions and divisions take additional measures to decrease injuries and illnesses among their employees. For example, the Capitol Grounds jurisdiction hired a Safety Officer to reduce accidents and

improve safety on the Grounds. As a result, they successfully decreased its I&I rate from the start to the end of 2008. The Construction Division also showed a remarkable improvement in its 2008 I&I rate, cutting it by approximately one-half from the previous year.

During 2008, the AOC completed the Capitol Visitor Center's fire and life-safety system acceptance testing, resulting in the receipt of the Certificate of Occupancy necessary to open the facility to the public. In addition, the AOC completed its Pandemic Flu Plan, provided consultation and support to the Utility Tunnel Improvement Project Team, and continued work on jurisdiction-specific Emergency Action and Response Plans.

The AOC also made strides in upgrading the Capitol complex fall protection system as a means to increase safety across the campus. The original fall protection system was installed in 2003, prior to the implementation of new standards. In 2008, the organization took a number of steps to modify the fall protection system to conform to these standards.

Creating a safer workplace for employees has not been the result of any single person, but rather a common commitment by employees, supervisors, and senior leadership to make safe job performance an AOC priority. The AOC has been working to create a results-oriented workplace and considers an integrated safe work environment a key to delivering on that commitment. In the next fiscal year, the AOC plans to continue its safety efforts by achieving a further three percent I&I rate reduction from 2008, completing its emergency preparedness plans for each jurisdiction, and publishing user-friendly Safety, Fire Marshal, and Environmental Manuals.

Customer Satisfaction Surveys

During June 2008, the Architect of the Capitol administered the annual Building Services Customer Satisfaction Survey (BSCSS) for the seventh consecutive year. The AOC has sent this extensive survey to the occupants of the Capitol Building; House; Senate; Library of Congress; and Capitol Police Buildings, Grounds, and Security (CPBG&S) facilities. Building

occupants are invited to offer feedback on up to 48 different AOC services, with the questionnaires tailored to each jurisdiction.

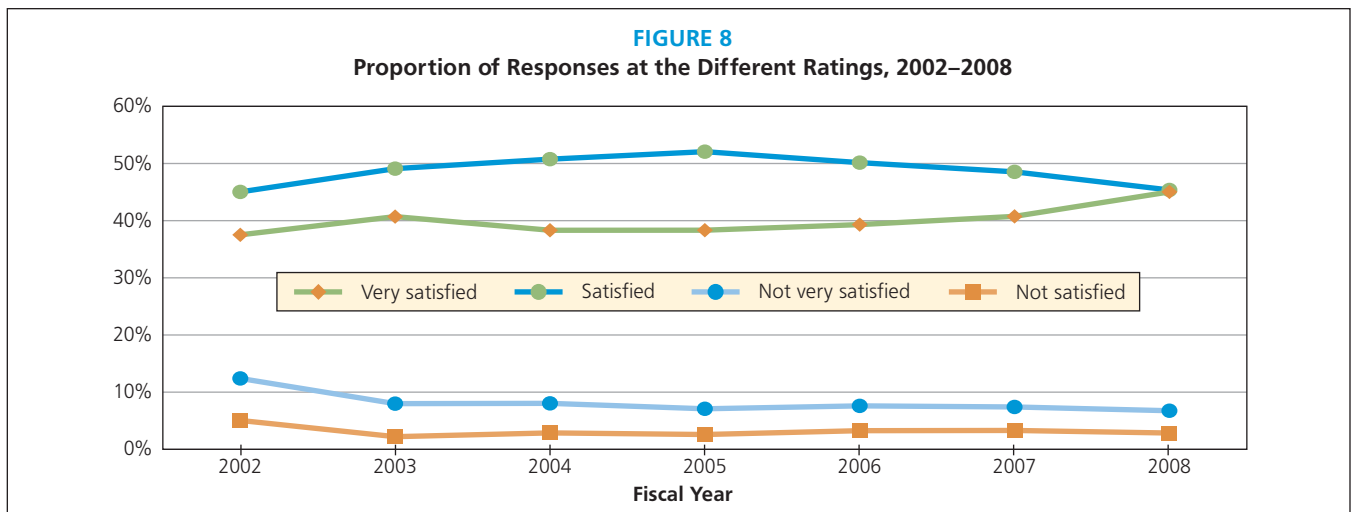
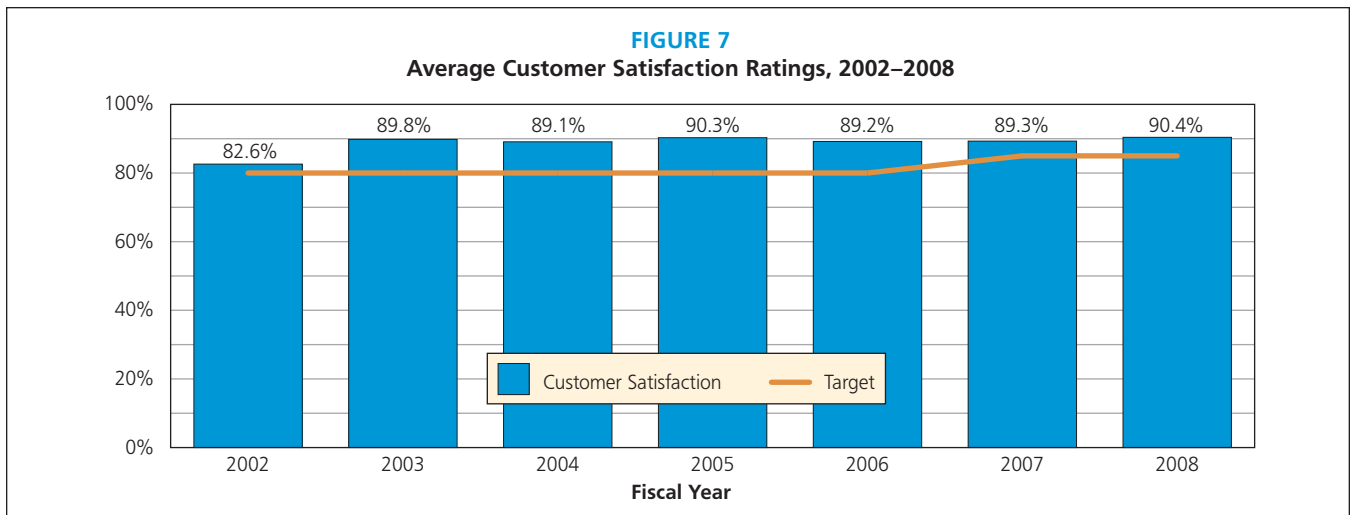
Over time, the BSCSS evaluation has consistently shown that AOC's services meet customer requirements, and that customers appreciate AOC's efforts to improve its services. Though opportunities for improvement remain, the overwhelming majority of building occupants across all jurisdictions surveyed are satisfied⁵ with the AOC, as indicated by a 90 percent rating in 2008, as shown in Figure 7.

The AOC saw a one percent increase in overall satisfaction this year from 2007, and continues to experience a positive shift, from "Satisfied" to "Very Satisfied." Figure 8 depicts the proportion of responses received for each rating.

⁵ Customer satisfaction is calculated as the proportion of respondents who selected the options of "Satisfied" or "Very Satisfied" to rate a service over the sum of all respondents who selected an option different from "No opinion/Not applicable."

General satisfaction remained at the same level or improved above last year, with seven of the eight survey categories exceeding AOC's 85 percent target. Satisfaction with building equipment (i.e., heating, ventilation, air conditioning, and elevators) continues to improve each year, resulting in an 84 percent rating in 2008. This is almost one percent higher than 2007 and less than one point short of the target.

For the fourth consecutive year, occupants of the Capitol Building rated their satisfaction with AOC's services above 90 percent in all eight survey categories, returning the highest average satisfaction level of 95 percent. Building occupants in the Senate and Library of Congress rated their satisfaction at or above the AOC's target of 85 percent in all categories. Occupants of the House also rated seven of eight categories above the AOC's 85 percent target, with significant increases in four categories. The efforts undertaken to improve customer satisfaction in CPBG&S resulted in notable improvements in seven of the eight categories and 30 of the 38 individual services provided to the jurisdiction; the number of items rated below the 85 percent satisfaction target was reduced to half that of the previous year.





The AOC central staff provides services on an organization-wide basis. These central offices include such functions as campus safety and security, and stewardship for works of art.

CENTRAL ADMINISTRATIVE AND MANAGEMENT FUNCTIONS

The management and administrative offices, or central staff, provide services on an AOC-wide basis. These central offices include, but are not limited to, such functions as: human resources, budgeting and accounting, project planning and management, procurement, information systems, safety, security, and care and conservation for works of art.

The central staff is comprised of offices organized under the purview of the Chief Financial Officer; the Chief Administrative Officer; the Director of Planning and Project Management; the Director of Safety, Fire, and Environmental Programs; and the General Counsel. AOC central staff also includes the Office of Congressional and External Relations, the Office of the Attending Physician, and the Office of Security Programs. The Office of Inspector General is an independent office and the Inspector General reports directly to the Acting Architect.

Office of the Chief Financial Officer

The Chief Financial Officer (CFO) oversees four divisions within the Office of the CFO: Accounting, Budget, Financial Systems, and Workforce Planning and Management.

Accounting Division

The Accounting Division provides direction, planning, and oversight for financial policy and procedures, financial analysis, accounting operations, inventory management, and managerial cost accounting and reporting at the AOC.

The Accounting Division's most significant accomplishment in Fiscal Year (FY) 2008 was the receipt of an unqualified opinion on all of its

principal financial statements. This was the sixth consecutive year the AOC received an unqualified opinion (the first two were for Balance Sheet-only audits). The annual audit by an independent third party helps fulfill the AOC's fiscal stewardship responsibilities in a reliable manner. It testifies to the integrity of the AOC's financial information and the organization's accountability to its stakeholders.

In addition, the Accounting Division improved inventory usage through its Inventory Management Program, which monitors turnover, purchasing patterns, and inventory balances. The accuracy rate for inventory quantity and valuation exceeded 99 percent, and the Division made progress toward reducing times in which inventory is declared obsolete. In addition, the Division further developed the AOC's cost accounting system—a phased, multi-year project to measure organizational performance. This year saw the collection of base-year cost information, adjustment and normalization of data, and the enhancement of its managerial reports to focus on resource optimization.

The Division routinely assists on AOC-wide initiatives, including providing operations strategy to the Capitol Visitor Center during its pre-opening period, assisting with the privatization of the Senate Restaurants, supporting the development of the AOC's Statement on Auditing Standards (SAS) No. 70 reports, and providing replacement cost data used for the Capitol Complex Master Plan.

Budget Division

The Budget Division is responsible for preparing, presenting, and monitoring the execution of the appropriated funds the AOC receives from

Congress. This includes monitoring Congressional action on appropriation bills, performing current year execution reviews, assisting in the development of operating plans, responding to questions arising from Congressional hearings, and working with the jurisdictions to formulate budgets. The Division also provides the AOC with a payroll projection service and manages reprogramming requests and notifications.

In 2008, the Budget Division developed and matured teaming relationships within the AOC that led to increased governance and the effective use of financial resources that helped achieve a successful end-of-year execution and maximum utilization of AOC funds. The integrated budget development process ensured that all aspects of the budget submission were coordinated, contained solid resource justification, and minimized duplication. In addition, the Division created a new budget justification format that better captured the funding needs of each jurisdiction's submission and included supplemental performance-based budget data.

The Budget Division worked with the Capitol Visitor Center to establish an operating base for its first full year of operations, ensured a smooth transition of Capitol Guide Service funds, and developed AOC strategies for dealing with Continuing Resolution issues and ensuring continued operations. The Division played a key role in addressing the AOC's deferred maintenance and capital renewal backlog with oversight committees and helped to convey the long-term projected costs of fulfilling the AOC's mission. As a result, the AOC received a 30 percent increase in FY 2009 funding.

Financial Systems Division

The Financial Systems Division (formerly Financial Management Systems Division) manages and coordinates the design, development, implementation, maintenance, and support of the AOC's financial systems. The Division supports end-users through its Help Desk and training programs. The Division seeks to provide federally compliant, auditable, modern financial systems that meet the needs of the organization and are based on Government Financial Accounting Standards.

The Division's key accomplishment in 2008 was the planning and implementation of a major upgrade to the AOC's financial accounting software. The upgrade now allows AOC users to enter and retrieve financial data in real-time. This conversion provides for the latest National Institute of Standards and Technology (NIST) 800-53 security enhancements, permits the AOC to stay current with best accounting practices, and moves the AOC from a server-based to a secure, internet-based system. The upgraded system also includes features that could support financial performance initiatives that are in development at the AOC (i.e., cost accounting and performance based budgeting).

The Financial Services Division also worked with the AOC's Information Technology Division to acquire and implement a point of sale system for use in the Capitol Visitor Center (CVC). With three million visitors anticipated annually, an efficient and reliable system for retail merchandising and inventory management is crucial to serving the visiting public in the CVC's restaurant and gift shops, as well as maintaining accountability for AOC resources.

In 2008, the Division took the initial steps on an AOC business process re-engineering project and towards implementing a new credit card vendor system.

Workforce Planning and Management Division

The Workforce Planning and Management Division (WFPM) assists the AOC with succession planning, position resource management, full-time equivalent management, and organization analysis. WFPM works in close collaboration with the Human Resources Management Division on policies that foster a positive work environment to attract and inspire excellence in its people, enabling the AOC to provide best-value services, solutions, and support.

During 2008, WFPM made great strides in completing the initial phases of its strategic workforce planning process—a key element of the AOC's Human Capital Plan. The new process equips managers with a variety of decision support tools, human capital data, and reports. WFPM's workforce assessment system, a component of the process, allows managers to observe the demographic makeup of each organization and support critical management decisions through a greater awareness of trends and challenges. As an example, the Division utilized these resources to analyze the AOC's retirement vulnerability within each jurisdiction. Over the next several years, the AOC will continue to experience an increase in retirement-eligible employees.

WFPM also developed an assessment tool to score position requests whereby new personnel requests are ranked against specific formal planning criteria, including: retirement eligibility, workload need, strategic outcome measures, and Congressional mandates. By assigning a score to each request, WFPM may more accurately determine which positions are most critical to the AOC's mission and goals.



The excellent work performed by the four divisions of the Office of the Chief Financial Officer help to ensure maximum utilization of AOC funds and resources at the Capitol complex.

Office of the Chief Administrative Officer

The Chief Administrative Officer (CAO) oversees seven divisions within the organization: Equal Employment Opportunity and Conciliation Programs, Human Resources Management, Information Technology, Curator, Procurement, U.S. Senate Restaurants, and the Immediate Office of the CAO.

Equal Employment Opportunity and Conciliation Programs Division

The Equal Employment Opportunity and Conciliation Programs Division (EEO/CP) administers the equal employment opportunity and sexual harassment policies, and the conciliation, diversity, affirmative employment, and reasonable accommodation programs at the Architect of the Capitol. EEO/CP works to resolve equal employment matters and workplace disputes. The Division develops and implements initiatives to promote a discrimination-free work environment, increase workforce diversity, and provide technical assistance to supervisors. EEO/CP also offers career counseling and serves as a conduit for resources available to employees.

In 2008, EEO/CP developed and implemented the AOC's first Affirmative Employment Program. While it has been the AOC's long-standing commitment to provide equal employment opportunities for all employees and applicants, this program specifically involves good faith efforts to reach out to women, minorities, and persons with disabilities. EEO/CP continued to develop and implement initiatives celebrating the diversity of the AOC workforce and conducted organization-wide EEO and diversity training. The Division consistently met its strategic goal of closing 90 percent of claims within 90 days. This accomplishment was a result of EEO/CP's implementation of business process improvements to evenly distribute work and promote the swift, thorough handling of employment disputes.

In 2008, the AOC completed its Human Capital Plan ahead of schedule. The Plan guides AOC human capital development and ensures that its workforce continues to perform at the highest level.

Human Resources Management Division

The Human Resources Management Division (HRMD) develops AOC policy for human resource issues; provides payroll advice and guidance to managers and employees; and administers processes to attract, develop, and retain a highly-motivated workforce to meet the AOC's mission. The HRMD also tracks key metrics to monitor and improve performance, injury and illness rates, and a stress level indicator.

In 2008, HRMD revised the original AOC *Human Capital Plan*, developed in 2004, to better support the AOC's *Strategic and Performance Plan* and help transform the AOC by incorporating contemporary human resource practices into the management of its employees. After extensive collaborative sessions, this revised plan was completed and made available to the AOC workforce ahead of schedule. The *AOC Human Capital Plan: FY 2007–FY 2011* guides the organization in its development of human capital and ensures that the workforce continues to perform at the highest level and remains results-oriented.

The Division also implemented a number of initiatives to attract and retain a talented, diverse workforce. These included the hiring of a specialist to develop and manage work-life programs, instituting a pilot Flexible Work Schedule program, instituting a Fitness Club Benefit program, and generating support that resulted in a third consecutive year of participation in the Council for Excellence in Government Fellows program. Such programs are essential for maintaining the AOC as a competitive employer in the federal sector.

Information Technology Division

The Information Technology Division (ITD) manages the AOC's information technology (IT) needs and allocates the technology resources upon which the AOC is dependent for operations. The ITD provides customer service excellence by maintaining partnerships with its internal customers and capitalizing on the latest technological advances.

A key effort in 2008 was the development and implementation of the Information Technology Investment Management (ITIM) process with the full support and participation of AOC senior leadership. ITIM provides criteria for the selection of IT investments that best support the AOC's mission, goals, and objectives. It ensures that an optimal IT investment portfolio is selected and funded. Other accomplishments for the year include: the implementation of a new web-based IT security training program, the review and update of 23 IT security policies, and the update of IT service level agreements to include a customer satisfaction survey for each help desk ticket.

During 2008, an enterprise storage services migration analysis concluded that the AOC had limited disk space and used several obsolete technologies that needed upgrading or replacement to meet future business needs. Based on these findings, ITD completed three storage initiatives including: the installation of enterprise storage area network platform; analysis, design, and implementation of storage expansion; and tape drive backup platform modernization.

Curator Division

The Curator Division supports the AOC's stewardship mission to preserve, maintain, and enhance the AOC's national treasures for future generations. Stewardship includes documenting, researching, and educating visitors about heritage assets. The Curator preserves and grants access to the AOC historical records and oversees the care and conservation of architectural, fine, and decorative art under the AOC. The Division's work in conducting research



The AOC plays an important role in construction and restoration activities that took place in and around the Capitol, such as those in conjunction with the creation of the Capitol Visitor Center and the historic arch restoration in the Thomas Jefferson Building's Main Reading Room.

and providing information, construction drawings and records, and photographic images is vital for project planning and stewardship of the complex.

The Division's Records Management and Archives Branch manages the AOC archives—the repository for architectural and engineering drawings and for administrative, construction, and project records dating from the mid-19th century to the present. Work continues on planning for the management of electronic archives.

The Division's Photography Branch documents construction, renovation, restoration, and ceremonial events in the Capitol complex; maintains the photographic archive; and provides images. Service improvements were made through a new tracking system, work-area renovations, and database improvements.

The Division successfully supported the December 2008 opening of the Capitol Visitor Center (CVC). The Curator developed and executed a plan, approved by the Joint Committee on the Library (JCL), to move statues from the National Statuary Hall Collection to the CVC, re-arrange statues within the Capitol, and advise on the move of the plaster model for the Statue of Freedom.

Major 2008 conservation projects included completion of Phase 10 of the conservation of the elaborate murals in the Brumidi Corridors, located in the Capitol's north wing. In addition, testing led to the discovery and restoration of a bronze-like finish on the cast-iron enframements in Senate room S-311 and to further information about decorative finishes in Senate room S-213. Cleaning of the Rotunda paintings and conservation of the Rotunda doors were also completed. See *Status of Key Projects and Exhibitions of Interest: Curatorial and Preservation Projects* for additional detail on the Curator's conservation work in 2008.

Educational efforts to increase preservation awareness included training for Capitol Police recruits, Library of Congress docents, and outside professional groups. The Curator maintains portions of the AOC web site, assists with publications, and advises on art exhibitions. The Division supported exhibits celebrating the centennial of the Cannon House Office Building and began preparations for the Russell Senate Office Building centennial. A long-term goal was achieved with the publication of *Glenn Brown's History*

of the United States Capitol, an annotated edition of the 1900 and 1903 volumes with scanned original photographic plates and new color images of works of art and architectural drawings.

The Curator has also been involved with work on five new sculptures for the Capitol's art collection. Contracts were prepared with sculptors to create small preliminary models for the statue of Rosa Parks. A bust of Sojourner Truth is nearly complete and progress was made on three replacement statues for the National Statuary Hall Collection: Ronald Reagan (California), Helen Keller (Alabama), and Gerald Ford (Michigan).

Procurement Division

This Division is responsible for procurement throughout the AOC and solicits, awards, and administers contracts. The Division develops procurement guidance and policy to make the process function efficiently.

In 2008, the Procurement Division processed approximately 19,000 procurement actions—a 75 percent increase from 2007—totaling an estimated \$572 million. The Division awarded a number of key contracts in 2008 that will contribute to goals in AOC's *Strategic and Performance Plan*, including for the landscape and grounds improvement design at the Supreme Court.

One of the Procurement Division's most notable achievements for the year was the creation of a government-owned personal property management policy that established organization-wide minimum standards for the use and care of government-owned personal property.

United States Senate Restaurants

The CAO manages the U.S. Senate Restaurants' multiple dining facilities, subject to oversight by the Senate Committee on Rules and Administration. These facilities include the Senate Dining Room; the Public/Press Dining Room; a full-service banquet and catering operation; and multiple cafeterias, snack bars, and sundry shops located in the Capitol and Senate office buildings. In 2008, a new food service contract was awarded for the management of the Senate Restaurants to enhance the dining options for customers beginning in early FY 2009.

Immediate Office of the CAO

The CAO also manages offices that support the AOC's strategic planning, quality management, and employee assistance programs. The Strategic Planning Office develops and maintains the organization's *Strategic and Performance Plan* and tracks compliance with the goals and objectives specified therein. It maintains the AOC's General Administration budget and serves as liaison to the Government Accountability Office (GAO) regarding government audits. The Quality Management Office develops and administers the AOC's quality management and evaluation program and maintains performance metrics and data. The Employee Assistance Program provides counseling for AOC employees experiencing personal concerns impacting their work-life or well-being.

The AOC is responsible for developing the Capitol Complex Master Plan which will provide a framework for long-term planning initiatives.

Office of Planning and Project Management

The AOC's Office of Planning and Project Management (PPM) includes the Project Management, Design Services, Technical Support, Facilities Planning and Programming, and Construction Divisions.

Project Management Division

The Project Management Division (PMD) manages the design and construction of projects in AOC's existing buildings and provides expertise in the design and construction of new or leased facilities. The Division helps determine the best acquisition strategy and execution method for each project, and monitors and controls the project lifecycle cost, schedule, and quality. PMD publishes internal reports of cost, schedule, and contract status; monthly performance metrics; and quarterly construction progress.

A key accomplishment for 2008 was the completion of the Ethanol-85 fueling station project as scheduled. Required under the Energy Independence and Security Act of 2007, the station will provide fuel that emits less carbon than fossil fuels. For more detail, please see *Cross-cutting Programs: Sustainability, Energy Efficiency, and Energy Conservation* of this report.

The Division also renovated the Science and Technology Committee's office in the Rayburn House Office Building—AOC's first project conforming to Leadership in Energy and Environmental Design (LEED) sustainability standards. PMD also completed 90 percent of the Ft. Meade Book Storage Modules 3 and 4 on schedule and within budget. These high-technology, high-density storage facilities for the Library of Congress, located in Maryland, is forecasted to be completed in 2009.

Design Services Division

The Design Services Division is primarily responsible for the architectural and engineering studies, interior design services, and project management for execution of smaller projects. Additionally, the Division provides expert guidance regarding issues of stewardship of building systems and infrastructure and historic preservation. Design Services is a primary resource for the implementation of the AOC's historic preservation policy through its Historic Preservation Officer.

Design Services placed a great emphasis on the development of energy reduction initiatives in 2008, working with jurisdictions to meet the AOC's energy targets. The Division also provided support to the Capitol Visitor Center (CVC) project, including egress and code analysis; the design and fabrication of a memorial in honor of September 11, 2001 victims; structural engineering analysis for the relocation of statues in the CVC and Capitol; and assistance in the relocation of the Statue of Freedom.

Technical Support Division

The Technical Support Division develops, maintains, and enhances cost control, construction specification, and computer-aided design (CAD) systems by providing specialized CAD, cost-estimating, specification, graphic design, project scheduling, and standards development services that adapt to both federal practice and the unique environment of the Capitol complex.

In 2008, the Division participated in the development of a process to track project cost estimates through final execution costs, which closed an open Government Accountability Office (GAO) General Management Recommendation finding. The process assures that work performed by the Construction Division is estimated and tracked through execution in the same way as contractor costs, thereby enabling the AOC to achieve optimal cost and the highest quality.

The Division updated the master CAD drawings and published new draft best practices manuals reflecting lessons learned and new processes. A key effort includes initial work with Building Information Modeling software that models structures electronically. See *Looking Ahead: Building Information Modeling* in this report for more detail.

Facilities Planning and Programming Division

The Facility Planning and Programming Division is responsible for conducting Facility Condition Assessments, developing the five-year Capital Improvements Plan, and creating the long-range Capitol Complex Master Plan (CCMP). These vital management tools are used to assure continuance of operations, coordinate and sequence work to avoid site conflicts and construction fatigue, and reduce budget spikes to meet emerging requirements.

The Division successfully revised Capital Improvements Program development procedures, which were put into effect to allow for greater review of funding requests for studies and designs, and developed improved prioritization criteria for regulatory and code compliance areas. The CCMP will be a framework for conducting short and long-term AOC planning over the next 20 years. It shall lay out the Capitol complex's projects for the purpose of detailed physical and financial planning. For more information, please see *Status of Cross-Cutting Programs: Capitol Complex Master Plan*.

Construction Division

The Construction Division provides construction and facility management support to the jurisdictions. Highly skilled builders and craftsmen provide agility, flexibility, and institutional knowledge to handle a variety of planned stewardship requirements and emergency projects. This Division allows the AOC to react immediately and complete construction work with an internal workforce instead with an outside vendor.

The Division made considerable strides in the execution of its 2008 projects, including the significant reduction of its injury and illness rate by approximately 50 percent from 2007 levels; the closing of its last GAO General Management Recommendation; completion of projects across jurisdictions valued at approximately \$25 million; completion of AOC's first LEED project in the Rayburn House Office Building; and significant improvement in the use of project management software to monitor the status and schedule of construction projects.

Status of Projects

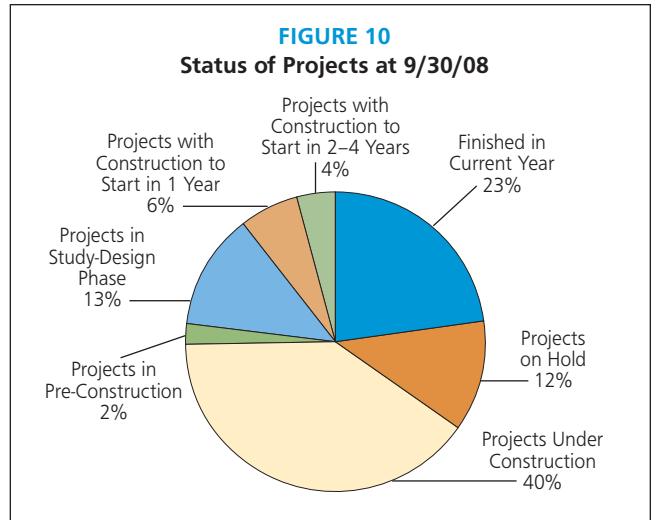
At any point in time, there are a multitude of construction projects in development on the Capitol complex. See Figure 9 for the status of AOC projects, by construction phase, over the last four years. Figure 10 compares the standing of projects by construction phase at the close of FY 2008.

Total Projects and Amount Expended on Projects

Figure 11 (following page) compares the volume of construction projects from 2005 to 2008 and indicates whether the projects were capitalized, under construction, or pending construction at the end of the Fiscal Year. Figure 12 (following page) displays the project funding (non-inflation adjusted) over the past four Fiscal Years. The Capitol Visitor Center saw a significant amount of construction work completed in 2007, which contributed to the decrease in total projects and project expenditures in 2008.

Office of Safety, Fire, and Environmental Programs

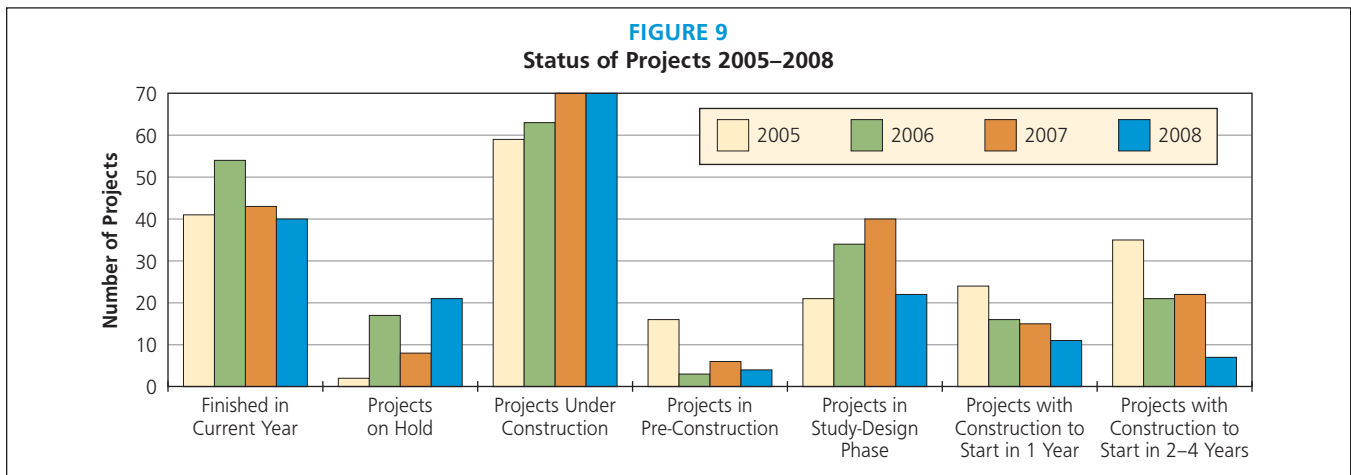
The Office of Safety, Fire, and Environmental Programs (SFEP) establishes policy and conducts oversight to ensure compliance with safety, fire, and environmental laws and regulations. The office coordinates emergency planning

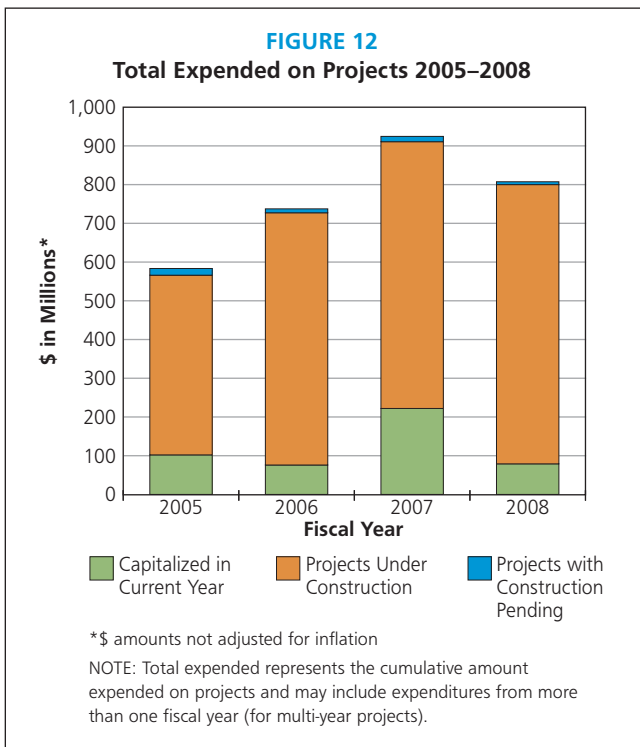
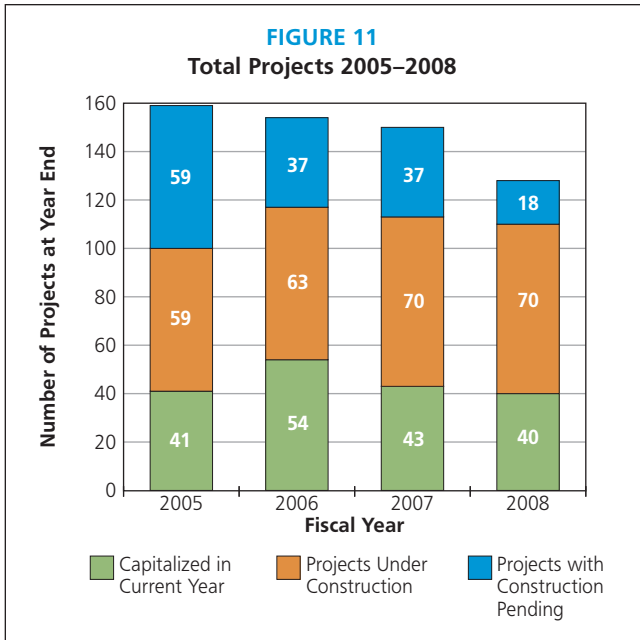


and preparedness activities and is the primary point of contact with external regulatory agencies for AOC's occupational safety and health, fire protection, and environmental programs.

In 2008, SFEP focused on customer satisfaction and collaboration as essential components to aid jurisdictions and support the AOC's mission. It developed service level agreements and established metrics to monitor its services and performance. SFEP also facilitated stronger relationships through the pursuit of compliance initiatives and opportunities to integrate SFEP requirements into existing business processes.

To support its customers in 2008, SFEP issued the AOC Occupational Safety and Health Program plan; updated the AOC Environmental Program plan; completed the AOC Pandemic Flu plan; and made considerable progress in developing jurisdiction-specific emergency preparedness plans. Additionally, in support of the AOC's commitment to sustainability on the Capitol complex, SFEP's Environmental Division led AOC's implementation of the bio-based procurement program, in which products made from natural and renewable plants are used in AOC operations and required in AOC contracts. The Division led the Congressional Recycling Task Force and identified additional waste streams for potential reductions through improved capture





and diversion of waste for recycling. The Safety and Occupational Health Branch continued to support AOC-wide safety policy implementation.

The SFEP Fire Marshal Division dramatically increased the level of contracted support services for assistance in acceptance testing of fire protection systems, review of design and construction documents for code and policy compliance, and contracted support for continued development of the Fire Marshal Division Policy Manual. A key achievement was the completion of the Capitol Visitor Center fire alarm testing, which was crucial to maintaining its targeted opening date.

Office of the General Counsel

The Office of the General Counsel (OGC) provides legal counsel to the Architect, senior staff, and others within the organization on matters involving procurement, contract claims and litigation, real property law, environmental law, employment law, labor law, occupational safety and health law, and tort law, among others. The OGC serves as the supervising ethics office for the Architect of the Capitol and reviews financial disclosure forms filed by senior employees with the Clerk of the House of Representatives. The OGC also represents the organization in administrative hearings directly, or through private lawyers under contract, and arranges for legal representation by the Department of Justice in judicial proceedings.

Office of Congressional and External Relations

The AOC Office of Congressional and External Relations is responsible for activities associated with verbal and written communications from the AOC. Activities include legislative affairs correspondence and reports to Congress and the related Senate and House Committees, as well as internal AOC communications (e.g., the *AOC this Week* employee newsletter).

Office of the Attending Physician

The Office of the Attending Physician includes several Health Units throughout the Congressional campus and provides primary care, emergency, environmental, and occupational health services in direct support of the Capitol Building, the Supreme Court, visiting dignitaries, pages, staff, and tourists.

Office of Inspector General

The Office of Inspector General is responsible for providing policy direction, conducting internal audits and investigations, reviewing existing legislation related to the AOC and making recommendations concerning its impact, performing activities that promote economy and efficiency, preventing and detecting fraud and abuse, and informing the Architect of its findings. Now mandated by Federal legislation, the new statutory Inspector General position was filled towards the close of FY 2008.



The AOC has oversight responsibility for several jurisdictions. Each jurisdiction is responsible for a designated physical area of its campus, such as the Capitol Building, the Capitol Grounds, and the Supreme Court.

JURISDICTIONS

Each jurisdiction of the Architect of the Capitol (AOC) plays a unique role in fulfilling the organization's mission and meeting its goals outlined in the *Strategic and Performance Plan* (see *Section II: Performance Information* for more details on the AOC's specific targets for Fiscal Year (FY) 2008). The following section presents each jurisdiction and their individual responsibilities and priorities. This section also highlights their 2008 performance, including contributions towards AOC energy conservation efforts.

Capitol Building

The Capitol is one of the most architecturally impressive buildings and is recognized as a symbol of freedom and democratic government. It is a working building for the Legislative Branch and has been the meeting place for the Congress for over two centuries. Its historic rooms, halls, and ceilings serve as a showcase for American art. Please see the *History of the U.S. Capitol* section of this report for additional background.

The care and stewardship of the Capitol Building jurisdiction (CB) is entrusted to the Office of the Capitol Building Superintendent, whose daily operations focus on client services, building maintenance, occupational health and safety management, construction project management, special events coordination, and flag office operations. In 2009, the Superintendent will inherit the responsibility for Capitol Visitor Center facility maintenance.

The CB continually strives for excellence in serving Congress. It supports its legislative operations and assists Congressional and Committee staff, business visitors, and the general public—while preserving, protecting,

and enhancing the Capitol and its historic assets. The jurisdiction uses the AOC's *Strategic and Performance Plan* to guide its daily operations, as detailed below.

CB Contributions to AOC Strategic Goals

Strategic Goal 1: Congressional and Supreme Court Operations Support

New Brumidi Corridor Egress Door Installation

The Capitol's north (Senate) wing features ornately decorated corridors designed by 19th century Italian-American artist Constantino Brumidi. The Brumidi Corridors are part of the expanded wing constructed by Thomas U. Walter between 1852 and 1859. The corridors are high foot-traffic areas on the first floor, located near Senate committee rooms. In 2008, the CB completed installation of a new Brumidi Corridor egress door and stairs on the West Terrace entry. This significant accomplishment increases the egress capacity of the building, while also improving its fire and life safety conditions.

Continued Client Service Improvements

The CB prides itself on excellent client service to its customers. The jurisdiction has successfully maintained client satisfaction levels above 90 percent since 2003. In 2008, satisfaction increased to 95 percent from the 2007 level of 93 percent, showing improved service to Congress, support staff, and visitors. The CB's cleaning services rating of 100 percent in 2008, which significantly increased from 82 percent in 2007, was a major contribution to its overall client satisfaction improvement. Client feedback continues to be a significant tool for guiding the jurisdiction's

process improvement efforts (i.e., managing client work orders, preventative maintenance, and completion of projects). New efforts concentrated on areas such as recycling and upgrading the legislative call system.

Completion of First Phase of Press Gallery Renovation

In 2008, the CB successfully completed the first phase of the Senate Press Gallery renovation. The press gallery provides workspace for journalists covering Congress. In this vicinity, gallery staff provides credentials and information to journalists about Congressional activities, legislation, and processes. In 2008, the CB completely upgraded the telecommunications infrastructure and supported the Sergeant at Arms in the installation of new modular furniture in the Senate Press Gallery. The renovations improved the physical and mechanical conditions of the Capitol and provided more effective means for its occupants to perform their daily operations.

Strategic Goal 2: Heritage Asset Stewardship

Continued Restoration and Renovation of the Capitol

The CB plays a key role in the restoration and renovation of the Capitol to preserve its heritage assets. In 2008, the AOC completed major restoration and renovation projects, such as the ongoing conservation of the Capitol’s wall and ceiling murals and the repair and restoration of the East Front bronze doors located at the portico entrances of the Capitol’s south (House) wing. The bronze doors feature valves that depict significant events in American history, such as the reading of the Declaration of Independence.

Strategic Goal 3: Leadership and Administrative Support

Instituted Process Controls to Monitor Success of Business Operations

The CB put numerous process controls in place in 2008 to monitor the effectiveness and productivity of its business operations. These tools are used to assess the jurisdiction’s operations and to determine opportunities for improvement. For example, the new process controls support organization-wide initiatives in such areas as inventory controls, time and attendance management, cost accounting, credit card processing, budget execution, and medical surveillance tracking, among others.

Modification of the West Front Fall Protection System

The initial Capitol complex fall protection system construction began in 1999 and was finished by 2003. This original design was completed prior to implementation of the latest safety standards and, therefore, is not compliant with current codes. The West Front fall protection system modification consists of identifying and certifying which portions of systems may be safely used as currently installed or with modifications. It also includes equipment specification, rescue and use procedures, and personal training that are a required element of certification. In 2008, the CB completed the first phase of the roof fall protection modification and the system is now certified for use. Work continues on bringing the remaining portions of the building into compliance and certification.

Enhanced Communication and Accountability

The jurisdiction is dedicated to supporting strong communication, both internally and externally, to improve its operations. Internally, the CB participates in the Architect’s employee feedback sessions, which invites employees to have a voice in the operations of the organization. Employees also meet regularly to share information through bi-weekly staff meetings; monthly safety, budget, and major project meetings; weekly in-house project meetings; and quarterly workload assessment meetings. Externally, the jurisdiction meets consistently with its Congressional oversight committees to maintain accountability and inform them of the organization’s efforts to maintain, preserve, and meet the needs of the Capitol.

CB Jurisdiction’s 2008 Priorities and Performance

In the 2007 Performance and Accountability Report, the CB identified key priorities for 2008. These priorities and the jurisdiction’s performance against them are shown below:

2008 Priorities	2008 Performance
The CB will sustain project delivery to deliver projects on time, within budget, and with high client satisfaction.	The CB completed 86 projects, and 98% were completed on time and within budget.
Improve cleaning operations and increase client satisfaction.	Realized an improved overall client satisfaction rating of 95%, up from 93% in 2007. A significant improvement in the rating for cleaning services from 82% in 2007 to 100% in 2008 contributed to this increase.
Improve safety by: 1. Ensuring reliable fire and safety systems are maintained;	The jurisdiction: 1. Accomplished annual fire alarm testing and maintenance to ensure fire and safety systems are properly met. Completed the installation of 99% of smoke detectors throughout the building;
2. Supporting security infrastructure of the Capitol Police;	2. Maintained roof cameras, door access hardware, evacuation speakers that provide direction for occupant evacuation, and egress door hardware for latching and locking mechanisms;
3. Implement necessary wayfinding; and	3. Completed installation of wayfinding signage on the first to fourth floors and some areas of the basement; and
4. Continue to make buildings accessible and compliant with the Americans with Disabilities Act (ADA).	4. Completed all ADA finds identified through inspection of the Capitol.

CB Jurisdiction’s 2009 Priorities

The CB’s priorities for the upcoming fiscal year are:

- Support the 2009 Presidential Inauguration ceremonies, including construction of the West Front inaugural stands, provision of media support and sound systems, security, and crowd control.



Care and maintenance of the Capitol Grounds incorporates both historic landscape preservation standards and sustainable landscape maintenance practices.

- Complete the emergency exit signs and lighting system project and related life safety projects.
- Complete implementation of the facilities maintenance program for the Capitol Visitor Center to maintain facility systems and equipment in support of CVC operations.
- Install smoke control system in the grand stairwells to provide a dedicated exhaust system at each of the three-story stairs in the House and Senate wings.
- Complete the modernization of elevators S-4 and H-9 to bring them into compliance with the ADA and current safety codes.

CB 2008 Sustainability and Energy Conservation Efforts

- Replaced nearly 4,000 incandescent lights with new compact fluorescent light bulbs, resulting in approximately 75% in cost savings;
- Implemented daylight harvesting initiatives, which use detectors to adjust lighting levels, in two areas of the Capitol to save energy and meet mandated energy targets;
- Initiated Energy Savings Performance Contract and approved nine projects with a projected cost of \$16.5 million; and
- Started construction of the dimming system replacement project.

CB Opportunities for Continued Improvement

Despite the CB's achievements, the jurisdiction faced challenges in 2008 that impacted the delivery of certain projects. Three main project delays occurred. Delays in the wayfinding signage project moved the anticipated completion to the second quarter of 2009. The modernization of elevator S-4 was delayed from completion in the fourth quarter of 2008 to an anticipated second quarter 2009 completion. The West Terrace egress doors and stairs, planned for completion by the end of August 2008, were subject to design modifications and unforeseen field conditions that postponed completion by three months. The CB plans to minimize project setbacks in the future by working to identify potential risks and delays early.

Capitol Grounds

The Capitol Grounds jurisdiction (CG) has the responsibility for preserving and maintaining approximately 234 acres of landscape, including plantings and infrastructure, across the grounds surrounding the Capitol. The original grounds encompassed a 31-acre parcel. The 1851 Capitol extension, which added the current House and Senate chambers, brought the building's north and south walls close to the original grounds' boundaries. In 1872, Congress purchased two city blocks and annexed several publicly owned squares to enlarge the grounds.

Two years later, Frederick Law Olmsted, considered the preeminent landscape architect of his time, was hired to oversee their expansion and create grounds that appropriately reflected the Capitol's grandeur. Olmsted designed a setting of lawns, walkways, streets, drives, and tree plantings whose primary purpose was to direct attention to the Capitol. Additionally, a marble terrace was constructed on three sides of the Capitol to better tie the building to the landscape. His design also sought to create an open park that would welcome visitors and invite them to tour the grounds surrounding the Capitol.

On a daily basis, CG staff is involved in routine and cyclic landscape maintenance, as well as the upkeep of the Grounds' supporting features, infrastructure, vehicles, and equipment in an effort to provide a safe and aesthetically pleasing experience for Capitol visitors. Its staff conducts routine mowing and trimming of lawn areas, weeding and watering of seasonal plantings, and comprehensive tree care. Hardscape services include irrigation repairs, fountain maintenance, pointing of historic walls, repair of the jurisdiction's vehicle fleet and equipment, and maintenance of sidewalk drives and parking lots. The jurisdiction also provides snow and ice removal, trash collection, and a campus shuttle bus service. The jurisdiction contributes to special events on the complex, such as the Capitol Christmas Tree ceremony and memorial tree plantings. Event support includes the erection of thousands of feet of security fencing, plus a variety of critical tasks.

In 2008, the Senate Rain Garden, located on the Grounds, was recognized by the General Services Administration (GSA) for real property innovation. This rain garden is a low-impact, low-cost, sustainable project for storm water management. The garden contains an array of remarkable plantings that demonstrate how runoff from parking lots may be collected for recharge and its pollutants absorbed.

CG Contributions to AOC Strategic Goals

Strategic Goal 1: Congressional and Supreme Court Operations Support

Providing Solutions to Client Feedback

The CG strives to meet the daily needs of its clients by responding to survey feedback timely and with solutions for improvement. In recent client satisfaction surveys, over two-thirds of critical comments concerned the shuttle bus service, which transports staff to Capitol complex buildings along a designated route. In response to concerns about shuttle bus pick-up times, the jurisdiction hired a new contractor to provide a more predictable service. Other areas of comment related to landscaping and snow removal. The CG pursued landscape renovation projects that immediately follow upon the disruption of campus construction projects to preserve the campus' aesthetics. Additionally, the CG implemented an aggressive sidewalk replacement project that greatly reduced complaints. Worn and damaged sidewalks, roadways, and parking lots throughout the complex were replaced based on recently completed Facility Condition Assessments.

Strategic Goal 2: Heritage Asset Stewardship

Preservation and Promotion of Olmsted's Landmark Design Work

The CG continues to honor Frederick Law Olmsted and the grounds he designed with historic preservation initiatives and promotion of his work. In 2008, the CG initiated the Summer House stabilization project to maintain the brick structure set in the sloping hillsides of the West Front lawn. The historic Olmsted wall on Capitol Square was also at a critical stage in its service life and required the re-pointing of 600 lineal feet of historic and retaining walls. In addition, the CG developed an active partnership with the National Association for Olmsted Parks to preserve and promote his landmark work.

The jurisdiction also led an effort to develop a Capitol Grounds web site and an interpretive brochure for the Capitol Visitor Center. These initiatives promote the horticultural resources, historic values, and the Grounds' admirable landscape architecture while appropriately displaying the CG's significant milestones and contributions.

Improvement of the Grounds' Appearance

To maintain and improve the Grounds' features, the jurisdiction received a funding increase to begin a comprehensive landscape renovation—replacing damaged and unhealthy trees with new ones, planting new flowerbeds, and installing new hardscapes. While new trees are planted to replace old ones, the CG places great value on preserving the historic trees remaining on its campus for future generations. Many of the Grounds' trees have significant associations—honoring Members of Congress, dignitaries, national organizations, and special events.

Strategic Goal 3: Leadership and Administrative Support

Instilling Accountability in Safety Improvements

New efforts reduced accidents and improved the safety culture in the jurisdiction. The CG created and filled a position for a safety officer, who led the development and implementation of a safety plan. Bringing a full-time safety professional on board greatly improved the effectiveness of safety programs by placing a focused responsibility under the purview of a leading individual and demanding more accountability for improvements. The CG's improvement was exemplified by ending the year with three months without a single reportable injury accident and with an injury and illness (I&I) rate that gradually decreased through the year.

CG Jurisdiction's 2008 Priorities and Performance

In the 2007 Performance and Accountability Report, the CG identified key priorities for 2008. These priorities and the jurisdiction's performance against them are shown below:

CG 2008 Priorities	2008 Performance
Improve landscape documentation processes to include a Cultural Landscape Report that captures landscape history and provides guidance for future restoration and maintenance.	Moved the Cultural Landscape Report into the 2010 budget request due to lack of sufficient time and funds. In 2008, preliminary meetings determined additional funds and time will be required to prepare a thorough document.
Decrease the jurisdiction's illness and injury rate.	Ended the year with over three months of no reportable injuries. After starting the year with a high I&I rate, the newly hired safety officer developed a workplan and the monthly rate gradually decreased to 12.65, a figure comparable to prior years.
Implement improvements in recycling of green wastes, along with other components of sustainability, to support the Capitol Hill-wide greening initiatives.	Started landscape wastes recycling program through collaboration with the House Chief Administrative Officer. Green wastes on the Capitol complex are accumulated at the U.S. Botanic Garden production facility where they are periodically transported to a pilot composting program operated by the U.S. Department of Agriculture. Replaced traditional turf fertilizer program with an organically-based program.

CG Jurisdiction's 2009 Priorities

The CG's priorities for the upcoming fiscal year are:

- Support the 2009 Presidential Inauguration ceremonies and return the grounds to good order by the spring.
- Continue sustainable landscape maintenance practices including recycling, water conservation, Energy Savings Performance Contracts, and replacement of gasoline powered vehicles.
- Use industry standards to promote historic landscape preservation on Capitol Square and for related structures such as the Olmsted walls and Summer House.
- Restore the East Front grounds upon completion of the Capitol Visitor Center with landscape plantings and the re-institution of routine maintenance.
- Complete a computer-based tree inventory that will improve management and documentation of important historic information.

CG 2008 Sustainability and Energy Conservation Efforts

- Installed an Ethanol-85 (E-85) fueling station for Legislative Branch's fleet vehicles. E-85 is produced from bio-fuel products and creates less carbon emissions than gas.
- Purchased two electric utility vehicles for work on the Capitol grounds, which helps to reduce carbon emissions.
- Utilized drought-resistant species in new plantings to improve water management in the irrigation systems and in six ornamental fountains.

CG Opportunities for Continued Improvement

The CG continually looks to incorporate historic preservation best practices into the maintenance of its landscape and historic features, such as the complete restoration of the Summer House, fountains, and sculptural elements. In response to concerns about the condition of the grounds after major projects, landscape plantings were slated to be installed on the Capitol East Front during the first quarter of 2009 after construction fencing removal and irrigation system installation. Additionally, landscape planting designs were modified to be more sensitive to the Olmsted design.

The Cultural Landscape Report will play a leading role in determining how, and in what style, the landscape of both Capitol Square and the Capitol complex is restored and maintained. The scenarios will help direct the conditions by which landscape decisions are made for the long-term.



In 2008, the HOB completed 116 construction and renovation projects, including the renovation of the third floor of the Longworth House Office Building.

House Office Buildings

By the start of 20th century, overcrowding in the Capitol was a problem and committee rooms remained in short supply. The Census of 1900 revealed a growth in the U.S. population and membership in the House of Representatives increased to 391—up 148 seats in the half-century since the Capitol was last enlarged. To address these space needs, plans developed for new government buildings on Capitol Hill.

Construction to connect the first House Office Building (Cannon) to the Capitol via an underground tunnel that would carry pedestrian and truck traffic, as well as electricity and steam, began in 1903 and was completed in 1908. A second office building (Longworth) for the House was completed in 1933, followed by a third (Rayburn) in 1965, to address further space requirements and a membership increase to the present-day 435 House of Representatives voting seats.

The House Office Buildings jurisdiction (HOB), under the direction of the HOB Superintendent, is responsible for the following seven structures, listed below with their dates of construction completion or acquisition:

- Cannon House Office Building (1908);
- Longworth House Office Building (1933);
- Rayburn House Office Building (1965);
- East and West House Underground Garages (both 1965);
- Ford House Office Building (transferred from the General Services Administration (GSA) in 1974); and
- House Page Dormitory (transferred from the GSA in 1986).

The HOB also maintains the House subway system, annexes, and pedestrian tunnels connecting the House Office Buildings to the Capitol.

The HOB provides the daily domestic care, structural and equipment maintenance and repair work for the U.S. House of Representatives buildings. Work is initiated by client requests, the preventative maintenance program, building inspectors surveys, compliance issues abatement, energy savings initiatives, recycling program, and safety specialist inspections. Such projects include work performed by in-house forces, which encompasses coordinated efforts by both the AOC Construction Division and outside contractors.

As a result of the notable accomplishments of the HOB during 2008, the jurisdiction received a number of recognitions, including: the Architect's Honor Award for Quality and Innovation; Architect's Honor Award for Product/Process Excellence; Individual Awards for Service Excellence; and Team Awards for Projects.

HOB Contributions to AOC Strategic Goals

Strategic Goal 1: Congressional and Supreme Court Operations Support

Execution of Sustainable Construction and Renovation Projects

In 2008, the HOB completed 116 construction and renovation projects, including the renovation of Committee hearing rooms and the Longworth House Office Building's third floor. There were 88 new construction or renovation projects requested in 2008, with 76 projects already in progress and 63 projects in development. Minor construction projects are requested by Members and committees while AOC offices may request projects to address fire, life safety, or maintenance concerns. In response to AOC's energy conservation and greening initiatives, the jurisdiction incorporated energy reduction and sustainability practices into its design and construction process.



Reducing injury rates and instituting better employee safety training were key priorities for the HOB jurisdiction.

Use of Management Software for More Effective Facilities Maintenance

The HOB expanded its facilities operation and maintenance plan, including building logs, to monitor the proper operations of building systems and assets in order to execute a maintenance program for all systems. Through use of maintenance management software, the House Superintendent's Office is now able to review the maintenance history of building equipment to ensure its smooth operation. The jurisdiction requires all facility operations shops using this software to track projects. With the increased utilization of handheld devices, mechanics are able to more accurately capture work that is performed on equipment and in rooms.

Strategic Goal 2: Heritage Asset Stewardship

Documentation of Heritage Asset Inventory

The jurisdiction contains some of the Capitol complex's oldest and most distinguished buildings. In 2008, the Cannon House Office Building marked a milestone—the 100th anniversary of its completion. As part of the jurisdiction's mission and the AOC's *Strategic and Performance Plan*, the HOB continues to preserve its historic buildings, landscape, and architectural features. In 2008, the HOB completed refurbishment of the Longworth House Office Building's third floor and worked with the AOC Curator and the Historic Preservation Officer to document its heritage asset inventory. The survey results provide data used to assess the historic significance and need for preservation work of historic elements in buildings, such as centuries-old chandeliers.

Strategic Goal 3: Leadership and Administrative Support

Enhanced Fire and Life Safety

The jurisdiction implemented multiple upgrades as part of the fire and life safety project to protect the office buildings and its occupants. The HOB installed a two-way communication between designated elevators used as areas for rescue assistance and a Capitol Police 24-hour location in the Longworth House Office Building. In addition, the HOB installed new wayfinding signage to all buildings to help identify exits, upgraded the Cannon House Office Building's stairwells with fire rated doors, employed kitchen hood fire suppression systems in the Longworth House Office Building to meet current code requirements, and implemented fire pump controllers in the Ford House Office Building to automatically transfer to emergency power upon loss of primary power. These efforts will support emergency preparedness and also mitigate safety hazards and risks.

HOB Jurisdiction's 2008 Priorities and Performance

In the 2007 Performance and Accountability Report, the HOB identified key priorities for 2008. These priorities and the jurisdiction's performance against them are shown below:

HOB 2008 Priorities	2008 Performance
<p>Sustain project delivery with an expected outcome of projects being delivered on time, within budget, and with high client satisfaction:</p> <ol style="list-style-type: none"> 1. Develop an operation and maintenance plan to monitor proper operations of building systems and assets (including building logs) and execute the maintenance program for all systems. 2. Automate data collection in order to receive timely reports on cleaning inspections. 3. Continue improvements to fire protection operations. 	<p>Progressed in project delivery as indicated below:</p> <ol style="list-style-type: none"> 1. Developed a plan to upload and schedule all four priority preventative maintenance programs by December 31, 2008. 2. Collected and entered information into a database, eliminating the need for outside personnel to perform that function. 3. Enhanced system to track and update abatement of compliance issues to ensure 100% positive resolution. Established procedures to ensure no violation of the Environmental Hazardous Waste Program.
<p>Improve worker safety in the following ways:</p> <ol style="list-style-type: none"> 1. Develop multi-year Individual Development Plans (IDP) by integrating safety training with appropriate technical training typical for each position. 2. Reduce injuries below 5% in all shops. 	<p>Improved worker safety in the following ways:</p> <ol style="list-style-type: none"> 1. Featured multi-year training plans that include supervisory management and employee safety training with position-specific technical training in Supervisors' 2008 performance plans. 2. Maintained overall injury rate below 5%.
<p>Better manage building maintenance requirements:</p> <ol style="list-style-type: none"> 1. Implement the Facilities Control Inspection Program. 2. Develop baseline benchmark measures for each preventative and corrective maintenance task in all shops. 	<p>Managed building maintenance requirements in the following ways:</p> <ol style="list-style-type: none"> 1. Briefed building inspectors on Facilities Control Inspection Program contents and began developing building checklists to ensure the building inspector standard operating procedures are being followed. 2. Crafted a plan to provide support and data for this initiative with guidance from AOC central staff to ensure cooperation, consistency and accuracy among all jurisdictions.

HOB Jurisdiction's Priorities for 2009

The HOB's priorities for the upcoming fiscal year are:

- Execute the Congressional office moves related to the November 2008 elections for the U.S. House of Representatives.
- Provide security enhancements to Federal House Office Building 8 after its renovation and refurbishment by the General Services Administration (GSA), which will provide swing space for displaced Congressional committees and offices during planned phased renovations to the Cannon House Office Building.
- Implement phase two of the emergency lighting upgrade for the Rayburn House Office Building.
- Reduce energy consumption throughout the jurisdiction by 12 percent in accordance with the Energy Independence and Security Act of 2007.

HOB 2008 Sustainability and Energy Conservation Efforts

- Completed a detailed energy survey that identified \$35 million in energy savings projects that may save 17% of the HOB's annual energy consumption. Construction will begin in 2009.
- Installed new steam and chilled water meters in the Cannon House Office Building, which will provide data to help identify energy saving opportunities.
- Continued implementation of electronics recycling program by sending select loads of e-waste to the GSA warehouse.
- Replaced steam traps in the Ford House Office Building and reduced air handler operation hours to conserve energy.

HOB Opportunities for Continued Improvement

As part of the AOC's *Strategic and Performance Plan*, the HOB is developing baseline measures (e.g., maintenance and repair cost per square foot) for management to better gauge its work performance against other AOC jurisdictions, federal agencies, and the private industry. The AOC took important steps in developing this initiative during 2008, and further progress is expected for 2009. The HOB will help spearhead the establishment of organization-wide best practices for benchmarking efforts among the jurisdictions at the AOC.

The challenges of worker turnover and recruitment of individuals for positions that are difficult to fill will continue to be major issues for 2009. The HOB will continue to find and develop the next generation of talented leaders through a combination of enhanced training opportunities, hands-on learning experiences, and other workplace improvements.



The SOB improved its client satisfaction rating despite a marked increase in work order requests. 2008 projects included the preservation of the Russell Senate Office Building's marble floor and historic woodwork.

Senate Office Buildings

The Senate Office Buildings jurisdiction (SOB) is comprised of over 2.5 million square feet of office and meeting space to facilitate the business of the U.S. Senate. The jurisdiction includes the structural, mechanical, and domestic care of the following nine structures, which are listed with their construction completion dates or acquisition dates:

- Russell Senate Office Building (1909);
- Senate Underground Garage (1935);
- Monocle Building (purchased in 1935);
- Dirksen Senate Office Building (1958);
- Hart Senate Office Building (1982);
- Two Childcare Centers (1986, 1999);
- Daniel Webster Page Dormitory (purchased in 1993); and
- Senate Long-Term Mail Facility (2008).

The jurisdiction also includes the operation of the Senate subway transportation system and maintenance of restaurant areas within its office buildings. The jurisdiction is responsible and accountable for traditional facilities management and construction services such as office renovations, cleaning, preventative maintenance of building infrastructure systems, and routine services in the Senate's facilities. The jurisdiction's numerous client services include garage parking, historic preservation, and Congressional hearing and special events set-up. Their activities also include less traditional, specialized services such as custom mill work, furniture construction, drapery design, furniture re-upholstery and repair, and custom furniture fabrication.

SOB Contributions to AOC Strategic Goals

Strategic Goal 1: Congressional and Supreme Court Operations Support

Progress Made in Hart Modular Furniture Replacement Program

In 2008, the SOB successfully completed modular furniture installation projects in seven Senator office suites and three Senate committee rooms in the Hart Senate Office Building as part of the Hart Modular Furniture Replacement program. Approximately 40,000 square feet of room renovations included new painting, carpeting, modular furniture, and wall installation. Existing furniture in the Hart Building was over 20 years old, in disrepair, and no longer manufactured, such that replacement parts could not be easily procured, making it necessary for the modular furniture installation. Modular furniture also allows for the more efficient use of office space. The completion of the ten total projects in 2008 marked the Hart Senate Office Building's 50th office renovation as part of the replacement program.



Several Senate committee rooms underwent modernization projects as well as historic restorations during 2008.

Senate Committee Rooms Modernization

Senate committee rooms are used to conduct legislative business as well as host special events by Senators. Modernization projects included the installation of enhanced, up-to-date audio and visual technology capabilities, such as video conferencing. Committee rooms also required architectural, custom furnishing, and infrastructure upgrades, including new carpeting, custom mill work, and draperies, as well as dais modifications and refinishing. In 2008, the jurisdiction modernized four committee rooms: the Indian Affairs and Judiciary Committee rooms in Dirksen Senate Office Building, the Rules and Administration Committee room in Russell Senate Office Building, and the Central Hearing Facility room in Hart Senate Office Building. With these media enhancements and infrastructure upgrades, Senators may more effectively conduct legislative business.

Increased Work Order Execution While Improving Client Satisfaction

The SOB receives numerous work requests every year. The timely fulfillment of work orders is crucial to fostering the daily business of the Senate and legislative staff. In 2008, the jurisdiction successfully completed over 48,000 work requests, which is approximately 4,000, or nine percent, more work orders completed than in 2007. Its automated process for initiating work orders and tracking their status is crucial to handling these requests. Despite this increased workload, the SOB also improved its high client satisfaction rating from 92.1 percent in 2007 to 92.5 percent in 2008.

Strategic Goal 2: Heritage Asset Stewardship

Russell Senate Office Building Marble Floor and Historic Woodwork Restoration

The Russell Senate Office Building opened its doors to the Senate of the 61st Congress in 1909. Since then, its original marble floors have experienced significant wear and are cracked and chipped in numerous places. Floor preservation included emergency repairs using epoxy patches, spot removal, and replacement of marble to alleviate this public safety concern. In addition, the aging office building's woodwork was worn and losing its luster and protective finish, making it susceptible to further damage and discoloration. Without refinish, the woodwork would continue to deteriorate and require a more costly total replacement. The SOB refinished the Russell Building's historic woodwork surrounding hundreds of doors and transoms in the building. Historic crystal chandeliers and wall sconces were also restored.

Strategic Goal 3: Leadership and Administrative Support

Low Injury and Illness Rate Achieved

Creating a safe work environment for employees is a top priority for the jurisdiction. With an increase of work order completions in 2008 over the prior year, the Senate Office Building jurisdiction still achieved a low injury and illness (I&I) rate of 3.36 percent—or 27 percent below the targeted goal for the AOC. The SOB is committed to maintaining low I&I rates in promoting a safe and results-oriented workplace for its employees.

SOB Jurisdiction's 2008 Priorities and Performance

In the 2007 Performance and Accountability Report, the SOB identified key priorities for 2008. These priorities and the jurisdiction's performance against them are shown below:

SOB 2008 Priorities	2008 Performance
Sustain project delivery with an expected outcome of projects being delivered on time, within budget, and with high client satisfaction.	Delivered majority of projects on time, within budget, and with an outstanding client satisfaction rate of 92.5%, which improved from the 2007 rate of 92.1%.
Improve cleaning operations and increase client satisfaction in cleaning services.	Achieved a client satisfaction level increase of 5% in cleaning services. The SOB initiated a major reorganization to improve its floor care program from the prior year.
Improve occupant safety, including: <ol style="list-style-type: none"> 1. Initiate construction on the Russell Senate Office Building emergency generator; 2. Initiate construction on the Senate Employees Child Care Center's (SECCC) fire alarm system; 3. Initiate construction on Daniel Webster Page Dorm fire alarm system; and 4. Initiate design for Russell Senate Office Building open stairwell citation. 	Achieved the following improvements in occupant safety: <ol style="list-style-type: none"> 1. Identified funding and awarded construction contract for the Russell Building emergency generator to handle emergency power loads; 2. Began construction for the SECCC fire alarm system to enhance safety at the center, including installation of new fire alarm panels, conduit, and electrical wiring compliant with the Americans with Disabilities Act (ADA); 3. Started construction work for the Page Dorm fire alarm system, including installation of new smoke detectors, heat detectors, and ADA compliant strobes; and 4. Delayed awarding design contract to abate the Russell Building open stairwell citation due to a postponement of authorization from oversight authorities.
Improve building infrastructure: award Dirksen Senate Office Building south core infrastructure.	Delayed awarding contract for infrastructure improvements due to receipt of bids above projected cost, requiring an additional bid period. The project will replace aged air handling units in the Dirksen Building.

SOB Jurisdiction's Priorities for 2009

The SOB's priorities for the upcoming fiscal year are:

- Complete timely renovation of U.S. Senate Restaurants within budget in support of the privatization of the Senate's catering and food service operations.
- Effectively execute the FY 2009 U.S. Senate office moves and space reassignments associated with the November 2008 elections.

- Continue to execute the multi-year Hart Modular Furniture Replacement program within schedule and funding.
- Award contracts for Dirksen Senate Office Building south core infrastructure improvements project to replace aged and deteriorated air handling units and for design work to abate Russell Senate Office Building open stairwell citation.
- Initiate installation of sprinkler protection systems in the Senate Underground Garage, subway tunnels, and Hart Senate Office Building attic.

SOB 2008 Sustainability and Energy Conservation Efforts

- Installed daylight harvesting, bi-level, and solar lighting systems in Senate Office Buildings and facilities in support of demand side reduction efforts.
- Executed steam trap replacement programs to conserve energy.
- Planned and coordinated annual Senate Office Buildings Energy Fair to promote energy conservation and greening.
- Installed motion sensors in the Underground Garage to turn lights on only within zones occupied by car or person and dimmable ballast lighting system in Dirksen Building.
- Continued to implement Senate recycling programs.
- Initiated metering program to improve tracking of steam and chilled water consumption.

SOB Opportunities for Continued Improvement

The Senate Office Building jurisdiction strives to deliver on its promises and be accountable for its performance. This requires working together and applying state-of-the-art management practices and systems to achieve service excellence. The jurisdiction has developed a tactical five-year business plan and metrics to measure and track execution and performance. The plan includes new and improved communication protocols to better keep the jurisdiction's clients informed of major projects in the SOB. Continuous and open communication is imperative to empowering staff resources, and achieving client satisfaction.

As a commitment to safety, the jurisdiction strived to resolve a citation issued by the Office of Compliance regarding an open stairwell in the Russell Building. The jurisdiction is committed to abating this citation and will work closely with the appropriate officials to award the design contract and begin construction. It also is taking the necessary steps to award a contract in 2009 for infrastructure improvements to replace aged and deteriorated air handling units in the Dirksen Building. Infrastructure improvements provide an opportunity to support AOC energy reduction initiatives. The Superintendent's office will install an energy information system in the Dirksen, Hart, and Russell buildings to monitor electricity, steam, and chilled and domestic water usage. The information system will allow the jurisdiction to identify trends and provide verification for energy efficiency projects.



The Library of Congress underwent a number of renovations that improved visitor services, restored historic architectural features, and enhanced systems to protect its heritage assets.

Library Buildings and Grounds

The Library of Congress (the Library) was established in 1800 and resided in the Capitol for close to a century. In 1897, the Thomas Jefferson Building was erected as the Library's first stand-alone building. As the Library of Congress has grown to be the largest library in the world—housing millions of books, recordings, photographs, maps, and manuscripts—its facilities have expanded to include nearly 3.8 million square feet on the Capitol complex, the book storage modules in Ft. Meade, Maryland, and the National Audio-Visual Conservation Center (NAVCC) on the Packard Campus in Culpeper, Virginia. Opened in 2008, the 415,000-square-foot NAVCC is a state-of-the-art facility for the preservation, storage, and presentation of the Library's audio-visual collections. The Library of Congress buildings include the following facilities, listed with their construction completion or acquisition dates:

- Thomas Jefferson Building (1897);
- John Adams Building (1938);
- James Madison Memorial Building (1980);
- Special Service Facility Center (purchased in 1991);
- Congressional campus, Ft. Meade, Maryland (transferred from U.S. Army in 1993); and
- National Audio-Visual Conservation Center, Culpeper, Virginia (2008).

The Library Buildings and Grounds jurisdiction (LOC), led by its Superintendent, is responsible for the day-to-day structural, mechanical, and electrical care for the Library facilities and surrounding grounds. Services include maintaining air conditioning, electrical, fire suppression, and elevator systems; grounds care; machine work, masonry, painting and refinishing, plumbing, sheet metal, and wood crafting.

LOC Contributions to AOC Strategic Goals

Strategic Goal 1: Congressional and Supreme Court Operations Support

Book Storage Modules 3 and 4 Progressed Towards Completion

The 100-acre Congressional campus in Ft. Meade, Maryland, consists of high-technology, high-density book storage facilities that relieve severe crowding of the Library's collections on its Capitol Hill sites. In 2006, construction began for modules 3 and 4, which will add another 80,000 square feet of storage space upon completion in 2009. In 2008, the LOC completed 96 percent of project work on time and within budget. Activities included installation of interior ductwork and overhead conduit; insulation of main trunk lines and circulation corridor ductwork; completion of superflat slabs, metal flashing, and gutters; and fireproofing.

Launched the New Visitors Experience Program

In Spring 2008, the Library launched the New Visitors Experience (NVE) program in the Thomas Jefferson Building, which enables visitors to explore the Library's myriad collections through cutting-edge interactive technology and a companion website. The NVE features a series of ongoing exhibitions, interactive kiosks, a multimedia overture on the collections and programs of the Library, and an online educational experience. The NVE's launch was scheduled to coincide with the opening of the Capitol Visitor Center and the tunnel connecting the Thomas Jefferson Building to the Capitol. Construction of the NVE infrastructure project consisted of three phases and was completed on schedule and within funding allocation.

Strategic Goal 2: Heritage Asset Stewardship

Completion of Thomas Jefferson Building Main Reading Room Arch Repair

The Thomas Jefferson Building's historic Main Reading Room is the primary entrance to the Library's research collections. The oldest of the Library of Congress buildings, the Jefferson Building renovation in the late 1980s excluded the eight grand arches of this room. As a result, the elegant arches experienced peeled paint, damaged walls, and cracked plaster from water damage. The LOC reached a milestone in 2008 by bringing the four-year restoration effort to a conclusion in repairing the two remaining arches—and having done so within its projected time and budget and without closing the reading room to minimize disruption to this significant research and tourist destination. The arches received plaster repair, matching paint, and dusting. In addition, the plaques above each column were touched up and surrounding light fixtures were replaced with new energy efficient ballasts.

Treatment for Murals Finished

Built in the late 19th century, the Thomas Jefferson Building is ornately decorated with historic and ornate murals. These treasures continually need preservation to uphold their artistry within an aging facility. Treatment of over 70 murals occurred in 2008, including the repair of flaking or tenting paint, and removal of dust and residue. A two-phase process is involved in treatment for murals, with a biennial assessment period and subsequent treatment of items identified during the inspection. Without this methodical process,

these unique historic assets could face irreversible damage. An inspection of murals treated in 2008 is scheduled for 2009.

Strategic Goal 3: Leadership and Administrative Support

Improvement of Fire Suppression and Detection Systems

The Library stores millions of irreplaceable documents, photographs, and books across its campus. For such significant assets, fire suppression and detection systems are vital. A new sprinkler system was installed in the John Adams Building to achieve 100 percent sprinkler coverage, while the Thomas Jefferson Building finished the first phase of its sprinkler installation. The Jefferson Building also received a full smoke detection system installation to achieve 100 percent smoke detection coverage. The LOC replaced existing halon fire suppression systems with FM-200 systems in the James Madison Memorial, Adams, and Jefferson Buildings. This sophisticated fire suppression system addresses possible hazards prior to the activation of wet sprinkler systems, reducing potential damage to the Library's collections.

LOC Jurisdiction's 2008 Priorities and Performance

In the 2007 Performance and Accountability Report, the LOC identified key priorities for 2008. These priorities and the jurisdiction's performance against them are shown below:

LOC 2008 Priorities	2008 Performance
Better manage building maintenance requirements by completing Facility Condition Assessments (FCAs) for the Thomas Jefferson and James Madison Memorial Buildings.	Executed FCAs for the John Adams (98% complete), Thomas Jefferson (92% complete), and James Madison Memorial Buildings (90% complete). FCAs are expected to be completed for all buildings in early FY 2009.
Complete modernization programs, including: <ol style="list-style-type: none"> Execute the annual space modernization plan with all identified client projects to be completed on time and within budget. Continue the elevator and escalator modernization program within the Thomas Jefferson and James Madison Memorial Buildings. 	Achieved the following: <ol style="list-style-type: none"> Managed and executed the Annual Space Modernization Plan—this included 34 projects totaling 94,000 square feet. Delivered all capital construction projects on schedule and without exceeding its budgets. Continued the elevator and escalator modernization program. Completed a contract package for the modernization of 4 elevators in the Madison Building and 2 elevators in the Jefferson Building.
Improve injury and illness (I&I) rate by continuing progress on fire and life-safety upgrades.	Lowered the injury and illness rate to 3.49% from its 2007 rate of 3.57%, which also surpassed the target of 4.28%. LOC safety initiatives included a safety stand-down, audits, and the resolution of identified deficiencies.
Advance construction projects, including oversight of Book Storage Modules 3 and 4 construction at Ft. Meade, MD.	Completed 96% of storage modules 3 and 4 within its timeframe and funding, with completion forecasted for FY 2009.

LOC Jurisdiction's 2009 Priorities

The LOC's priorities for the upcoming fiscal year are:

- Continue progress toward Office of Compliance citation abatement by completing the potable water supply project; smoke sealing of book stacks in the Jefferson Building; Adams Building renovation for the correction of stairwell entry deficiencies and ground floor ventilation improvements; and Jefferson Building north side egress stair design.
- Oversee construction and complete book storage modules 3 and 4.
- Continue fire and life safety construction, including installation of sprinkler system (phase two of three) in the Jefferson Building and smoke detection system in the Madison Building.
- Continue the elevator and escalator modernization within the Jefferson and Madison Buildings.

LOC 2008 Sustainability and Energy Conservation Efforts

- Replaced over 4,000 incandescent lamps across the LOC campus with compact fluorescent lamps, yielding energy savings of 1% of total electrical consumption.
- Retrofitted the boiler burners at the NAVCC to reduce fuel oil consumption by 15%, saving approximately 50,000 gallons of heating oil and decreasing carbon emissions.
- Identified 8 conservation measures totaling \$29 million in capital construction as part of the AOC's Energy Savings Performance Contract (ESPC) program.
- Initiated plans for engineering studies for utilities metering and infrastructure upgrades.

LOC Opportunities for Continued Improvement

The Office of Compliance issued nine citations to the AOC regarding Library of Congress facilities in 2008. To remediate these citations, the AOC continues to conduct study, design, and construction activities to address fire and life safety issues in accordance with their abatement plans. The LOC has identified project management resources and construction funding for this multi-year effort. Additionally, the LOC will continue to address its deferred maintenance and capital renewal backlog by completing Facility Condition Assessments for its buildings.

The LOC continues to focus on the issue of limited space for housing the world's largest library collection. On the Capitol complex, the jurisdiction plans to renovate the historic Library buildings to relieve some crowding. For example, approximately 195,000 square feet of space in the James Madison Memorial Building will be modernized as part of the Acquisitions and Bibliographic Access (ABA) Space Reorganization project. This three-year effort will provide the Library's ABA division with more space to acquire and catalog new materials. The LOC has also identified off-campus space modernization projects to manage limited space on Capitol Hill, including the forecasted construction of storage modules 5, 6, and 7 in Ft. Meade, Maryland.



A new digital Distributed Control System for boilers 4 through 7 replaces the analog system and improves the Power Plant's ability to provide adequate steam to the Capitol complex.

Capitol Power Plant

The Capitol Power Plant (CPP) was built in 1909 and operates 24 hours per day, 365 days per year. When it was first placed into operation, the CPP provided the complex with both refrigeration and electricity. The modern steam and refrigeration plants were built after the original electrical generation plant was decommissioned in 1952, at which time the CPP stopped generating electricity. Today, the Capitol Power Plant is the Capitol complex's centralized provider of utility services not available from other sources. The CPP serves a critical role in generating steam for heating and chilled water for cooling 24 facilities⁶ on the Capitol complex including buildings that are not managed by the AOC, such as the Government Printing Office, Postal Square, Folger Shakespeare Library, and Union Station. The steam and chilled water provided to non-Congressional clients is on a reimbursable basis as provided by law. The CPP represents approximately 30 percent of the Capitol complex's total electricity consumption.

In addition to the central steam plant, the property houses a refrigeration plant, an administration building, a coal yard, and all the tunnel distribution and metering systems associated with delivering these utilities. The jurisdiction recently completed a 25,000 square foot addition to the West Refrigeration Plant (reported in previous PARs as a Key Project), which will improve total refrigeration plant efficiency and enable the CPP to meet Capitol complex demand through 2025. The AOC's Capitol Power Plant jurisdiction is concerned with the daily care, maintenance, and operation of its facilities.

⁶ USBG Administration, USBG Conservatory, CPP Administrative Building, Cannon HOB, House Page Dorm, Longworth HOB, Rayburn HOB, LOC Adams, LOC Jefferson, LOC Madison, Federal Judiciary Building, Folger Library, Postal Square, Union Station, Dirksen SOB, Hart SOB, Russell SOB, Senate Garage, Capitol Police Headquarters, U.S. Government Printing Office, Supreme Court, Capitol Visitor Center, U.S. Capitol—East Side, and U.S. Capitol—West Side.

CPP Contributions to AOC Strategic Goals

Strategic Goal 1: Congressional and Supreme Court Operations Support

Installed Three New Chillers

In 2008, the CPP completed the West Refrigeration Plant Expansion (WRPE). The project won a Project Achievement Award from the Construction Management Association of America for this exemplary construction management effort in 2008. The WRPE increased energy capacity and operating efficiencies, while reducing costs. It also provided 16,200 additional tons of cooling capacity to the Capitol complex and surrounding facilities to meet the growing needs for heating and cooling. Three new chillers and the appropriate auxiliaries, including Distributed Control System (DCS) controls and new cooling towers, were installed during the construction of the WRPE. The CPP plans to enhance these efforts by relocating two 3,000-ton chillers from the East Refrigeration Plant (ERP) to the WRP. The ERP is scheduled to be decommissioned to increase operating efficiencies by utilizing one plant instead of two. The design for the ERP chiller relocation project is currently underway.

Completed Distributed Control System (DCS) Controls on Boilers

The CPP's steam plant contains seven boilers that utilize a combination of three fuels to generate steam: natural gas, low-sulfur coal, and fuel oil. In 2008, the jurisdiction replaced the existing 1950s vintage analog and pneumatic controls system with a new digital Distributed Control System for four boilers. This new modernized control system includes a new control, auxiliary controls, and plant master controls. Prior to the controls upgrade, the pneumatic controls were outdated and inefficient with only one company on the east coast able to offer repair services. Without this important project, the Boiler Plant operations would have been highly susceptible to electrical failures, which could have resulted in extended outages and compromised CPP's ability to provide adequate steam to the Capitol complex. DCS benefits include lower energy bills and a greater ability to help the AOC meet its energy efficiency goals.

Strategic Goal 3: Leadership and Administrative Support

Increased Workforce Morale and Decreased Labor Costs

The CPP values its employees and has instituted initiatives to improve human capital management. As the CPP never shuts down, employees work weekends and unconventional hours from a typical business day. The CPP has made efforts to alleviate the challenges in its complex work schedules by modifying work shift hours. In CPP operations, the jurisdiction has changed to 12-hour shifts. The work shifts for maintenance and administrative staff have changed to nine-hour shifts. Both have led to decreased costs and increased morale, thereby fostering a supportive work environment for CPP employees.

CPP Jurisdiction's 2008 Priorities and Performance

In the 2007 Performance and Accountability Report, the CPP identified key priorities for 2008. These priorities and the jurisdiction's performance against them are shown below:

CPP 2008 Priorities	2008 Performance
Complete the installation of the DCS in the Boiler Plant.	Installed DCS controls on four boilers, with plans to complete installation on the other three boilers in 2009.
Install steam and chilled water meters at several buildings around Capitol Hill.	Upgraded the existing metering system with 16 new chilled water meters in 2007 and is in the process of installing these throughout the Capitol campus.
Install two new main air compressors in the West Refrigeration Plant and two new main air compressors in the Boiler Plant.	Installed two new main air compressors in the WRP and two new main air compressors in the Boiler Plant.
Complete WRPE and Utility Distribution System Inventory and integrate maintenance management procedures into the computerized work order system.	Successfully completed integration of maintenance management procedures into the work order system.
Install new grate system for one of the boilers.	Installed new grate system for coal boilers.
Continue to make improvements to the Utility Tunnel System.	Made progress in correcting mechanical, electrical, and structural defects noted in the Facilities Condition Assessment. Enhanced worker safety; and improved conditions relating to egress, ventilation, and communications between D.C. Fire Department and U.S. Capitol Police. Improved operations, maintenance and condition of the distribution system; and abated potential hazards.

CPP Jurisdiction's 2009 Priorities

The CPP's priorities for the upcoming fiscal year are:

- Improve the jurisdiction's Injury and Illness (I&I) rate, as the CPP work environment is potentially more hazardous than other AOC jurisdictions due to its special type of work.
- Initiate a *Lessons Learned Encyclopedia* for the jurisdiction to use as a guide for further improvements in the CPP's operations and performance.
- Ensure that both a safety and environmental audit is successfully performed.
- Create and conduct an annual customer satisfaction survey to assess areas for improvement and enhance the CPP's performance and services. This survey will be the CPP's first attempt at soliciting feedback on its customers' satisfaction.

CPP 2008 Sustainability and Energy Conservation Efforts

- Successfully reduced energy use by 13% from baseline year 2003, exceeding the targeted 9% for 2008.
- Installed compact fluorescent light bulbs (CFLs) in facilities.
- Installed efficient new chillers, which will reduce emissions and conserve energy.
- Installed new control systems, which will decrease energy usage and save in costs.
- Adjusted the CPP's fuel mix to burn 62% natural gas and 38% coal, with an additional \$2.75 million appropriated by Congress for natural gas.

CPP Opportunities for Continued Improvement

Although the CPP has been successful in reducing energy use, the jurisdiction faces aggressive energy reduction goals to comply with environmental laws and initiatives. At the same time, energy costs are increasing, and the CPP will require significant capital investment to meet its energy reduction objectives. One option for achieving future energy reductions is the installation of chilled water and steam meters to gauge energy use throughout the Capitol complex. However, some limitations exist for those buildings for which the CPP provides steam and chilled water but the AOC does not manage.

Safety also remains a top priority for the CPP. The I&I rate serves as an indicator of safety, and the CPP's 2008 rate was higher than its targeted level. To improve its I&I rate in 2009 and future years, the CPP plans to institute a program of sensitivity and behavioral modification, as well as training in safety and Occupational Safety and Health Administration (OSHA) standards. Recent funding for safety related activities include personal protective equipment, meters for confined space entry, and fall protection devices. The CPP is responsible for operating walkable and non-walkable utility tunnels that contain steam and chilled water pipes for service throughout the complex. The AOC continues to address safety and health issues related to the tunnels with a comprehensive Utility Tunnel Improvement Program and is currently on schedule to meet the June 2012 deadline for resolving all known tunnel hazards. For more information, please see *Looking Ahead: Utility Tunnel Improvements*.



The AOC has begun a phased approach toward modernizing the USBG administration building while maintaining its historic appearance.

Botanic Garden

The U.S. Botanic Garden (USBG) was established in 1820 by Congress. It has resided in several parts of the Capitol complex and moved to its present location southwest of the Capitol in 1933. The Joint Committee on the Library oversees the USBG and in 1934, designated responsibility for the maintenance, operation, and construction improvements for the Botanic Garden to the Architect of the Capitol (AOC). Daily operations are managed by the Executive Director. Public areas of the USBG include the Conservatory, five acres of surrounding outdoor gardens and the National Garden, and the outdoor display gardens in Frédéric Auguste Bartholdi Park. The jurisdiction also includes an administration building and a plant production and support facility at D.C. Village that has 36 greenhouse bays, outdoor nursery areas, storage, and maintenance shops.

The USBG serves Congress with its stewardship of a collection of living heritage assets. The jurisdiction provides constituent tours; expertise and education in botany, botanical illustration, and plant sciences; and maintains facilities for Congressional events. The USBG's stewardship strategy is also met through its work as a public plant museum, informing visitors about the importance and value of plants to the earth's ecosystem, while highlighting plant diversity. The USBG offers educational programs, tours, exhibits, consultations, and a national partnership program that provides conservation leadership and environmental and botanical education.

In recognition of the USBG's efforts, its Executive Director received the Outstanding Professional Award from the American Horticultural Society for her national leadership and the USBG Public Programs Manager was awarded the Professional Citation by the American Public Garden Association for great innovation in public horticulture.

USBG Contributions to AOC Strategic Goals

Strategic Goal 1: Congressional and Supreme Court Operations Support

Successful Mounting of Sustainability Exhibition

In 2008, the USBG mounted its most ambitious exhibition: *One Planet—Ours!—Sustainability for the 22nd Century*. Drawing participants from across the nation, the exhibition served as a forum for learning, discussion, and growth, and emphasized the actions that can be taken to foster a sustainable planet. The exhibition's success is indicated by the growth in USBG visitors from the summer of 2007 to 2008. In 2008, the number of visitors from June to September increased by 16 percent over the same time period in the previous year. The exhibition met one of the USBG's most important strategic goals to increase programs aimed at sustainability. To read more about the exhibition, please see *Status of Key Projects and Exhibitions of Interest* in this report.

Solicited Feedback for Customer Service Improvements

The USBG continually works to improve its customer service with regular feedback from its clients. The USBG prepared and summarized event reports monthly and offered visitor comment cards to the public as a means to solicit feedback for the improvement of services and exhibits. Comments were compiled into an incident report and remedial actions developed. Such reports are meant to be objective and help the Botanic Garden see itself from its clients' perspective.

Strategic Goal 2: Heritage Asset Stewardship

Initiation of Bartholdi Fountain Restoration

The USBG took several steps in 2008 to prepare for the restoration of the Bartholdi Fountain, a historic sculpture created by Frédéric Auguste Bartholdi and purchased by Congress in 1877. While it received refinishing and minor repairs in 1986 and 1996, respectively, it is in urgent need of attention and has not been in operation for several years under the advice of preservation consultants. The jurisdiction developed the project management plan and identified procurement needs. Full restoration of the fountain and surrounding basin is now ongoing.

Renovation and Modernization of the USBG Administration Building

The USBG administration building, originally constructed in 1932 as home for the Executive Director of the USBG, has housed administrative offices since 1934. It required improvements with regard to accessibility, life-safety egress, and the removal of potentially harmful materials, per regulatory standards. After years of planning, the USBG has begun to successfully address these issues with a phased-approach toward modernizing the building while maintaining its historic appearance.

Educating Visitors on the Interpretation of Plant Collections

While the USBG has maintained a steady commitment to curatorial and registration activities that steward the extensive plant collection, the interpretation of the USBG collections is also an important part of its stewardship strategy. The jurisdiction conducted an in-depth visitor study to gauge the success of its interpretation and education efforts. For more information on its heritage assets, refer to the *Required Supplementary Information* section in this report.

The USBG offers educational programs, tours, exhibits, consultations, and a national partnership program that provides conservation leadership and environmental and botanical education.

Strategic Goal 3: Leadership and Administrative Support

Commitment to a Safer Workplace

In 2004, the USBG created a five-year business plan with an aim to clarify its goals and produce a work culture that solves problems, meets challenges, and encourages individual development and leadership. This culture of proactive leadership is exemplified by the USBG's Safety Committee, which identified and addressed issues of compliance, equipment, procedures, and facilities that impact safety. It examined how these affect the most vulnerable and resistant situations, such as work sites that require interdivisional cooperation. As the visibility of the USBG and its number of visitors grow, safety will remain a significant focal point.

Improved Human Capital Management

The USBG strives to provide a well-managed and supportive environment for its staff to sustain the valuable work produced for clients and stakeholders. In 2008, the jurisdiction instituted a wellness program to present information and training on nutrition, stress reduction, back safety, skin safety, and other timely topics impacting individual health. In recognition of the efforts of all staff members, the USBG shares and celebrates successes and positive feedback that come from visitors, partners, and clients via a monthly report of current accomplishments.

USBG Jurisdiction's 2008 Priorities and Performance

In the 2007 Performance and Accountability Report, the USBG identified key priorities for 2008. These priorities and the jurisdiction's performance are shown below:

USBG 2008 Priorities	2008 Performance
<p>The USBG plans to continue to enhance efforts with regard to sustainable operations and sustainability education for both staff and the public:</p> <ol style="list-style-type: none"> 1. Utilize hybrid vehicles for transportation between facilities to reduce fuel use. 2. Investigate facilities improvements regarding rainwater harvesting. 3. Mount a major exhibit on the topic of sustainable gardening and lifestyles in summer 2008. 	<p>The USBG's progress in executing sustainability projects are detailed as follows:</p> <ol style="list-style-type: none"> 1. Retired 2 aging vehicles and replaced them with hybrid vehicles. 2. Completed a review of possibilities for rainwater harvesting, which included a feasibility assessment of installing a green roof on the south addition of the Conservatory. Though unable to install a green roof due to structural issues, it instead plans to capture rainwater from the Garden Primeval House. 3. Mounted the <i>One Planet—Ours!</i> exhibition (see <i>Status of Key Projects and Exhibitions of Interest</i> of this report for more information).
<p>Enhance the USBG website and virtual visitor services in 2008, including virtual tours of the new National Garden site.</p>	<p>Upgraded the website to enhance layout and navigability. Though unable to complete the loading of virtual tours, the USBG met initial steps toward their creation for the National Garden, including videotaping the landscape and conducting on-camera interviews.</p>
<p>Implement a test of a barcode plant inventory system to investigate how it may improve stewardship and productivity in plant record keeping and management.</p>	<p>Set in place the barcode plant inventory control system and began testing by using it to track the USBG orchid collection.</p>
<p>Act on the conclusions of its recently completed visitor study to increase the effectiveness of its exhibits and outreach.</p>	<p>Collected useful feedback from the visitor study on the utilization of interpretive signage and perception of visitors. Recommendations will be incorporated into the 2009 efforts to improve interpretation signage.</p>

USBG Jurisdiction's 2009 Priorities

The USBG's priorities for the upcoming fiscal year are:

- Enhance sustainability operations and education for staff and the public through:
 - » Establishing a final draft of national voluntary green standards for landscapes for the Sustainable Sites Initiative;
 - » Hosting programs on sustainable practices through a partnership with the Environmental Protection Agency;
 - » Enhancing educational programs about native plants and green gardening practices; and
 - » Investigating methods of moving staff between facilities to reduce transportation costs and fuel use.
- Oversee redesign and fabrication of interpretive and wayfinding signage to address deterioration, improve worker safety, and increase message effectiveness.
- Begin the Bartholdi Fountain restoration, including sculpture restoration; renewal and replacement of internal piping; and replacement of bowl sconce light fixtures.

USBG 2008 Sustainability and Energy Conservation Efforts

- Partnered with organizations to issue *The Standards & Guidelines: Preliminary Report*, which contains voluntary sustainable landscape standards for transforming America's public and private spaces. The U.S. Green Building Council will adopt the guidelines for its Leadership in Energy and Environmental Design (LEED) Program.
- Began a recycling program for the USBG, established requirements for event caterers to use compostable supplies, and began a program for composting plant and soil waste.

USBG Opportunities for Continued Improvement

The maintenance of the quality of exhibits, programs, and facilities in light of high visitation and visibility, and increased expectations, represents a constant challenge. For instance, the USBG desired to reorganize its public programs and operations divisions to achieve greater productivity and accountability. Although its workload prevented this initiative from being achieved in 2008, the USBG will work toward solutions to address issues that do not require formal reorganization.

Changing technology and an aging facility infrastructure will present opportunities for increased efficiency and reduced energy use. The USBG will remain abreast of technology and build partnerships with other organizations that present opportunities for system improvements.



The ongoing Supreme Court modernization project included landscape and hardscape renovations as well as safety improvements.

Supreme Court

The U.S. Supreme Court first convened in New York City and Philadelphia before finally settling in Washington, DC, in 1801. For 134 years, the Supreme Court met in the U.S. Capitol and heard cases from six different locations, most notably in the “Old Senate Chamber,” now known as the “Old Supreme Court Chamber.” Of the many Capitol Hill architectural enhancements made in the 20th century, construction of a permanent Supreme Court building, located across the street from the Capitol’s East Front and completed in 1935, was among the most noteworthy. To meet the growing needs of the federal judiciary, the Thurgood Marshall Federal Judiciary Building (TMFJB) was constructed and completed by September 1992. The TMFJB is approximately two blocks from the Capitol and provides office space for the Judicial Branch, Administrative Office of U.S. Courts.

The Supreme Court jurisdiction (SC) is responsible for four key areas: operations; security; historic preservation; and safety for the Supreme Court and Thurgood Marshall buildings and grounds, its Justices, its staff, and its visitors. All duties and work required for the care and custody of the Supreme Court building and TMFJB are performed under the direction of the Marshal of the Supreme Court and the AOC Facility Manager’s Office, respectively. The operational needs consist of facility management services, such as the day-to-day structural and mechanical care and building and grounds maintenance. The SC is also responsible for building alterations and the design and construction of new facilities. The Supreme Court differs from other AOC jurisdictions as the funding to care for the Supreme Court and TMFJB is appropriated to the Judicial Branch and not directly funded to the AOC.

SC Contributions to AOC Strategic Goals

Strategic Goal 1: Congressional and Supreme Court Operations Support

Attained Top Customer Service Ratings

The Supreme Court jurisdiction delivered excellent customer service in 2008, achieving an overall customer satisfaction level rating of 100 percent. This impressive rating demonstrates SC’s commitment to high-quality service and outstanding operations execution. The customer satisfaction survey serves as a tool to help the SC identify areas for improvement. The

jurisdiction will continue to serve its customers with the same excellent care and work to maintain a 100 percent level.

New Maintenance Management Tool Yielded Successful Results

In 2008, the SC began the process of scheduling regular preventative maintenance (PM) and documenting corrective maintenance using the AOC’s maintenance management software. Asset data are collected identifying systems and equipment requiring PM, which will provide the appropriate information to craft maintenance plans. This management tool was also used in the implementation of work order management, yielding successful results. The AOC Operational Dashboard showed that over 99 percent of the SC’s demand work orders were closed within 30 days, displaying the jurisdiction’s effective operations and processes.

Strategic Goal 2: Heritage Asset Stewardship

Initiated Southeast Quadrant Modernization Work

Since its opening in 1935, the Supreme Court building had not been renovated until the multi-year Supreme Court modernization project began in 2003. The project was initiated with two main goals: to build an underground annex to accommodate the increased space requirements of the new systems and to replace virtually all of the original mechanical systems. To accommodate the day-to-day business of the Supreme Court with minimal disruption, construction occurs in one quadrant of the building at a time so the Justices may carry out their functions undisturbed in parts of the building not under renovation. The northwest and northeast quadrants have been completed, and work began in the southeast quadrant and two mechanical rooms in 2008. Once the modernization project is finished, forecasted for Fall 2010, the historic building will meet current building system standards and provide an upgraded workplace for the Justices and staff. For more details, please see *Status of Key Projects and Exhibitions of Interest* in this report.

Repaired and Re-pointed West Pediment Masonry

Above the main entrance to the Supreme Court building lays the west pediment, a sculptural group of nine figures created by artist Robert I. Aitken in the 1930s. The pediment consists of rough-hewn Vermont marble in the shape of persons who played influential roles in the creation of the building, such as Chief Justice William Howard Taft, who persuaded Congress to authorize its construction. The pediment’s historical significance and beautiful design requires careful preservation work. In the summer of 2008, the SC successfully repaired and re-pointed the west pediment masonry. Additionally, the SC conducted thorough inspection of the pediment, which will determine the effectiveness of consolidation treatments of the sculptural elements for future conservation and repair.

Strategic Goal 3: Leadership and Administrative Support

Improved Landscape Aesthetics and Safety

With the modernization of the Supreme Court building underway, the jurisdiction began renovating the Supreme Court’s exterior landscape to complement the upgraded building. This project allowed the SC to conduct

important research and surveys on the existing landscape and hardscape to further assess needed improvements, as well as opportunities for enhanced aesthetics and historic preservation. Renovation efforts include repairing the historic brick driveways and walkways; renovating sprinkler systems and lighting; and replacing shrubs, trees, and plants. The exterior property and landscape renovation project is being phased under a critical timeline that is synchronized to conclude with the building modernization's completion.

Enhanced Safety with Perimeter Security Upgrades of the TMFJB

Following the events of September 11, 2001, the AOC submitted a perimeter security plan to the Capitol Police Board in 2002 to enhance the safety of the Thurgood Marshall Federal Judiciary Building and its occupants. As part of that plan, in 2008, the Supreme Court jurisdiction began upgrading perimeter security of the TMFJB with installation of security bollards and other related construction work. Completion is forecasted for 2009. This work contributed to the AOC's *Strategic and Performance Plan* goals linked to Employee Performance Elements, particularly the Safety Leadership and Safe Work Practices goals.

SC Jurisdiction's 2008 Priorities and Performance

In the 2007 Performance and Accountability Report, the SC identified key priorities for 2008. These priorities and the jurisdiction's performance against them are shown below:

SC 2008 Priorities	2008 Performance
<p>The Jurisdiction plans to improve building maintenance practices, including:</p> <ol style="list-style-type: none"> 1. Implementing work order standards to put in place a full preventive maintenance program for the Supreme Court building and the Thurgood Marshall Federal Judiciary Building (TMFJB). 2. Implementing a deferred maintenance and capital renewal program for the TMFJB based on recently conducted Facility Condition Assessments. 	<p>The jurisdiction improved building maintenance practices as detailed below:</p> <ol style="list-style-type: none"> 1. Started the process of scheduling regular preventative maintenance and documenting corrective maintenance using maintenance management software. Asset data collection for the TMFJB will help identify systems and equipment requiring preventative maintenance. 2. Made progress in reviewing the 2010 budget with the completion of the Facilities Condition Assessment for the TMFJB. Began preparing recommendations for deferred maintenance and capital renewal projects and studies.
<p>Install security bollards at TMFJB.</p>	<p>Began work to prepare design and build request for proposal documents. Construction work began in 2008 with completion planned for 2009. The SC successfully minimized long lead times in the procurement of bollards.</p>

SC Jurisdiction's 2009 Priorities

The SC's priorities for the upcoming fiscal year are:

- Participate and implement AOC's maintenance management software system standards and a full preventative maintenance program for the Supreme Court building.
- Implement a deferred maintenance and renewal program for the TMFJB based on recently conducted Facility Condition Assessments.
- Coordinate major repair projects with the ongoing Supreme Court modernization project, including roof fall protection, roof and pediment repairs, and elevator modernization.

SC 2008 Sustainability and Energy Conservation Efforts

- Incorporated conservation initiatives in Supreme Court modernization project, including the installation of compact fluorescent light bulbs (CFLs) or dimmable lighting in public areas; the retrofit of outdated fixtures with electronic ballasts and CFLs; replacement of air handling units; and installation of double pane energy efficient windows.
- Utilized Building Automation System (BAS) technology and HVAC controls in building and elevator modernization to allow technicians to remotely adjust HVAC settings and comfort levels. These efforts enable energy conservation through better temperature control.
- Revised courtyard fountains' operation run times from continuous operation to reduced timed operations, which saves energy and chemicals used to treat the fountain water.
- Returned 100% of the SC's steam condensate to the Capitol Power Plant and worked closely with the Plant to review water quality.

SC Opportunities for Continued Improvement

As the modernization of the Supreme Court building continues to progress, the jurisdiction faces the challenge of balancing the preservation of an historic building with that of dramatically upgrading it with up-to-date building systems. Supplementary projects are underway to complement the building, including exterior property renovations, perimeter security upgrades, roof fall protection and repairs, east and west pediment repairs, and elevator modernization. The SC will need to strategically coordinate all projects to achieve project completion on time and within budget, given the complexity of modernizing a building that has not been upgraded in over 70 years. The SC's major renovation projects will integrate energy efficient methods.



The AOC is responsible for the maintenance, care, and operation of the buildings, grounds, and security enhancements of the United States Capitol Police.

Capitol Police Buildings, Grounds, and Security

The Architect of the Capitol (AOC), through its Capitol Police Buildings, Grounds, and Security (CPBG&S) jurisdiction, is responsible for the maintenance, care, and operation of the buildings, grounds, and security enhancements of the United States Capitol Police (USCP), the Alternate Computer Facility, and AOC security operations. The USCP's daily functions are supported by the Office of Security Programs (OSP), which is responsible for the management of all AOC internal security programs and perimeter security kiosks, serving as a primary police operations liaison with the USCP, and leading interagency emergency preparedness coordination.

The CPBG&S jurisdiction includes the following facilities, which are listed with their construction completion or acquisition dates:

- Eney, Chestnut, Gibson Memorial Building Headquarters Building (transferred from GSA in 1986);
- Capitol Police Training Facility (1996);
- Vehicle Maintenance/Hazardous Device Unit Facility (leased facility in 2001);
- Alternate Computer Facility (ACF) (2005); and
- Canine (K-9) Facility at DC Village (2005).

The CPBG&S also manages the facilities maintenance at the Interim Off-Site Delivery Center, U.S. Capitol Police Headquarters, Chemical/Explosive Storage Facility, Courier Acceptance Site, and leased space within the Government Printing Office and Fairchild Buildings.

CPBG&S Contributions to AOC Strategic Goals

Strategic Goal 1: Congressional and Supreme Court Operations Support

Completed Construction of the Practical Application Center Building

To support a comprehensive education for USCP officers, the CPBG&S jurisdiction began construction of a training facility—the Practical Application Center Building. The facility is part of the Federal Law Enforcement Training

Center (FLETC) in Cheltenham, Maryland, which provides firearms and vehicle operations requalifications in addition to other continuing professional training. Congress directed the FLETC in 2000 to establish a training facility to address the lack of training facilities for USCP in the Washington, D.C. area. CPBG&S successfully completed construction of the Practical Application Center Building within budget in 2008, and transferred the facility to the federal Executive Branch.

Increased Efficiencies in Operations

The jurisdiction utilizes the AOC's maintenance management software system to process work order requests for both owned and leased CPBG&S facilities. In 2008, the facilities management group worked extensively to upload all facility, equipment, and preventative maintenance data into the system and trained staff on its use. With a 99 percent work order completion rate, the CPBG&S exceeded the AOC's target of 95 percent. By enhancing business operations with this management tool, the CPBG&S increased operations efficiencies while improving contract performance, response time on work requests, and overall customer satisfaction. Predictive maintenance technologies for the ACF, including use of vibration analysis and precision alignment technologies, will improve machine efficiency, reduce operational costs, and extend the facility equipment's useful life.

Improved Customer Satisfaction Rating by Nine Percent from 2007 Rating

The jurisdiction made significant efforts to improve its customer satisfaction ratings in 2008. Seven of eight survey categories showed increases in client satisfaction for the CPBG&S. For the second consecutive year, "not satisfied" ratings decreased from nine percent in 2007 to five percent in 2008 and "very satisfied" ratings increased from 25 percent in 2007 to 41 percent in 2008. Overall, the Customer Satisfaction Survey rating improved by nine percent from 76 in the previous year to 85 percent. This increase was a result of focused efforts, such as identifying areas for improvement and crafting a plan to address those concerns.

Strategic Goal 2: Leadership and Administrative Support

Initiated and Developed Business Plans

In 2008, the jurisdiction initiated the development of a business plan to establish goals and objectives to strengthen the organization. Completion and implementation of the Office of Security Programs Business Plan is expected in 2009. In collaboration with the Capitol Police Board, OSP jointly developed the USCP Police Board Strategic Plan, which outlines goals and objectives to increase the Police Board's effectiveness. As part of the plan, the jurisdiction identified security vulnerabilities for the USCP and reported these in a monthly metrics report to ensure the appropriate AOC jurisdiction abated each concern.

Provided Security at Special Events

In coordination with USCP Special Events, the CPBG&S supported security operations at four major special events in 2008: the Police

Memorial Service, Memorial Day Concert, Fourth of July Concert, and Labor Day Concert. Major event support included the deployment of bicycle racks, jersey barriers, and multiple tents for screening areas. The jurisdiction also successfully provided support to many smaller events held throughout 2008.

Closed Nearly All Office of Compliance Findings

The CPBG&S closed all but two findings from the Office of Compliance (OOC) in 2008, which were both closed in early 2009. The first OOC finding related to an inaccessible restroom that did not have a sign indicating the location of the nearest restroom. Signs with specific wording were ordered and hung throughout the facility to remedy this issue. The other finding was due to a lack of documentation that the fire sprinkler system components associated with the ACF data centers were periodically inspected or tested. The action was delayed until a scheduled outage for the House Data Center, which allowed for the testing to be performed, and resulted in the closing of the finding.

CPBG&S Jurisdiction's 2008 Priorities and Performance

In the 2007 Performance and Accountability Report, the CPBG&S identified key priorities for 2008. These priorities and the jurisdiction's performance are shown at right:



CPBG&S played an active role in supporting security and screening operations at major special events held on the Capitol complex in 2008.

CPBG&S 2008 Priorities	2008 Performance
<p>CPBG&S plans to advance security perimeter construction projects, including:</p> <ol style="list-style-type: none"> 1. Begin initial facility and space alterations to accommodate the new data center and a digital radio system infrastructure. 2. Install additional perimeter security hydraulic barrier upgrades. 3. Work with the Capitol Vulnerability Study Working Group (CVSWG) to issue its final report and begin the process of instituting its recommendations. 4. Assist the U.S. Capitol Police (USCP) with the site selection for the permanent placement of its off-site delivery center. 	<p>CPBG&S accomplished the following in 2008:</p> <ol style="list-style-type: none"> 1. Began work with the USCP to determine viable sites for its radio/data center project and provided cost estimates and scopes of work for the primary and mirror sites. Potential locations identified and reviewed. 2. Worked with the USCP to upgrade several flood-prone vehicular barrier vaults. Submitted 2009 request to continue replacing underground vaults with above ground vaults. 3. Provided cost estimates for the recommendations of the CVSWG, which forwarded its threat assessments and prioritization recommendations to the Police Board. 4. Worked with representatives of the D.C. Deputy Mayor's office to identify and validate parcels of land. Provided criteria for sites, visited several, and prepared presentation for preferred site.
<p>Further engage the AOC in security policies and procedures related to the public opening of the CVC and NAVCC to determine the impact on the UCSP.</p>	<p>Actively involved in all aspects of CVC planning, including construction/security hardware installation, transportation, and emergency evacuation planning.</p>
<p>Successfully oversee facilities management projects, including the continued execution of FCAs and the installation of the Generator Load Bank and Lightning Protection for the Alternate Computer Facility.</p>	<p>Completed 25 FCA items and initiated 14 additional FCAs for completion in December 2008.</p> <p>Completed installation, testing and commissioning of the new load bank. Started monthly load tests on the generators with in-house staff, thus avoiding \$90,000 in annual costs. The installation brings a higher reliability to the mission critical operations at the ACF.</p> <p>Completed lightning protection installation of all ground rods (air terminals) and conductors around ACF facility. Began installing Transient Voltage Surge Suppressors.</p>
<p>Improve facilities management services for U.S. Capitol Police customers.</p>	<p>Conducted field inspections and solicited customer feedback at all facilities to create a cooperative work environment.</p> <p>Tracked work requests via maintenance management system. Regularly maintained equipment, resulting in less repairs and downtime.</p>
<p>Assist with AOC-wide emergency preparedness plans (e.g., pandemic flu plan).</p>	<p>Actively involved in all aspects of emergency preparedness planning, including pandemic flu, emergency operations center, emergency assistance and response, and interagency coordination.</p>



2008 infrastructure improvements included the continued installation of retractable bollards to help provide perimeter security throughout the Capitol complex.

CPBG&S Jurisdiction's 2009 Priorities

The CPBG&S's priorities for the upcoming fiscal year are:

- Implement a recycling program for all remaining facilities.
- Develop a jurisdictional web page to provide the public with better access to information about the jurisdiction's resources and efforts.
- Execute the USCP radio project in accordance with approved schedule and funding. The digital system upgrade will be fully encrypted and be interoperable with other law enforcement entities.
- Develop AOC's *Internal Security Manual* to provide a basis for improving the protection of AOC facilities, personnel, information, equipment, and operations.
- Expand interagency security, anti-terrorism, and emergency preparedness networks to help ensure organized response to and recovery from large-scale events.

CPBG&S 2008 Sustainability and Energy Conservation Efforts

- Developed the waste recycling program for all facilities except the USCP kiosks and the Alternate Computer Facility.
- Replaced existing T-12 lighting with more energy-efficient T-8 lighting.
- Funded and executed an energy audit of CPBG&S facilities, which included a review of existing energy consumption and conservation recommendations.
- Contracted an energy management firm to facilitate the development and implementation of an energy and carbon footprint reduction plan.
- Initiated review by an energy services company of existing conditions of CPBG&S facilities to develop energy reduction recommendations.

CPBG&S Opportunities for Continued Improvement

With one exception, all CPBG&S projects were successfully completed on schedule and within budget, including the underground vault upgrade and lighting at traffic checkpoints. The USCP Headquarters north door project was the only project that exceeded its budget and faced a delay. To address over-budget items, design changes were made to reduce costs and stay within the modified budget.

Although the Practical Application Center Building project schedule was also delayed, construction was within budget without jeopardizing project quality. The CPBG&S subsequently instituted tighter schedule tracking standards for work involving their property and proposed advanced procurement of items requiring long lead times to ensure future projects are on schedule. CPBG&S was able to maintain delivery on all its projects with an average cost control growth rate of three percent, which takes into account unforeseen site conditions and scope adjustments. The jurisdiction plans continue to maintaining tight scopes of work and managing change orders to minimize costs.



The 580,000 square foot Capitol Visitor Center provides a variety of educational programs and exhibits designed to help visitors learn about the U.S. Congress and the legislative process, as well as the history and development of the architecture and art of the U.S. Capitol.

STATUS OF KEY PROJECTS AND EXHIBITIONS OF INTEREST

There are typically several key projects and exhibitions of interest taking place in multiple jurisdictions throughout the Capitol complex at any given time. The following four projects were the most visible for Fiscal Year (FY) 2008 and were accomplished by tremendous effort from the AOC's superbly skilled staff. These projects exemplify the organization's results-oriented work performance and effective communications with, and accountability to, Congress.

Capitol Visitor Center

The Capitol Visitor Center (CVC) opened to the public on December 2, 2008, exactly 145 years after the Statue of Freedom was placed atop the Capitol. The grand opening was attended by Congressional leaders and staff, as well as visitors. The CVC provides a welcoming and educational environment to inform, involve, and inspire visitors to the Nation's Capital.

The CVC is the largest expansion of the Capitol in its construction history—at 580,000 square feet, it is three-quarters the size of the Capitol itself. Anticipating three million visitors annually, the CVC welcomes guests to the seat of the U.S. government with a number of educational opportunities and amenities. The large, 16,500 square foot Exhibition Hall tells the dual story of the development of representative democracy in the United States and the transformation of the Capitol complex through displays and interactive media. Visitors may explore original artifacts and documents from the nation's legislative history. Two orientation theaters present films to educate visitors and inspire civic engagement. Additionally, the CVC offers visitors amenities of a dining facility, gift shops, and information

desks. For details on its construction history, please see *History of the U.S. Capitol* in this report.

The AOC worked diligently throughout 2008 to prepare for the CVC's grand opening. At the start of the Fiscal Year, work consisted of interior punch list items and exterior landscaping by laborers of all trades. Painters, carpenters, plumbers, masons, electricians, carpet installers, and other professional crews completed the installation of all major finish materials, including stone, millwork, carpeting, doors, and light fixtures, in the CVC public spaces, expansion spaces, and the Congressional Auditorium. Way-finding and room signage was installed throughout the facility's public spaces; restaurant equipment was put in place; and audio-visual technicians worked on the installation of the theater screens and projection system. In addition, all the major cabinetry components, light boxes, and high-definition plasma screens were installed in Exhibition Hall to display the interior and exterior views of the Capitol.

The CVC achieved 99 percent completion by February 2008. After construction was substantially completed, crucial project work in fire safety was still needed in order to meet the targeted completion date. Delays in acceptance testing initially occurred due to design changes. In addition, during pre-testing, the AOC found that the initial smoke exhaust system did not fully meet design requirements. Despite these challenges, the AOC leadership and staff worked diligently to successfully address the final fire and life-safety systems acceptance testing concerns to keep the project on schedule. The CVC received a Temporary Certificate of Occupancy in July 2008. This significant milestone allowed the AOC to move furniture and equipment

into the CVC, relocate House and Senate personnel into the expansion spaces, and work with Congress to establish a date for the CVC's grand opening. These efforts enabled the facility to meet the safety requirements for the occupancy of staff and visitation of guests, and led to a Permanent Certificate of Occupancy in October 2008. At this time, a number of groups were invited to the CVC as part of the comprehensive facility test and adjust period. The operations team was able to address any issues of concern and modify policies and procedures to improve visitor flow, facilitate facility use by Congress, and improve the facility's operations.

Supreme Court Modernization

Built in 1935, the Supreme Court building is one of the Capitol complex's most majestic and richly ornamented structures. Its main entrance on the west side, facing the Capitol, features sixteen marble columns and two bronze doors, each weighing six and one-half tons. At its greatest height, the building rises four stories above the terrace or ground floor.

The need for a modernization project at the Court became critical at the close of the 20th century. Unlike many buildings on the Capitol complex, the Supreme Court building had not been upgraded since its completion. Due to its age, virtually all building systems required an intensive daily maintenance schedule to continue operating. Further, essential building system requirements had advanced greatly since 1935.

To bring the building up to current standards, the AOC embarked on an ambitious multi-year Supreme Court modernization project in July 2003 with two main goals. The first was to build an annex to the building. This annex will house building functions displaced by the increased space requirements of contemporary mechanical systems and provide more efficient use of space. The second goal was to replace virtually all of the original systems, including electrical, plumbing, and heating, ventilating, and air conditioning (HVAC) systems, which have served the building since it opened during President Franklin Roosevelt's first term in office.

The renovation of the Supreme Court building is occurring in two phases. Phase I, begun in July 2003 and completed in January 2005, included the construction of the two-story underground annex on the Maryland Avenue (northern) side of the building. The annex will, in part, accommodate new mechanical equipment. In addition, the annex provides necessary space for the Supreme Court Police, who provide security for the Justices, Court employees, and visitors to the building and grounds.

Phase II of the modernization began in Spring 2004 and is forecasted for completion in fall 2010. This phase includes upgrading and replacing the building systems, such as the mechanical and electrical systems, and moving some functions to provide more efficient use of building space. This work is being done in segments to allow regular Supreme Court operations to continue during this significant renovation. There are four quadrants to the Supreme Court Building, and the construction is being completed one quadrant at a time so that the Court may continue to carry on its day-to-day functions in parts of the building not under construction. Upon completion of the final quadrant, full building commissioning will commence. In addition, this phase includes interior work on the underground annex.

As the renovation progressed, the Supreme Court building was found to be in need of significant roof repair. In 2007, roof system repairs began as a supplemental project to the modernization. The project would repair deteriorated roof components and fully restore the highly decorative, original, and historic roof to optimum condition. Roof repair work will continue through 2011.

Renovation work has been completed in the northwest and northeast quadrants of the Supreme Court. Work is underway in the southeast quadrant and continues in the remaining two mechanical rooms. This quadrant is scheduled for completion in Summer 2009. At that time, work will continue in a clockwise rotation to the southwest quadrant.

Due to the complexity of the modernization project, the original completion date of May 2008 was revised. To minimize further schedule changes, the AOC meets regularly with Supreme Court personnel and construction contractors to identify ongoing project work and anticipate potential barriers to timely completion. The effort of conducting such a substantial renovation within an historic and public setting, while Court operations continue, cannot be overestimated. The aging infrastructure has contributed to the extensive interior work conducted. Such work includes the complete strip-down of old walls so that all plumbing, wiring, heating, and ducts may be completely removed and brand new infrastructure equipment installed, all while maintaining the operation of the existing systems. Despite these challenges, the cost estimate for the Supreme Court modernization project remains within its estimated budget of \$122 million. This is a noteworthy accomplishment for a renovation project of this scope.



Significant progress has been made towards achieving the goal of replacing nearly all the original electrical, plumbing, heating, ventilating, and HVAC systems throughout the Supreme Court building.



The AOC's Curator Division plays a vital role in the meticulous care and restoration of the heritage assets entrusted to its care.

Curatorial and Preservation Projects

The AOC's Curator Division plays a vital role in preserving the heritage assets entrusted to its care, as required in the AOC's *Strategic and Performance Plan*. In 2008, key curatorial projects included: relocating the Statue of Freedom plaster model and select statues from the Capitol to the new Visitor Center, conservation of the Capitol's historic Brumidi Corridors, and restoring Senate room S-311 in the Capitol.

Relocation of Freedom Statue Model and Historic Statues to Capitol Visitor Center

The AOC oversaw the relocation of historic treasures from the Capitol to the CVC, most notably the restored plaster model of the Statue of Freedom and selected statues from the Capitol's National Statuary Hall Collection—efforts that required careful planning and skilled experts. The plaster model and statues were placed in the CVC's Emancipation Hall.

The plaster model, designed and sculpted by Thomas Crawford in Rome, Italy, in 1856, was shipped to Washington, D.C., in March 1859. After the model was used to cast the bronze Statue of Freedom, it was placed on display in the Capitol until its move to the Smithsonian Institution, where it remained until the mid-1960s. The model sat in storage before being moved in 1993 to the Russell Senate Office Building basement rotunda for display, until its recent relocation.

Throughout the move, preservation and safety were the top priorities guiding the project, with much of the work conducted at night under leadership of the AOC's Construction Division. This process occurred from June through October 2008. Visitors may now appreciate the scale, details, and symbolism of the figure sitting atop the Capitol dome and learn about her history.

The AOC oversaw the relocation of historic treasures from the Capitol to the CVC, including the restored plaster model of the Statue of Freedom.

Prior to the CVC's opening, the AOC moved 23 statues representative of individual states into the new center. These visually striking sculptures highlight the diversity of the country. The statue relocation plan from National Statuary Hall included weighing and measuring the statues and pedestals in relation to the CVC's floor load capacity and ceiling heights; and arranging the statues using aesthetic and symbolic criteria. Under the supervision of the Capitol Building mason shop and support staff, the moves were executed at night. Special moving equipment was brought in daily and removed each evening. Relocations were completed safely without damage to the statues, buildings, or workers.

Brumidi Corridor Conservation

Another key stewardship milestone achieved in 2008 was the completion of the tenth phase of the Brumidi Corridor conservation project. The vaulted corridors, intricately decorated from floor to ceiling, were designed and painted by Constantino Brumidi from 1857 to 1859. The murals depict hundreds of animals, insects, flowers, fruits, classical figures and symbols, and historical portraits and scenes. The corridor walls have been regularly exposed to wear, and in early decades were repaired and repainted, obscuring the original colors and intricate details.

With the support of Congress, the Curator Division launched a 10-year Brumidi Corridor conservation plan to restore the murals, beginning with a pilot project. The conservation work was then completed in phases in the main corridor, elevator corridor, west corridor, and the north entry with new techniques and additional artistic elements. 2008 marked the completion of a decade of meticulous work, with only one corridor remaining for restoration.

Senate Room S-311

In 2008, the AOC successfully restored Senate room S-311. Constructed in the 1850s, this room is known as the Senate Spouses' Lounge and has been the meeting place for the spouses of U.S. Senators since 1935. The Curator restored the room to the classic aesthetics of the second half of the 19th century, focusing particularly on the remarkable historic finishes of the cast-iron window and door enframements. Extensive paint analysis and testing revealed the original layer of paint applied around 1859. The cast iron was carefully stripped of many paint layers to reveal the details of the cast classical tongue-and-dart design on the trim, which had been painted over.

The ceiling mural design was first painted in the early 20th century, painted out, and then partially replicated in 1978. AOC decorative painters softened the design and brought it closer to its historic appearance.

Botanic Garden Summer Exhibition

The U.S. Botanic Garden (USBG) 2008 summer exhibition *One Planet—Ours! Sustainability for the 22nd Century* presented the steps taken by individuals and organizations to achieve a more sustainable society. In support of AOC's sustainability efforts and the USBG's business plan, the USBG featured a well-received showcase of the numerous ways that humans could reduce their impact on the environment. *One Planet—Ours!* displayed the work of 39 local and national partners who joined with the USBG to mount the exhibition.

One Planet—Ours! featured broad themes exemplifying the work of the participating partners, including energy reduction; renewable and alternative energy; the concept of “reduce, reuse, recycle;” water conservation and plant conservation; green gardening; and local sourcing.

Coinciding with the AOC's emphasis on energy reduction across the Capitol complex, the exhibition demonstrated ways to decrease energy consumption in the built environment using green roofs, tree planting, and sustainable construction methods. The summer exhibition also highlighted renewable energy, with assistance from the Department of Energy, U.S. National Arboretum, and Department of Agriculture. Renewable energy exhibits provided information on options and conditions favorable for harnessing wind energy, presented the benefits from the use of photovoltaic panels and biofuels as alternative sources of energy, and displayed wind turbines scaled for home-owner installation.

The USBG also reinforced the concept of “the three R's”: reduce, reuse, and recycle. Participating partners showcased programs and practices that reduced the ecological or carbon footprint of human activity. For example, one exhibitor illustrated a commitment to lifecycle use and regeneration of soil, nutrients, and water within their property boundaries.

In another exhibit, environmental groups presented displays about the methods and need for conserving water resources, including strategies such as planting a rain garden; collecting, storing, and using water from downspouts; installing a vegetative roof; and landscaping for local conditions. Plant conservation was also critically important, conveyed with an exhibit that addressed the need for plant and habitat protection, control of invasive species, protection against the over-harvesting of wild populations, and use of native plants in stewarded landscapes.

Green gardening, such as using organic techniques and eliminating pesticides, was featured to enlighten visitors on more environmentally-friendly gardening methods. This exhibit showcased other ideas including planting trees, using electrical mowers, minimizing the expanse of high maintenance lawn, abolishing herbicides and synthetic fertilizers, composting, and planting for wildlife. The USBG underscored local sourcing as another way to conserve and, at the same time, support local families and communities. The local sourcing exhibit conveyed the benefits to purchasing items locally, which reduces the transportation of construction materials and manufactured products, and thus, pollution. Examples of local sourcing included

a straw bale house featuring native clay interior finishes. These exhibits sought to encourage visitors to consider the consequences and social benefits of buying and sourcing locally.

A major component of the summer exhibition, *Cool Globes: Hot Ideas for a Cooler Planet*, featured 33 large, six-foot diameter globes distributed throughout the exhibition. Each uniquely designed globe portrayed positive actions that could be taken to reduce human impact on the earth. The globes were diverse in theme and creativity and appealed to broad segments of the visiting public. *Cool Globes* traveled from Chicago, Illinois, where it was first presented in 2007.

Throughout and after exhibition planning, the USBG sought to make the exhibition process itself sustainable. For example, its soil was recycled into new garden beds at the USBG production facility and the sustainable schoolyard exhibit was transported to a local elementary school. Even after the close of the exhibit, *One Planet—Ours! Sustainability for the 22nd Century* continued to be featured on the USBG website as a sustainability and energy reduction resource to the public.



Supported by Congressional funding, the AOC launched a 10-year conservation plan to restore the 19th century Brumidi Corridor murals.



The AOC's *Strategic and Performance Plan* contains 41 performance measures, and 92 total key performance indicators, created to support its performance goals by FY 2011.

PERFORMANCE HIGHLIGHTS

In October 2006, the Architect of the Capitol (AOC) implemented its *Strategic and Performance Plan: Fiscal Year 2007–Fiscal Year 2011*, which emphasizes the organization's mission areas and enabling services and focuses on results. The performance reporting structure consists of three tiers: strategic goals, objectives, and outcome measures. The performance measures detailed in this report are based on the AOC's strategic goals:

Strategic Goal 1: Congressional and Supreme Court Operations Support

Congressional and Supreme Court operations are supported through the provision of effective facilities management, project delivery, and related services.

Strategic Goal 2: Heritage Asset Stewardship

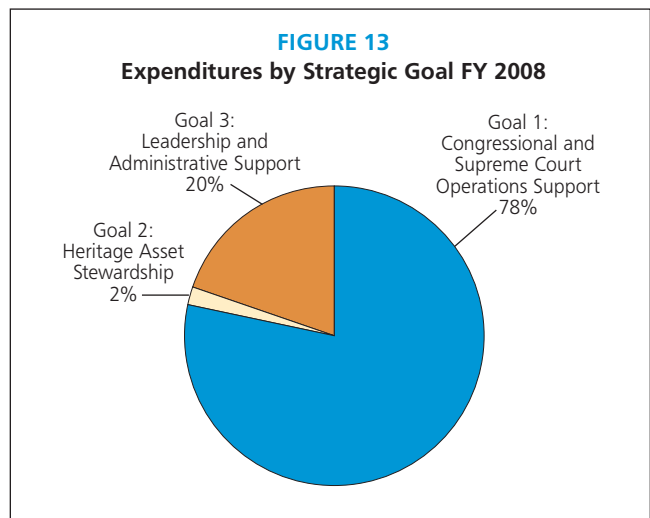
The national treasures entrusted to the care of the Office of the Architect of the Capitol are maintained and preserved for present and future generations, and visitors to the Capitol complex are provided an informative and inspiring experience.

Strategic Goal 3: Leadership and Administrative Support

The responsibilities of the Office of the Architect of the Capitol are fulfilled efficiently and effectively, and accountability is enhanced, through the provision of high-quality leadership and administrative support activities.

Fiscal Year 2008 AOC expenditures by Strategic Goal has been displayed in Figure 13.

In developing the Performance Plan, the AOC considered that various forces outside its control could significantly impact its plans and anticipated results over the five year period. As such, the following assumptions were considered in the plan's development:



- Funding will increase to enable achievement of goals and implementation of strategies; and
- Facilities cannot shut down; continuity of operations is a factor.

In addition, it should be noted that:

- Fiscal Year (FY) 2007 served as the baseline year for most measures, and the AOC's targeted levels of performance will be adjusted accordingly;
- Cycle times are for the entire cycle of the activity across the organization, not limited to any one division or jurisdiction; and
- Measures and strategies apply across the organization, unless otherwise noted.

The *Strategic and Performance Plan: FY 2007–FY 2011*, contains 41 performance measures, created to support FY 2011 performance goals. The AOC developed interim annual performance targets for each measure, where possible. Many of the performance measures, however, are new and have no baseline data. Interim annual performance targets will be applied once the baseline data are established. The breakdown of the 41 performance measures is:

Performance Measures Breakdown

AOC Strategic Goal	Outcome Measures	Key Performance Indicators*
Goal 1—Congressional and Supreme Court Operations Support	16	41
Goal 2—Heritage Asset Stewardship	7	9
Goal 3—Leadership and Administrative Support	18	42
Total	41	92

*Many of the Outcome Measures are multi-part measures. The Key Performance Indicators column tallies the number of individually-stated parts for the measures associated with each Strategic Goal.

Of the 92 total key performance indicators, 54 had performance targets for 2008. The AOC met or exceeded its targets for 72 percent of its outcome measures (39 targets met out of 54 total performance targets). The table below provides a summary of the status of performance measures for each goal. For a full account of outcome measures and work performed to reach the organization's targets, please see *Section II: Performance Information* in this report.

Performance Targets for 2008

AOC Strategic Goal	Target Met	Target Not Met	Total
Goal 1—Congressional and Supreme Court Operations Support	20	4	24
Goal 2—Heritage Asset Stewardship	4	2	6
Goal 3—Leadership and Administrative Support	15	9	24
Total	39	15	54

Looking Toward the Future: Our Performance-Based Budget

The AOC's cost accounting system was introduced in 2007 and continues to mature, enabling the organization to gather and track cost and performance data and link funding requests with strategic goals. In 2008, the AOC submitted its first performance-informed budget to Congress for FY 2009, which showed links between requested funding and the AOC's strategic goals as well as key performance results.

Status of AOC's Progress Against Government Accountability Office (GAO) General Management Review (GMR) Recommendations⁷

The GAO provided recommendations through a series of reviews of the Architect of the Capitol's (AOC) operations over the last few years focusing on overall management, facilities management, project management, Capitol Power Plant (CPP) operations, human capital management, financial management, information technology (IT) management, worker safety, and recycling. These recommendations are summarized by issue area and include a brief synopsis of GAO's 2008 assessment of AOC's progress.

The AOC made significant progress over the last year implementing GAO's recommendations. In 2008, the AOC fully implemented an additional eight⁸ recommendations, bringing the total number of recommendations closed to 51 out of 67.⁹ The remaining open recommendations primarily involve long-term efforts on which the AOC continues to make progress (e.g., information technology portfolio management, internal controls, cost accounting, facilities management, and workforce planning).

The overarching theme of GAO's most recent February 2008 report is the importance of strong leadership to guide the implementation of long-term initiatives. The AOC agrees with GAO, and the senior leadership team continues to actively oversee implementation of key multi-year initiatives and address challenges related to limited resources proactively. The AOC has a number of new tools at its disposal to help set goals, manage projects, and plan for the long-term needs of the Capitol complex and its clients.

The following accomplishments were noted in GAO's reports, and continued attention to them will enable the AOC to sustain the great progress made to date.

Accomplishments:

- Maintained progress of transformation initiatives with continuity of senior management. For example, the AOC:
 - » Hired a Chief Executive Officer for Visitor Services at the Capitol Visitor Center;
 - » Developed a line of succession for operations in absence of an Architect;
 - » Prepared a briefing book for a new Architect;

⁷ For complete information see GAO's February 2008 Briefing entitled "Architect of the Capitol: Implementation of Long-Term Initiatives Is Important to Sustaining Progress."

⁸ Seven recommendations were closed in the February 2008 briefing; one additional recommendation was closed after the briefing was issued but within 2008 and thus it is counted as closed in the 2008 PAR.

⁹ Three additional recommendations were added in 2008 from a related review of the Capitol Power Plant.

- » Refined procedures, practices, and guidelines for IT systems; and
- » Improved customer satisfaction for building services;
- Updated an inventory of services and identified opportunities to consolidate contracts;
- Successfully consulted with Congress to develop meaningful outcome and output measures;
- Instituted rigorous processes for managing development and acquisition of IT systems; and
- Enhanced project management at the AOC. For instance, AOC improved the management of cost and schedule data on projects, tracked reasons for changes across all projects, and engaged Congressional stakeholders and others in the development of the Capitol Complex Master Plan (CCMP).

As an organization focused on results, the AOC is always looking to refine current processes and implement new initiatives to improve performance. The following areas were identified as needing continued attention.

Areas of Continued Focus:

- Identify facility cost and performance data and benchmark against peer organizations;
- Implement the facilities information management system fully;
- Finalize development and implementation of a Safety Manual;
- Complete implementation of the IT portfolio investment process, information security program, and enterprise architecture;

- Analyze cost savings and efficiencies from implemented recommendations and determine future staffing needs of the CPP;
- Continued implementation of internal controls and cost accounting; and
- Identify the best service delivery methods and develop strategic workforce plan.

The AOC will continue to work with GAO to fully implement the remaining recommendations. As a high-performing organization, the AOC will continually assess areas for improvement and implement actions to further strengthen its performance.

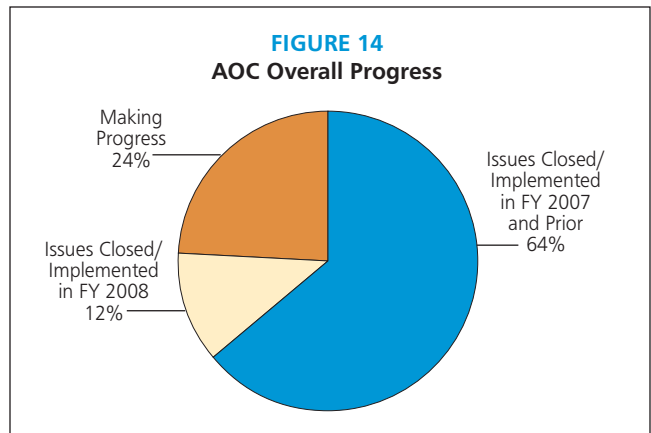


TABLE 7: GAO’s Assessment and Progress—continued on pages 51–53

Issue Area	GAO’s 2008 Assessment	Progress
<p>STRATEGIC MANAGEMENT</p> <p>Improve strategic planning and organizational alignment; establish meaningful performance measures; improve the process to obtain feedback from employees and customers; and strengthen the relationship between AOC and Congressional stakeholders.</p>	<p>Progress:</p> <ul style="list-style-type: none"> • Obtained support from Congressional stakeholders on mixture of outcome and output measures linked to strategic goals. • Operational indicators are routinely monitored by senior management staff through the AOC Operational Dashboard. <p>Remaining Actions:</p> <ul style="list-style-type: none"> • N/A—all recommendations have been implemented. 	
<p>HUMAN CAPITAL MANAGEMENT</p> <p>Strengthen performance measurement and strategic human capital management by developing annual goals and measure performance; link AOC senior executive and employee performance management systems to mission-critical goals; establish AOC-wide core and technical competencies; develop capacity to collect and analyze workforce data; strengthen human capital policies, procedures, and processes; and improve communications with employees.</p>	<p>Progress:</p> <ul style="list-style-type: none"> • Identified core and technical competencies for all positions; • Hired contractor to assist in identifying current and future skills gaps within the workforce; and • Refined survey instrument to decrease time to complete skill assessment. <p>Remaining Actions:</p> <ul style="list-style-type: none"> • Develop automated system to assist Agency supervisors in evaluating employees and providing appropriate training opportunities; • Conduct focus groups with managers to ascertain changes in human capital to meet long-term goals; and • Develop strategic workforce plan including succession planning. 	

■ Issues Closed/Implemented in FY 2007 and Prior
 ■ Issues Closed/Implemented in FY 2008
 ■ Making Progress

TABLE 7: GAO’s Assessment and Progress—continued

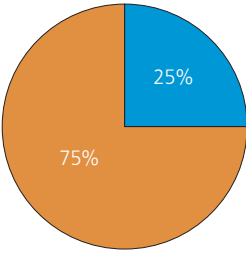
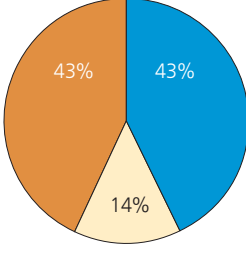
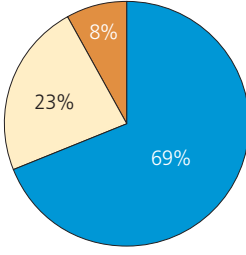
Issue Area	GAO’s 2008 Assessment	Progress								
<p>FINANCIAL MANAGEMENT</p> <p>Develop strategies to institutionalize financial management practices that will support budgeting, financial, and program management; provide strong and visible support for efforts to prepare auditable financial statements and implement an effective internal control framework; work with operating managers to assess the usefulness of financial statement-level information; monitor the implementation milestones related to the AOC-wide system, procedural, and cultural changes needed to provide managers with timely financial, cost, and performance information.</p>	<p><i>Progress:</i></p> <ul style="list-style-type: none"> • Developed procurement, payroll, and financial reporting controls; • Improved time coding in payroll system by employees, streamlined cost account structure, and developed team to institutionalize Management Operations Reporting into AOC’s day-to-day business processes; and • Recurring senior leadership focus via meetings, briefings, and reports. <p><i>Remaining Actions:</i></p> <ul style="list-style-type: none"> • Direct actions and resources to expedite development and implementation of risk-based framework for project management; • Further develop cost accounting system to include mechanisms for allocating indirect costs; and • Develop specific implementation plans. 	 <table border="1"> <caption>Progress Data for Financial Management</caption> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Issues Closed/Implemented in FY 2007 and Prior</td> <td>25%</td> </tr> <tr> <td>Making Progress</td> <td>75%</td> </tr> </tbody> </table>	Category	Percentage	Issues Closed/Implemented in FY 2007 and Prior	25%	Making Progress	75%		
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Issues Closed/Implemented in FY 2007 and Prior	25%									
Making Progress	75%									
<p>INFORMATION TECHNOLOGY MANAGEMENT</p> <p>Establish a chief information officer (or comparable senior executive with the responsibility, authority, and resources for managing IT across the AOC); plan and implement practices in GAO’s investment management guide associated with corporate, portfolio-based investment decision making; develop, implement, and maintain an enterprise architecture (EA); leverage EA for organizational transformation; require disciplined and rigorous processes for managing the development and acquisition of IT systems; and establish and implement an information security program.</p>	<p><i>Progress:</i></p> <ul style="list-style-type: none"> • Developed preliminary list of initiatives to serve as the basis of the agency’s IT portfolio; • Developed a plan to fully implement the enterprise architecture management guide; and • Instituted disciplined and rigorous processes for managing the development and acquisition of IT systems. <p><i>Remaining Actions:</i></p> <ul style="list-style-type: none"> • Prioritize all IT investments, develop an IT investment portfolio, and oversee each investment using a portfolio approach; • Fully implement key architecture practices, such as defining “as is” and “to be” architecture descriptions in terms of performance; and • Provide Chief Information Security Officer with resources to fully implement an AOC-wide security program. 	 <table border="1"> <caption>Progress Data for Information Technology Management</caption> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Issues Closed/Implemented in FY 2007 and Prior</td> <td>43%</td> </tr> <tr> <td>Issues Closed/Implemented in FY 2008</td> <td>14%</td> </tr> <tr> <td>Making Progress</td> <td>43%</td> </tr> </tbody> </table>	Category	Percentage	Issues Closed/Implemented in FY 2007 and Prior	43%	Issues Closed/Implemented in FY 2008	14%	Making Progress	43%
Category	Percentage									
Issues Closed/Implemented in FY 2007 and Prior	43%									
Issues Closed/Implemented in FY 2008	14%									
Making Progress	43%									
<p>PROJECT MANAGEMENT</p> <p>Complete condition assessments of all facilities and develop a Capitol Complex Master Plan; engage Congress and other stakeholders throughout the CCMP development; develop process for assigning project priorities; inform and obtain agreement from key stakeholders on specific projects submitted for funding; define project-management-related performance measures; align project management staff and resources with AOC’s mission-critical goals; develop a method to establish and track more accurate budget targets; expedite the development of a customer satisfaction survey for construction services; clarify staff roles and responsibilities; revise project management manuals; develop or modify information systems to provide cost and schedule data and track reasons for changes.</p>	<p><i>Progress:</i></p> <ul style="list-style-type: none"> • Proposed a final draft of the CCMP and set goal to publish by end of 2009; • Communicated regularly with appropriate Congressional committees on CCMP’s development; • Awarded contract for Library of Congress Facility Condition Assessment (FCA); • Scheduled Supreme Court FCA for 2009; • Implemented Construction Division peer review process and reorganized the Division and held monthly reviews to monitor project costs and schedules; and • Modified the Agency’s Project Information Center (PIC) software to effectively and efficiently manage projects. <p><i>Remaining Actions:</i></p> <ul style="list-style-type: none"> • Continue implementation of cost accounting system so the AOC may produce timely information that accurately reflects current working estimates for projects, and accounts for changes in project allotments, obligations, expenditures and schedules; • Continue reviewing its methods for estimating Construction Division project costs, including contingency costs and allocations for construction management and administration; and • Finalize the Capitol Complex Master Plan. 	 <table border="1"> <caption>Progress Data for Project Management</caption> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Issues Closed/Implemented in FY 2007 and Prior</td> <td>8%</td> </tr> <tr> <td>Issues Closed/Implemented in FY 2008</td> <td>23%</td> </tr> <tr> <td>Making Progress</td> <td>69%</td> </tr> </tbody> </table>	Category	Percentage	Issues Closed/Implemented in FY 2007 and Prior	8%	Issues Closed/Implemented in FY 2008	23%	Making Progress	69%
Category	Percentage									
Issues Closed/Implemented in FY 2007 and Prior	8%									
Issues Closed/Implemented in FY 2008	23%									
Making Progress	69%									
<p> ■ Issues Closed/Implemented in FY 2007 and Prior ■ Issues Closed/Implemented in FY 2008 ■ Making Progress </p>										

TABLE 7: GAO’s Assessment and Progress—continued

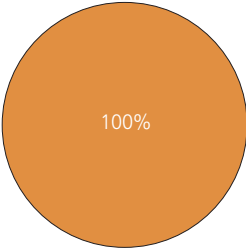
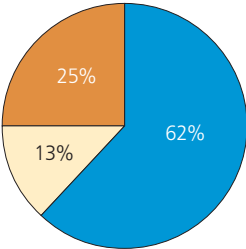
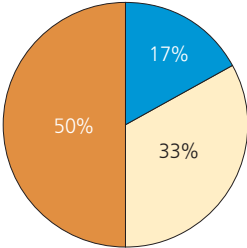
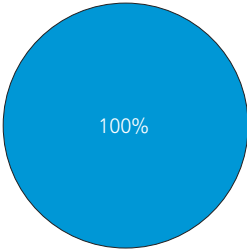
Issue Area	GAO’s 2008 Assessment	Progress
<p>FACILITIES MANAGEMENT</p> <p>Develop more specific timeliness measures that more accurately reflect the amount of time required to complete tasks; develop the capability to comprehensively and routinely track cost performance measures; benchmark performance measures against similar institutions; use the new facilities management information system to track preventive maintenance and demand work orders across all jurisdictions.</p>	<p><i>Progress:</i></p> <ul style="list-style-type: none"> • Used new facilities management information system to track task completion times and will use preliminary data from system to develop expected service level times for each task; • Captured some preventative maintenance workload data in the new information system with the remaining work to be added within the next year; • Met with other federal organizations (e.g., Smithsonian Institution, Department of Defense, and General Services Administration) to gather information on their approach to monitoring cost performance for facilities; • Compiled internal historical documents as well as current industry data on cost performance; and • Developed standard methodology for generating unit costs for custodial, maintenance, and grounds functions using the AOC’s cost accounting system. <p><i>Remaining Actions:</i></p> <ul style="list-style-type: none"> • Integrate new facilities management information system with the AOC’s new cost accounting system; • Continue to identify and develop AOC-wide service standards and metrics for cost and performance using available data and benchmarking with peer organizations; and • Fully employ the new information system by accounting for the remaining preventative maintenance and demand work orders and seeking opportunities to interface the new facilities management information system with other existing applications, such as the Time and Attendance system. 	 <p>A pie chart representing 100% progress, shown as a single solid orange circle with the text "100%" in the center.</p>
<p>WORKER SAFETY</p> <p>Identify performance measures for safety goals and objectives; establish clearly defined and documented policies and procedures for reporting hazards; establish a consistent AOC-wide system for conducting investigations and follow-up; establish a safety-training curriculum; assign clear responsibility for tracking and recording training received by AOC employees; clarify and explore possibly expanding the role of the Office of the Attending Physician (OAP); establish a senior management work group to routinely discuss workers’ compensation cases and costs; and expand its safety perception survey.</p>	<p><i>Progress:</i></p> <ul style="list-style-type: none"> • Continued to consolidate 34 individual safety policies into one manual; • Implemented Agency’s eighth individual safety policy (welding, cutting, brazing and hotwork); • Received a third-party evaluation of the seven individual safety policies previously implemented; and • Scheduled 26 of the remaining 34 safety policies for implementation by 2009. <p><i>Remaining Actions:</i></p> <ul style="list-style-type: none"> • Complete development and implementation of Agency’s safety manual; • Fully implement remaining specialized safety policies; and • Continue to develop Human Resources IT system’s capacity to track employee training. 	 <p>A pie chart showing progress for Worker Safety. It is divided into three segments: a large blue segment representing 62%, a smaller orange segment representing 25%, and a small yellow segment representing 13%.</p>
<p>■ Issues Closed/Implemented in FY 2007 and Prior ■ Issues Closed/Implemented in FY 2008 ■ Making Progress</p>		

TABLE 7: GAO’s Assessment and Progress—continued

Issue Area	GAO’s 2008 Assessment	Progress
<p>CAPITOL POWER PLANT MANAGEMENT</p> <p>Develop an implementation plan for adopting consultant recommendations on using the most economically priced fuel to operate the steam boilers and reducing CPP staff; implement prudent operational and incremental organizational changes in anticipation of a more permanent organization when the West Refrigeration Plant Expansion project is complete; evaluate the training provided to CPP operators and use the evaluation results in implementing the staffing plan; quantify for Congress cost savings and increased efficiencies; and establish procedures to guide future sourcing decisions.</p>	<p><i>Progress:</i></p> <ul style="list-style-type: none"> Continued work on staffing plan based on the recommendations from a recent consulting study and incorporated the results of the training evaluation; and Demonstrated a commitment to using the most economically priced fuel, performed repairs and updates on plant steam boilers, and resolved previous operational problems to allow for greater use of coal. <p><i>Remaining Actions:</i></p> <ul style="list-style-type: none"> Quantify the cost savings and increased efficiencies generated from completed and ongoing actions taken since 2004 for Congress; Develop a comprehensive staffing plan by completing an equipment inventory and comprehensive workload analysis, determine how the modernization effort will affect future needs, and examine existing staff’s capabilities; Establish procedures to guide future sourcing decisions to take into account activities that may be outsourced, staff training in sourcing processes and practices, and legal issues; and Pursue a competitive sourcing strategy. 	
<p>RECYCLING</p> <p>Develop clear mission and goals for recycling program with input from key Congressional stakeholders and obtain preliminary Congressional input on its environmental program plan.</p>	<p><i>Progress:</i></p> <ul style="list-style-type: none"> N/A—all recommendations have been implemented. <p><i>Remaining Actions:</i></p> <ul style="list-style-type: none"> N/A—all recommendations have been implemented. 	

■ Issues Closed/Implemented in FY 2007 and Prior
 ■ Issues Closed/Implemented in FY 2008
 ■ Making Progress



Analysis of cost savings and efficiencies resulting from implemented GAO recommendations will help the Power Plant determine future staffing and resource needs.



The financial statements for the AOC received an unqualified (clean) audit opinion for the fourth consecutive year.

FINANCIAL HIGHLIGHTS

The financial statements for the Architect of the Capitol received an unqualified audit opinion by its independent auditors for the fourth consecutive year.

The financial statements for the Architect of the Capitol (AOC) received an unqualified (clean) audit opinion by its independent auditors for the fourth consecutive year. This followed two successive years in which the AOC received an unqualified opinion on its Balance Sheet-only audits. The AOC considers its annual independent financial statement audit an integral component of meeting its financial management obligations. The AOC's audited financial statements and accompanying footnotes appear in *Section III: Financial Information*.

Summary of Independent Auditor's Report Findings¹⁰

In planning and performing its audit, the independent auditors considered the AOC's internal control over financial reporting. The independent auditors noted three matters, summarized below, involving the internal control and its operation that they consider to be material weaknesses.¹¹ They have also identified three matters they consider significant deficiencies.¹²

¹⁰ This table provides an excerpted summary of the *Independent Auditor's Report on Internal Control*. The complete text of the report may be found in *Section III: Financial Information*.

¹¹ A material weakness is a significant deficiency, or combination of deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by internal controls.

¹² A significant deficiency is a control deficiency, or combination of deficiencies, that adversely affects the ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the financial statements that is more than inconsequential will not be prevented or detected by internal controls.

Material Weaknesses

Internal Control Assessments (Repeat Condition)

AOC has not completed a formal and systematic assessment and evaluation of the design and operation of internal controls. As of September 30, 2008, AOC has completed an assessment of the procure-to-pay process, and has partially completed the human resource, time and attendance, and project management processes. In the absence of a complete assessment, AOC cannot determine if its current internal control design mitigates existing risks and effectively safeguards assets.

Auditor's Recommendation: The auditor recommends that AOC complete and document internal control assessments that evaluate the effectiveness of the design and operation of its internal control structure, including the identification of risks to material accounts and the existence of internal controls to mitigate those risks. Although AOC is not subject to OMB Circular A-123, *Management's Responsibility for Internal Control*, the auditor recommends that AOC consult the "Implementation Guide for OMB Circular A-123 Appendix A, Internal Control over Financial Reporting" (the Guide). The Guide was issued by the Chief Financial Officer's Council in May 2005 and includes guidance to enable management to evaluate internal controls and monitor and test these controls throughout the year.

Management's Response: The AOC agrees with this recommendation. The organization will continue to use OMB Circular A-123 as a guide to develop, implement, evaluate, and monitor internal controls, and will regularly monitor changes to the guide. In addition, it will consult other resources, including other OMB publications and GAO guidance, for best practices and lessons learned, as appropriate.

The AOC will position itself to complete its assessment and documentation of its internal control structure through several activities including: cataloging weaknesses previously identified in financial statement audits, preparing and implementing an action plan incorporating audit findings that addresses previously identified weaknesses, requesting funding for an internal controls audit in its FY 2010 budget, awarding this internal controls audit contract and monitoring its performance, and incorporating internal controls audit findings into an action plan.

Risk Assessment Updates (Repeat Condition)

The AOC internal control environment does not have a formal, documented process to monitor the internal and external environment, to identify changing risk profiles or to respond accordingly. Specifically, AOC has not implemented additional controls to reconcile the payroll data transmitted to and received from the National Finance Center (NFC). While NFC received an unqualified SAS 70 opinion, the SAS 70 only covers data processed by NFC. NFC's internal controls do not encompass data transmission to and from AOC. Despite NFC's unqualified SAS 70 opinion, AOC is still ultimately responsible for the data validity. AOC has not implemented best practice controls as cited by the Government Accountability Office (GAO) and included as appendices in previous NFC SAS 70 reports. While several employees performed additional tests in response to the event, the actions were predicated on individual efforts as compared to a repeatable and sustainable systemic effort.

Auditor's Recommendation: The auditor recommends that AOC develop a component in the internal control structure to monitor and identify changing risks. Also, AOC should reconcile NFC payroll data transmission to data receipt including at a minimum, jurisdictional employees and hours.

Management's Response: The AOC agrees with this recommendation. The organization will consult with Office Directors in CAO and CFO semi-annually to identify risks, and monitor the changing internal environment, executive and senior staff changes, and external forces. The AOC will address findings of internal controls audits. The AOC will also explore additional methods of reconciling NFC payroll data transmission to data receipt, including jurisdictional employees and hours.

Financial Information System and Financial Reporting Internal Control Design and Operation

The auditor observed a degradation of the financial information system and financial reporting internal control structure design and operation. This decline in the performance of the internal control structure resulted in a significant increase in the time required for the financial reporting close process compared to previous years. After the financial close process was completed, the audit identified key accounts which were not adequately reconciled or analyzed. Additionally, AOC could not easily produce supporting evidence and transaction details for other key accounts. In several instances, the audit team needed to perform the analysis or transaction identification for AOC. The audit also identified an increase in the number of financial reporting errors which AOC ultimately corrected in the financial statements. While none of the observed exceptions individually resulted in a material error, the auditor considered the broad based and collective systemic nature of the exceptions in assessing them as a material weakness.

Additionally, the auditor identified several instances in which the internal control design was not sufficient to identify and prevent financial errors. The nature of these exceptions seem to the result from the lack of a comprehensive risk assessment, as previously discussed, and questions the robustness of the internal control structure to identify other potential errors which did not occur in the current Fiscal Year.

Auditor's Recommendation: The auditor recommends that AOC assign formal authority for oversight and monitoring of the financial reporting process including risk assessments and control design. This assessment should focus on interchange points between all process participants to ensure that financial statement risks are adequately mitigated. The auditor recommends that critical accounting analyses are reviewed for accuracy and prepared in accordance with a master reporting timeline.

Management's Response: The AOC agrees with this recommendation and believes that, once fully implemented, a formal internal control structure will facilitate financial reporting processes. The organization has assigned formal authority for oversight and monitoring of the financial reporting process to the Accounting Office. Accounting will coordinate with Budget and other AOC offices, as required, on other issues such as Budget Object Class reporting. The AOC is also stepping up efforts to review financial statements earlier in the reporting process. For FY 2009, the organization has recorded the Capitol Visitor Center as an asset on its Balance Sheet, drafted footnotes for its interim Financial Statements, and prepared lessons learned documentation from the FY 2008 audit.

Significant Deficiencies

Information System General Controls (Repeat Condition)

The auditor evaluated AOC's Information System general controls following guidance provided by the National Institute of Standards and Technology (NIST) and the GAO's Federal Information System Controls Audit Manual (FISCAM). The auditor provided a detailed report as well as a prioritization of findings under separate cover. For detailed descriptions and recommendations for these findings, refer to the separately issued report.

AOC has made improvements to its overall information system security program since the completion of the FY 2007 audit. Having noted improvements, AOC still has areas of weakness that need to be addressed under the following general categories: Entity-wide Security Program, Access Control, and Segregation of Duties.

Auditor's Recommendation: The auditor recommends that AOC continue efforts to complete Certification and Accreditation (C&A) for the General Support System (GSS) and major applications following NIST's *Guide for the Security Certification and Accreditation of Federal Information Systems* and development of System Security Plans in accordance with NIST's *Guide for Developing Security Plans for Federal Information Systems*. AOC should complete C&A activities and develop the Information Security Plans (ISSP) in accordance with NIST's guide, as well as make any additions and/or corrections based on the updated risk assessments and planned infrastructure redesign. In addition, AOC should develop and implement procedures to implement the policies designated in the ISSP. AOC should also document user profiles and include them in System Security Plans.

AOC should revise incident response procedures to include choosing a containment strategy, evidence gathering and handling, and eradication and recovery. AOC should integrate the incident response procedures with other relevant policies such as the Search and Seizure policy and continue efforts to implement the security awareness training requirements and enforce these policies. In addition, AOC should document and implement an overall AOC segregation of duties policy and procedures. Assignment of roles and responsibilities should be documented.

Management's Response: The AOC agrees with this recommendation. Certification and Accreditation (C&A) is currently underway and on schedule with a completion date in fall 2009. The Information System Security Plans (ISSP) are being developed in accordance with NIST SP 800-18. The ISSPs provide the security requirements of the system and describe the controls that should be in place. The ISSPs also delineate responsibilities and the expected behavior of all individuals who access the system.

The Information Technology Division (ITD) is currently updating and developing new policies and procedures. The policies and standard operating procedures will be up-to-date upon the completion of the C&A process in fall 2009.

ITD is currently revising the incident response procedures and plans as part of the C&A effort. The revised incident response plans will incorporate a containment strategy, evidence gathering and handling, and eradication and recovery. The response procedures will be integrated with other relevant AOC policies and procedures.

ITD will document user profiles and include them in the System Security Plans. A C&A contractor is assisting in the development of the System Security Plans and will be completed in October 2009.

ITD and the OCFO's Internal Controls Coordinator will jointly document and implement an overall AOC segregation of duties policy and procedures. ITD will provide for a segregation of duties policy and procedures for those activities its authority. Internal Controls will incorporate this documentation into the comprehensive AOC Internal Control Plan.

Information Systems Financial Management and Time and Attendance Application Controls

AOC uses Momentum as its financial information application. A majority of the automated controls over financial reporting and vendor payments reside within Momentum. AOC uses WebTA as its time and attendance reporting application. A majority of automated controls over time and attendance processing reside within WebTA. The following were identified as weaknesses:

Momentum Security Configuration—AOC has not formally documented the Financial Management Systems (FMS)/Momentum security roles and their assignment by position to achieve adequate segregation of duties. AOC does not maintain documented definitions of the FMS/Momentum security roles and the actions accorded each role in FMS/Momentum. AOC does not maintain a current analysis of which security roles are mutually incompatible and should not be held by the same individual to maintain an effective segregation of duties. AOC also does not maintain an analysis of which security roles should be assigned by position to FMS/Momentum users. AOC has no policy or procedures to ensure the users' actual security role assignments are benchmarked against position description standards to validate the existence of appropriate segregation of duties.

Additionally, AOC's existing Momentum security reports do not facilitate effective monitoring of implementation and operation of security policies. AOC has not implemented Momentum's document type security features to ensure that requisitions, purchase orders, and orders to pay transactions are approved by someone other than the originator and document matching requirements have been implemented.

WebTA Security Configuration—AOC has not documented procedures or access request forms used to add WebTA users and track profiles as required in the WebTA Concept of Operations. WebTA administrators do not review WebTA accounts for inactivity and disable them upon identification. WebTA administrators do not cross-reference terminated AOC employees to WebTA accounts on a routine basis. WebTA account profiles are not documented, maintained, and/or reviewed by WebTA administrators.

Significant Deficiencies—continued

Auditor's Recommendation:

Momentum Security Configuration—AOC should develop and document a segregation of duties policy for FMS/Momentum that includes the assignment of security organizations, roles and the actions included in each role to users, and periodically review the security roles and actions to determine that adequate segregation of duties is maintained.

AOC should develop security reports, to facilitate robust monitoring of security policies. AOC should perform an evaluation to determine the user access information and security events that should be captured. The Momentum application should be setup to log the appropriate information and audit logs should be reviewed regularly for unusual activity. The auditor recommends that AOC consult NIST's *Guide to Computer Security Log Management* for guidance, which provides information concerning Computer Security Log Management and the information to be logged.

AOC should implement the Momentum controls based on a risk assessment to ensure matching of documents and proper approvals, and assign the "Admin Role" to individual users. The "Admin Role" has the same privileges of the "admin" ID, but provides accountability and transparency.

WebTA Security Configuration—The WebTA administrators should comply with stated requirements in the WebTA Concept of Operations by documenting and implementing a process for adding WebTA users and their respective profiles; reviewing WebTA accounts for inactive accounts and deactivating them after two months of inactivity; identifying terminated AOC accounts and removing the accounts every 60 days; and maintaining, documenting, and reviewing WebTA account profile changes.

The WebTA Security Administrator should ensure that WebTA password requirements comply with industry standards and best practices.

Management's Response: The AOC agrees with this recommendation. With respect to the Momentum system's security configuration, the organization will implement corrections in conjunction with CAO/ITD security staff, and involve each jurisdiction and central staff as changes apply to them. In addition, the AOC will develop and test an automated certification pilot and deploy a report to its divisions as part of a periodic review of security roles and actions to determine adequate segregation of duties.

The AOC agrees that time and attendance (T&A) administrators should closely monitor the accounts of registered users in accordance with the intent of the WebTA Concept of Operations, and has developed and documented detailed processes for adding users and their profiles, reviewing and deactivating inactive accounts, and identifying and removing terminated AOC accounts. However, WebTA is an official system of record and all T&A records must be maintained for six years (Reference: *GAO Policy and Procedures Manual for Guidance of Federal Agencies, Title 6—Pay, Leave, Allowances*). Therefore, in lieu of removing accounts, we will identify and deactivate terminated accounts every 60 days. The WebTA Concept of Operation document will be updated to reflect this response.

The AOC agrees that the use of stringent access controls is critical to the security of the T&A application. We agree to implement minimum password requirements and that passwords will not be reused. We also agree that passwords must be changed periodically and accounts should be locked after a specified number of unsuccessful attempts. However, for those safeguards, we will implement the standards contained in our AOC Password Guidelines, dated September 20, 2007, which requires lockout after 7 unsuccessful attempts and forced password changes every 180 days. Those guidelines were developed based on the large population of AOC employees who access our systems infrequently.

Time Recordation, Processing, and Approval Procedures (Repeat Condition)

The auditor identified instances in which AOC time recordation and payroll was not properly authorized. While AOC has policies addressing each of these areas, AOC has no formal mechanism to ensure compliance. First, out of a sample of 78, 2 out of 10 employees whose initial day of employment followed a holiday were improperly paid for holiday time prior to their start date. Second, out of a sample of 78, 12 out of 32 employees were either missing an overtime approval form, did not have the required authorizing signature, or did not obtain approval before the overtime was taken. Third, out of a sample of 78, 12 annual leave request forms from a total of 56 timesheets reporting leave, were not approved prior to the leave being taken. Fourth, out of a sample of 78, 5 sick leave request forms from a total of 56 timesheets reporting leave, were not completed and approved timely upon employees return. Fifth, out of a sample of 78, 4 employees did not sign the Star Web time summary. Lastly, out of a sample of 78, 2 timekeepers did not sign the Star Web timesheet out a total of 69 timesheets processed in Star Web.

Auditor's Recommendation: The auditor recommends that AOC develop procedures to ensure that policies concerning the approval and entering of time are followed and enforced.

Management's Response: The AOC agrees with this recommendation. AOC leadership has carefully examined this issue and has taken numerous actions to correct the identified deficiencies concerning time and attendance (T&A).

The Human Resources Division (HRD) has verified that T&A records have been submitted to correct the pay for the identified employees whose start date begins with a holiday. The AOC will correct any T&A records which have a similar error.

In addition, the AOC communicated to all timekeepers and their supervisors with instructions about the appropriate effective date when an employee begins work the day after a holiday. Going forward, the AOC will issue a reminder to all timekeepers and their supervisors whenever a pay period begins with a holiday. The HRD will work with the Accounting Division to develop a management report to identify such employees.

The time requirement for the submission of leave requests for unscheduled/emergency leave is an extremely high standard given the nature of our paper-driven process. It requires that an employee notify his supervisor before, or soon after, the employee is scheduled to report for work to explain circumstances and request leave. The employee should be advised whether or not the leave is approved. Upon returning to work, the employee must submit a leave application to his supervisor. Leadership has determined that this issue carries minimal risk.

For the long term, the AOC has identified a web-based T&A system as the best solution to ensure compliance with these requirements. An integrated project team was established to guide the implementation. In the interim, organizations using an older T&A system are required to comply with 2006 Chief Operating Officer guidance which established an internal control compliance test for unscheduled leave. At the same time, an Acting Architect directive assigned responsibility for correction of leave errors to the Jurisdiction heads. Further, a metric to track progress on this ongoing responsibility was added to the AOC Dashboard. Together, AOC leadership believes these actions will correct any leave deficiencies.

Guide to the Financial Statements

The AOC prepares all principal annual financial statements required by the Chief Financial Officer's Act of 1990, as amended by the Government Management Reporting Act (GMRA) of 1994. During the early 1990s, government-wide efforts to improve Executive Branch accountability led to mandatory uniform federal accounting and reporting standards, and the tools to better manage financial resources, being enacted into law. Though a Legislative Branch organization, the AOC has voluntarily adopted many of the best business practices required of Executive Branch agencies.

In 2002, the AOC produced its first set of financial records using the U.S. government's standard general ledger. During 2003 and 2004, the AOC produced audited Balance Sheets that received unqualified opinions. From 2005 through 2008, the AOC's full financial statement package was audited, all resulting in clean opinions from its independent auditors. The full set of financial statements includes a Balance Sheet, Statement of Net Cost, Statement of Changes in Net Position, and Statement of Budgetary Resources. The AOC's statements are compiled using Office of Management and Budget (OMB) guidance (Circular A-136), and the Financial Accounting Standards Advisory Boards (FASAB) standards, concepts, and interpretations as the measuring criteria.

Financial Position

As of September 30, 2008, AOC's total assets amounted to \$2.38 billion, a 1.7 percent decrease from the prior fiscal year. As Figure 15 presents, the vast majority of assets was composed of Property, Plant, and Equipment (PP&E). PP&E, net of accumulated depreciation, equaled \$1.86 billion at year-end. Included in this amount is \$761 million of construction work-in-progress.

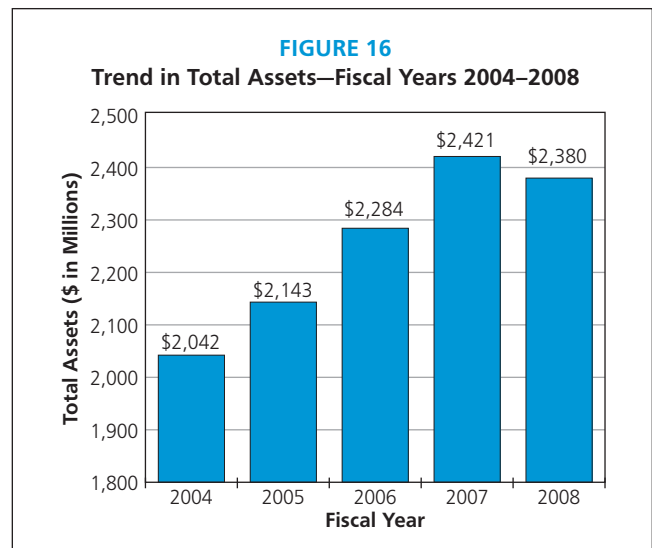
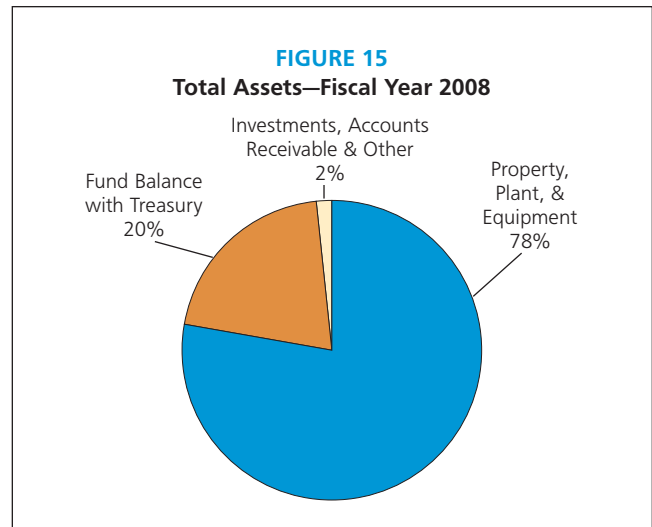
Fund Balance with Treasury, the next largest asset at \$486 million as of September 30, 2008, is the aggregate of funds available with the U.S. Department of Treasury to make authorized expenditures. Investments Held with Treasury equaled \$36 million and Accounts Receivable (which includes reimbursements collectible for supplying steam and chilled water) amounted to \$2 million.

Figure 16 presents the yearly trend in AOC total assets from Fiscal Year 2004 through 2008.

Figure 17 (following page) displays the components of the AOC's total liabilities of \$397 million as of September 30, 2008. This amount represents an 8.7 percent decline in liabilities owed from the prior fiscal year.

Debt Held by the Public, the largest component of total liabilities, represents the value of bonds sold to finance the construction of the Thurgood Marshall Federal Judiciary Building and equaled \$148 million at year-end. The next largest liability, Contingent and Environmental Liabilities, equaled \$85 million at year-end. This balance represents contingent legal and environmental cleanup claims¹³ the AOC thinks it will owe and for which it can reasonably estimate the amount of an unfavorable outcome.

¹³ See footnote 11 to the audited financial statements for additional detail on the AOC's Contingent and Environmental Liabilities.



Liabilities for Federal Employee Benefits (\$73 million) includes the actuarial Federal Employees' Compensation Act (FECA) liability for future workers' compensation benefits (\$55 million) and the liability for Accrued Payroll and Annual Leave (\$18 million), which includes salaries and wages earned by employees, but not disbursed, as of September 30, 2008.

Figure 18 (following page) illustrates the AOC's yearly total liabilities from Fiscal Year 2004 through 2008.

Net Cost of Operations

Net cost of operations, as reported in the *Statements of Net Cost*, amount to \$421.4 million for Fiscal Year 2008, a 1.3 percent increase from the prior fiscal year. The Statements of Net Cost are presented in accordance with SFFAS No. 4. Net cost of operations consists of total costs less revenues attributed to and permitted to be offset against those costs. Figure 19 presents the year-to-year fluctuation in net costs of AOC operations.

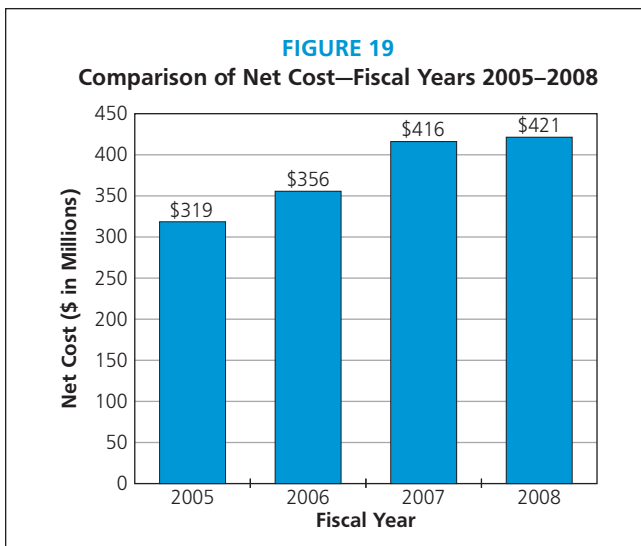
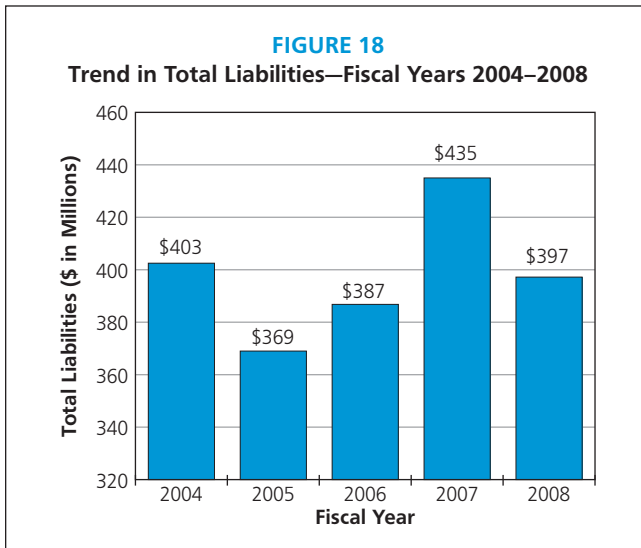
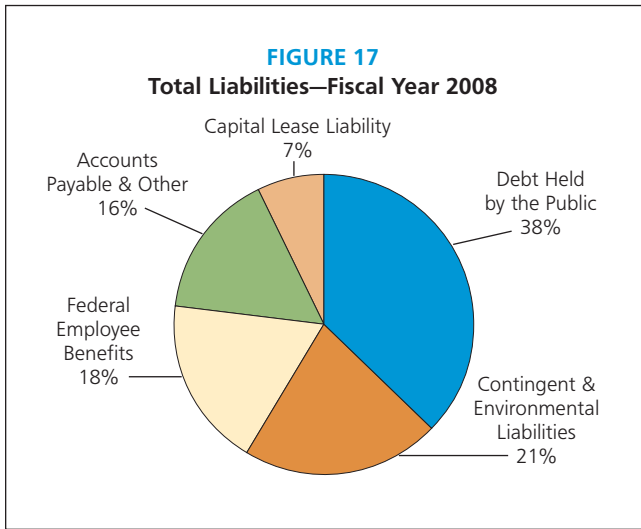


Figure 20 (following page) compares the AOC's total net cost for FY 2008 and 2007 by responsibility segment (i.e., jurisdiction). Costs not otherwise assigned to a responsibility segment are presented as General Administration (GA).

Appropriation Trends

AOC appropriations consist of an operating budget component and a capital projects budget component. Separate appropriations are enacted for each AOC jurisdiction. Figure 21 (following page) charts the trend in the total of AOC's appropriations between Fiscal Year 1999 and Fiscal Year 2008.

Operations

Operating budgets fund the daily operations of all AOC jurisdictions. Payroll is the largest single component of the AOC operating budget. Other operating expenses include equipment, utilities, supplies, and general support contracts.

Capital Projects

Projects include maintenance, repairs, upgrades, improvements, construction, preservation, and stewardship of the facilities under AOC control.

FIGURE 20
Net Cost by Responsibility Segment
Fiscal Years 2008 and 2007

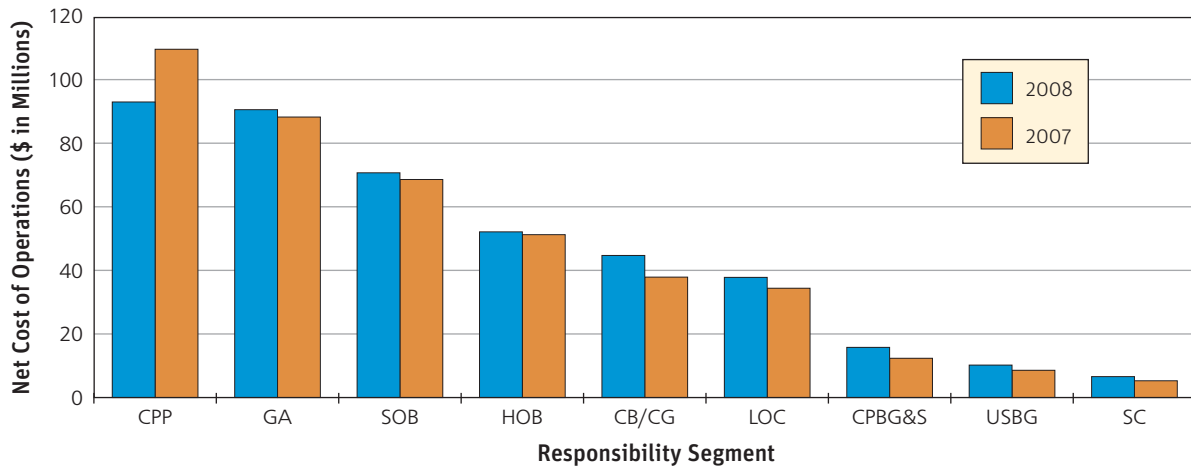
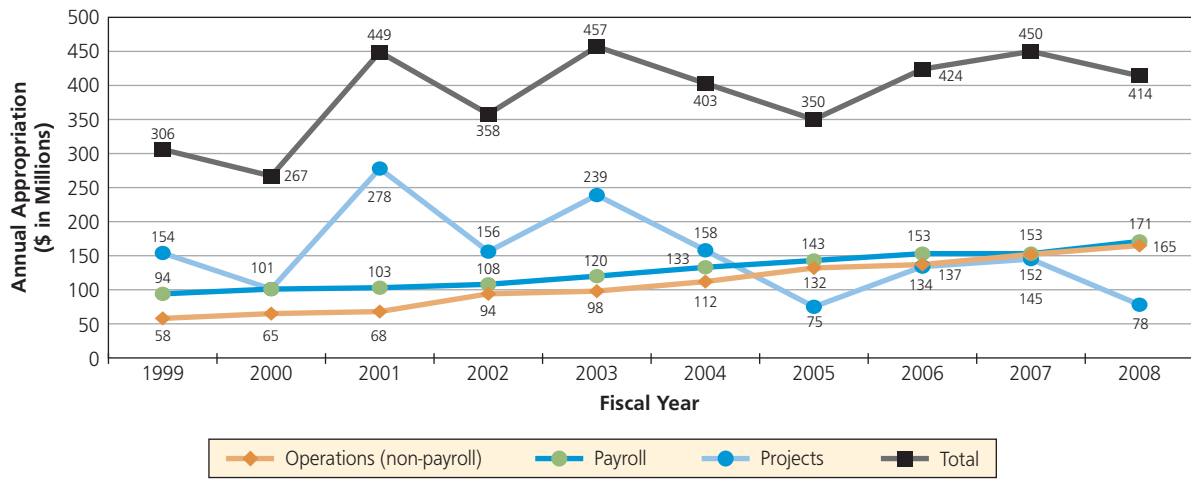
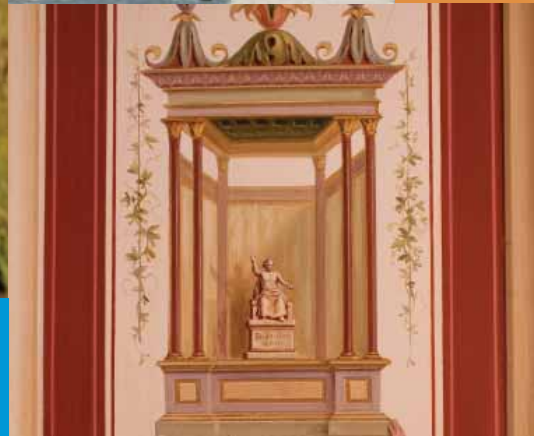


FIGURE 21
Trend in Annual Appropriation—Fiscal Years 1999–2008





Going forward, the AOC will work to establish a formal program to assess, correct, and report identified internal control weaknesses. Internal controls are a reliable business practice that provides assurance that measures are in place to safeguard assets.



The AOC faces the challenge of addressing a growing list of deferred maintenance and capital investment needs. Proactive leadership, sustainability efforts, and careful planning will ensure the long-term preservation of its facilities and heritage asset collections for years to come.

LOOKING AHEAD

Facility Requirements Exceed Available Funding Resources

Background

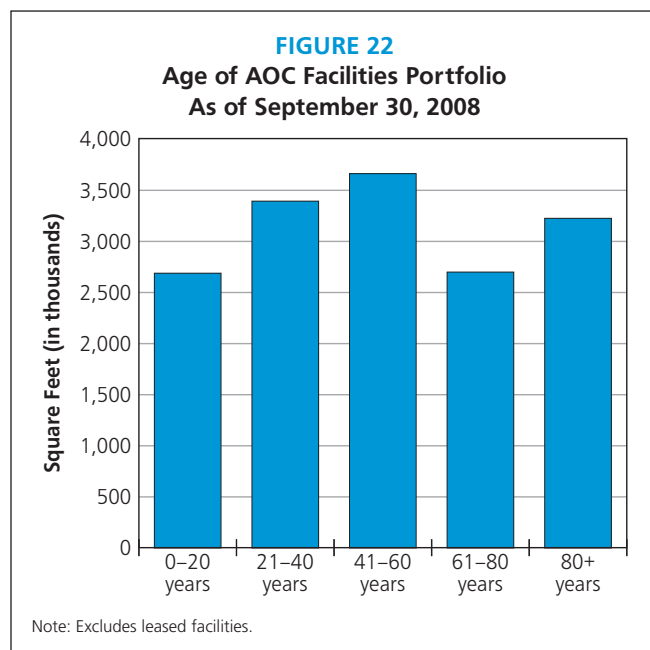
The Architect of the Capitol (AOC) serves as the steward of the Capitol complex, providing facility maintenance and heritage asset preservation for the Capitol, Congressional office buildings, Library of Congress, Supreme Court, Botanic Garden, and other facilities. This includes managing and preserving several irreplaceable cultural and historic artifacts.

The AOC's most pressing challenge is to continue to meet its stewardship responsibilities in an era of competing demands for limited financial resources. Many of its heritage real property assets are over 80 years old (see Figure 22 for the age ranges of AOC facilities) and, as a result, have accrued sizable deferred maintenance and capital investment obligations. Despite past investments, many historic buildings require significant funding for maintenance, repair, and refurbishment over the next two decades to remain safe and viable. Emerging priorities such as security and life-safety initiatives and energy reduction requirements have reduced the available resources for sustaining existing facilities.

A backlog of deferred maintenance and infrastructure investment to improve AOC's facilities to acceptable and functional condition currently exists. The backlog is primarily due to past funding limitations, wherein capital reinvestments have not kept pace with the assets' depreciating condition.

Though Congress has supported many key AOC initiatives (see Figure 23 for the total amount invested in AOC facilities from 2004 through

2008), resource levels have not been sufficient to address all known requirements. This has led to a pent-up resource demand increase for the upcoming years to address this backlog. These demands have increased as AOC incurs new maintenance obligations from new facilities coming on-line, or the imposition of additional facility requirements to meet regulatory or operational changes.



Current and Future Actions

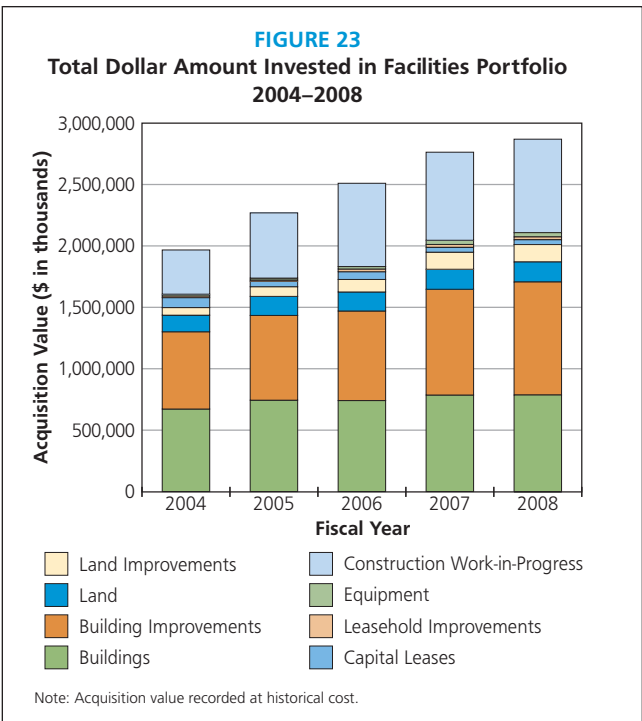
At the start of fiscal year (FY) 2008, the AOC met with Congress to discuss the concept of a five-year remediation plan to address the backlog. The AOC proposed continued reinvestment funding to sustain its portfolio, with building renewals and client requests consistent with the current Capitol Complex Master Plan (CCMP). The AOC demonstrated the predictable consequences that would result from inadequate sustainment funding, based on Facility Condition Assessments (FCAs)—namely, an increased likelihood of significant building system failures, disruption to Congressional operations, access restrictions, and even the potential for facility closures.

During discussions with Congress, the AOC stressed that it is faced with deteriorating facilities and has reached a critical crossroads in meeting deferred maintenance and capital investment needs. FCAs indicate that “immediate” and “high” urgency deferred maintenance and capital renewal requirements will increase dramatically over the upcoming years. Long-term maintenance issues, if unaddressed now, may require a costly re-design and place the facilities and their priceless collections at risk.

Noting that the future challenges are complex and will remain for years to come, the AOC is partnering with Congress to develop a reasonable path forward and is focusing on the CCMP to carry out its proactive strategy for prioritizing maintenance projects; efficiently managing and meeting Congressional needs; and outlining requirements, timing, drivers, and impacts. The implementation tool for this strategy is the five-year Capital Improvements Program, which addresses the necessary sequencing of planning, design and construction to sustain and improve facilities over the long term. The AOC also is exploring potential alternate ways to secure funding and execute projects, most notably with energy projects and with the use of Energy Savings Performance Contracts.

The AOC proposed a significantly larger budget for FY 2009 to begin addressing these burgeoning portfolio requirements, requesting approximately \$194 million for reinvestment and portfolio improvement, as compared to 2008 appropriated funding of just over \$40 million. During appropriations hearings, both the House and Senate subcommittees expressed support for infrastructure investment, but noted fiscal constraints would limit funding flexibility.

The AOC believes it has made significant strides in becoming a more effective and efficient organization—as demonstrated by the cataloging of its real property portfolio’s condition and introduction of performance metrics in facilities maintenance. Proactive leadership and adequate reinvestment will ensure the long-term protection of its facilities, the security of its visitors and staff, and the preservation of its one-of-a-kind real property and heritage asset collections for years to come.



Energy Reduction Initiatives

Background

The AOC recognizes the environmental significance and cost-saving benefits of making the Capitol complex more energy efficient. A number of initiatives and projects have been implemented throughout the campus in an effort to decrease energy consumption and carbon emissions. However, significant funding will be needed to continue AOC’s work in meeting aggressive energy reduction targets. The AOC is currently analyzing the most cost-efficient and effective options to fulfill these mandates. For more detail on the AOC’s energy conservation efforts, please see *Cross-cutting Programs: Sustainability, Energy Efficiency, and Energy Conservation* in this report.

Current and Future Actions

The manner in which the AOC designs, constructs, manages, and maintains its facilities has a major impact on energy consumption, resource management, pollution, and the environment. Sustainable design and construction is a holistic approach to facility management that considers, at every stage of the building life-cycle, the potential impacts to human health and the environment. The AOC has embraced the principles of sustainable design in the ongoing planning, building, operations, and maintenance of its facilities and grounds. Its Sustainability Framework Plan, part of the developing Capitol Complex Master Plan (CCMP), will aid in improving energy and water efficiency and the use of alternative and renewable energy. For more data on the CCMP, see *Cross-cutting Programs: Capitol Complex Master Plan*. The AOC is also assessing the



The AOC is actively exploring technology initiatives that will enable it to model the facilities in its portfolio and manage building conditions throughout the Capitol complex.

use of Building Information Modeling (BIM) in the sustainable design of Capitol complex facilities—refer to *Looking Ahead: Building Information Modeling* in this report for more information.

The Energy Policy Act of 2005 and Energy Independence Security Act of 2007 allow the AOC to purchase renewable energy credits to meet its energy reduction targets. In 2008, the AOC exceeded the targeted reduction rate of nine percent from 2003 levels by achieving a 10.7 percent reduction in energy consumption. In addition, the AOC purchased 109 million kilowatt-hours in renewable energy credits to further exceed the target. The AOC plans to explore renewable energy such as wind, solar, landfill gas, biomass, and geothermal as sources to meeting its energy targets in future years.

The AOC has evaluated the potential use of photovoltaic roof, or solar panel, installations at its facilities. Photovoltaic installation costs have been included in the Facilities Condition Assessments. Due to long payback periods, such projects may not serve as the most optimal energy reduction initiative for the AOC. The AOC has also conducted a feasibility study and design for a photovoltaic system as part of the Rayburn House Office Building roof replacement project. Additionally, an AOC study determined it was feasible to construct a vegetative roof on the interior courtyard roofs and upper roof levels of the Dirksen Senate Office Building. Vegetative roofs decrease storm water run-off, improve insulation, and absorb carbon dioxide from the atmosphere.

With the Green the Capitol Initiative championed by the Speaker of the House, carbon emissions reduction is also an important part of the AOC's efforts, particularly at the Capitol Power Plant (CPP). The CPP generates steam for heating, while the complex utilizes electricity produced by a local utility. At the local utility, steam is generated solely for electrical generation and the resulting waste heat is unused. Cogeneration would permit the production of local electricity, reducing transmission losses associated with getting the electricity from the local utility plant to the AOC complex and utilizing the resulting waste heat to continue to heat the buildings. Overall, a cogeneration operation is more efficient than separate heating and power facilities.

Technology Initiatives and Efficiencies

As technology continues to advance to meet business needs in this modern era, the Architect of the Capitol strives to keep pace with emerging technologies. Investing in and applying these tools (which include building information modeling and business intelligence) improve the AOC's performance and helps meet the complex's needs.

Building Information Modeling

Background

Building Information Modeling (BIM) is the next stage in electronic software evolution that is used to influence the design, construction, and operation of the built environment. The software expands the user's ability to model and imitate aspects of actual and virtual structures in two and three-dimensional electronic format. BIM can analyze building environmental management, simulate physical conditions, and conduct virtual reality performance evaluations.

BIM software allows the user to embed a substantial amount of technical information regarding materials, manufacturers, and design within the electronic graphic format. For example, the columns that provide building support may contain "information tags" which identify their materials, dimensions, and physical properties. Additionally, BIM provides an opportunity to improve coordination of building components through three-dimensional modeling and virtual observation.

Current and Future Actions

For the AOC, the benefit of BIM lies in renovating existing buildings and controlling the environmental conditions within the Capitol complex. The AOC expects that BIM will enable AOC staff to be more efficient in its decision-making with respect to building usage, modification, operations, and maintenance. In addition, BIM usage will eventually allow the creation of an "intelligent building"—where strategically-positioned sensors will monitor the building environment and convey information to make basic decisions about comfort, security, serviceability, and energy savings.

The AOC has already evaluated BIM current hardware requirements; purchased updated software and several modules that support the professional design disciplines; and awarded a contract for training. Because BIM technology is new and the Capitol complex unique, the AOC plans to develop a roadmap to ensure that BIM is implemented in a methodical way to align with planned design and construction projects. In this way, the technology is embedded into design, construction, and maintenance work, and the AOC may optimize its investment.

Business Intelligence

Background

Business Intelligence (BI) applications contain a suite of information technology tools to support reporting and data management, which can improve an organization's performance. Data are supplied to the BI software from a data warehouse that contains many dimensions of data representing the information necessary to support business functions across the enterprise. BI will enable the AOC to enhance its decision-making through information collection, analysis, and integration.

Current and Future Actions

In 2008, the Architect of the Capitol started a BI practice when it initiated an Executive Information Program, which provides historic, current, and predictive views of AOC data through an integrated system that fosters information exchange across all organization business units. As a result of information exchange, sharing common data elements across systems makes it possible to generate accurate and timely data reports to make decisions based on past performance. For example, the Information Technology Division successfully implemented an energy metering project, which established a real-time monitoring system for electricity, steam, and chilled and potable water. BI tools were used to create energy monitoring efforts for the U.S. Senate and for a payroll reconciliation tool used by the Human Resources Management Division.

The key to utilizing BI tools efficiently is to redesign the AOC's existing data warehouse. In the following years, the Executive Information System will include cost information from the Management Operation Reporting (MOR) team, along with non-financial data. MOR will improve the ability of the AOC to routinely generate reliable cost performance information, which will facilitate the organization's benchmarking efforts. In addition, the cost accounting principles adapted will serve as a managerial tool for measuring cost and performance. With these enhanced reporting and presentation capabilities, the AOC will be able to satisfy the needs of a varied set of cost information users, including Congressional committees and AOC management.

Performance and Financial Management Improvements

The Architect of the Capitol (AOC) has identified several areas where the organization intends to improve its performance and financial management. The AOC believes that up-to-date business management tools and technologies, such as those used in the private sector, will increasingly have a role

in government. The AOC is addressing the following major performance and financial management improvements: performance dashboards; cost accounting; internal control structure; and performance based budgeting.

Performance Dashboards

Background

Performance dashboards are dynamic measurement systems designed to provide insight into an organization's progress in meeting its goals and achieving results. AOC's dashboards link performance to strategic planning in a transparent manner; present objective evidence to support possible course adjustments; and serve as a powerful management tool to reveal metric-based performance levels by jurisdiction or division and by cross-functional mission-related processes (e.g., responses to customer requests).

Current and Future Actions

The Architect of the Capitol continues to demonstrate its commitment to data-driven decision-making through the use of well-structured dashboards, instituted to help the organization make progress in performance management. The AOC Operational Dashboard has been used by senior-level management since 2004 to track ongoing activities that are linked to the AOC's *Strategic and Performance Plan* goals. Since its inception, this dashboard has evolved with the organization and the *Strategic and Performance Plan* to be more results-oriented, and includes a variety of short- and long-term measures with clearly defined annual targets.

In addition, the Offices of the Chief Administrative Officer and the Safety, Fire, and Environmental Programs have developed their own dashboards to monitor the performance of their divisions and programs, respectively. These dashboards allow the AOC to gain transparency by giving visibility to successes, challenges, and problems; improve alignment and focus by tracking the core processes in which the AOC excels in fulfilling its mission; increase responsiveness by systematically monitoring high-visibility programs; and strengthen accountability to internal and external customers by using the dashboards as performance communication tools. The dashboards help AOC senior leadership to identify trends, develop best practices, recognize potential emerging problems, and determine potential remedial actions.

Going forward, improvements to performance monitoring at the AOC will likely come from two sources. The first is the development of additional new dashboards that align the AOC jurisdictions and divisions with their service-level agreements. The second is the increased speed and real-time availability of data resulting from enhancements to the organization's enterprise architecture and information technology tools. Such improvements will shorten the dashboards' renewal cycle, thus increasing the timeliness and speed of decision-making. As the AOC steadily continues to transform its business, operational, and communication practices, AOC's use of dashboards will continue to strengthen organizational performance measurement and provide opportunities to plan for effective delivery of results.

Cost Accounting

Background

In previous years, the AOC introduced, streamlined, and standardized its cost activity code taxonomy. This taxonomy promises greater simplicity, accuracy, and consistency for assigning direct labor and purchase costs to work activities. This major milestone provided a framework for future efforts such as standardizing cost data, supporting internal and external reports, and matching costs to the AOC's *Strategic and Performance Plan*.

Current and Future Actions

2008 saw the adjustment and normalization of AOC's cost data and the creation of new managerial reports for AOC decision makers. Ensuring compliance with the new cost accounting taxonomy and certifying its accurate and consistent usage by the organization is important for verifying that the collected data are useful.

The AOC has been successful at accumulating time and attendance data by work activity. Through the close of 2008, over 98 percent of employees' hours were matched to activity codes. As part of this normalization phase, the MOR team worked with AOC leadership to address issues such as improperly coded time. A critical element that will help normalize its labor cost data is the transition of the AOC to a single, web-based, Time and Attendance (T&A) system. This effort saw significant progress during 2008 and is expected to be complete in 2009.

Starting in 2009, the AOC will pilot future benchmarking efforts and begin to integrate non-financial data (e.g., labor hours or square footage) with its cost data to provide more visibility on the cost of activities. The installation of Business Intelligence tools will assist future reporting efforts. In 2010 and subsequent years, as its cost accounting system continues to mature, the AOC expects managers to use MOR data to project resource needs, identify trends, allocate administrative expenses, determine unit costs, measure performance, and assist with budget formulation and execution.

Internal Control Structure

Background

The AOC is committed to implementing the highest standard of internal controls to ensure prudent management and oversight of its resources. At the close of 2008, the AOC had not completed a formal and systematic assessment of the design and operation of its controls. This repeat finding was denoted as a material weakness in the AOC's financial statement audit. In the absence of a complete assessment, the organization could not evaluate whether its control design mitigates existing risks and safeguards assets. To address this weakness, independent auditors recommended that the AOC complete and document internal control assessments that evaluate the effectiveness of the design and operation of its control structure, including the identification of risks to material accounts. The auditors also recommended that the AOC consult the *Implementation Guide for OMB Circular A-123 Appendix A, Internal Control over Financial Reporting*, although the AOC is not required to comply with this standard. The complete 2008 *Independent Auditor's Report on Internal Control* may be found in the Financial Information section of this report.

Current and Future Actions

Although the AOC cannot yet attest that it has a comprehensive controls structure in place to monitor changing risks, progress was made in 2008. The AOC continues to review and refine internal controls of financial and operational data in an effort to increase the data integrity used for integrated planning, reporting, and decision-making. Further, the AOC created and filled an Internal Controls Manager position. This position was created by consolidating existing control functions, expanding its responsibilities AOC-wide, and elevating this position directly under the Chief Financial Officer.

Going forward, the AOC will work to establish a formal program to assess, correct, and report identified control weaknesses. Internal controls include written policies and procedures, organizational design, and physical security of assets. They are a reliable business practice that provides management with the assurance that measures are in place to safeguard assets, promote accurate recordkeeping, and encourage compliance with applicable procedures. Such controls will be similar in concept to those required through the Office of Management and Budget (OMB) Circular A-123, Management's Responsibility for Internal Control. This guidance requires Executive Branch agencies and their managers to take systematic and proactive measures to develop and implement appropriate, cost-effective controls for results-oriented management. Though part of the Legislative Branch, AOC leadership intends to comply with this standard.

Performance-Based Budgeting

Background

The use of performance information for budgeting is intended in government to more effectively target limited resources to the programmatic priorities. Performance-based budgeting includes a framework to link budgets and performance results.

Current and Future Actions

The AOC's critical milestones towards the implementation of performance-based budgeting include the implementation of the AOC's *Strategic and Performance Plan: FY 2007–FY 2011* and the introduction of cost accounting to help provide visibility into the cost of outputs. Efforts to adjust and normalize its cost data in 2008 was particularly important towards ensuring that the full cost of achieving performance goals was accurately reported in the organization's budget.

For FY 2009, as a complement to the organization's standard budget submission, the AOC submitted a performance-informed budget that links its requested funding, strategic goals, and key performance results. As utilized by the AOC, a performance-informed budget is an intermediary step between traditional budgeting and performance-based budgeting and allows the budget process to be informed by performance results. This will enable the AOC to demonstrate the impact of its performance on funding requests to better respond to the needs of Congress.

Utility Tunnel Improvements

Background

The AOC, through the Capital Power Plant (CPP), operates five walkable utility tunnels containing steam and chilled water pipes for serving the heating and cooling needs of the Capitol complex and multiple surrounding facilities. In FY 2007, the AOC and the Office of Compliance (OOC) signed a comprehensive settlement of a complaint and three citations involving safety and health issues in the tunnels. Significant features of the settlement include:

- The AOC will abate the safety and health issues in the tunnels within five years, unless extended by mutual agreement or necessitated by funding shortfalls.
- A baseline audit will be conducted in the tunnels to identify health and safety conditions.
- Representatives of the OOC and AOC will meet monthly. An employee representative who works in the tunnels will be permitted to attend.
- Abatement progress will be closely monitored by the OOC to ensure that milestone dates are met.

The settlement addresses three utility tunnel citations. Though no outstanding citations for the utility tunnels were closed during 2008, progress in managing known hazards puts the AOC on track for meeting the settlement deadline.

Current and Future Actions

The AOC has taken focused and sustained steps to address its utility tunnel health and safety issues. A Utility Tunnel Improvement Program was developed and a dedicated management team established to oversee this project. Further, the Acting Architect called for a top-to-bottom review of all asbestos-related operations throughout the organization. As the AOC continues to improve the physical conditions in the utility tunnels, it also plans to review its practices and operating procedures. The AOC is working to ensure that all employees have the training, tools, and resources to perform their utility tunnel work assignments in a safe and effective manner.

The AOC currently estimates the utility tunnel abatement work over the next five years will cost over \$186 million. This amount is based on the most recent update to the site management plan. The funding appropriated towards tunnel abatements at the end of 2008 totaled nearly \$79 million.

In 2008, projects to address the issues in the utility tunnels were in various stages of planning, design, and construction. The organization focused its attention on tunnel hazards of immediate concern—*asbestos*, lack of compliant egress, an inadequate communication system, delaminating and spalling concrete, and heat stress conditions. To address these items, abatement projects included the installation of new tunnel egresses, improvements to electrical and lighting systems, enhanced ventilation, and mechanical and concrete repairs. Further, the organization continues to make significant progress towards managing known risks with the ongoing removal of delaminated concrete in two tunnels, removal of friable asbestos pipe insulation in three tunnels and ongoing removal in two others, and construction of new steam

distribution piping from the Russell Senate Office Building to the Senate Underground Garage.

At the close of 2008, the AOC was on schedule to meet the five-year settlement agreement deadline for mitigating all known tunnel hazards. The AOC understands that it will take continued dedication over several years to remedy the issues in the utility tunnels by June 2012 and is committed to work with Congress to resolve them.

Other Management Challenges

The long-term management challenges facing the Architect of the Capitol are not limited to those discussed above.

As with the rest of the federal government, the AOC foresees an upcoming wave of retirements, especially among supervisors and managers, as a significant challenge. At the close of FY 2008, the average age of AOC employees was 47. As baby boomers retire, the organization anticipates a significant leadership gap and loss of institutional knowledge if this issue is not addressed in the immediate future. To prepare, the AOC has begun to institute leadership and succession planning programs that aim to identify and prepare the next generation of supervisors and managers. In addition, the innovative and progressive workplace tools instituted by the AOC are intended to help the AOC compete for the best and brightest employees.

Space management represents another challenge the AOC anticipates over a long-term horizon. While the demand for office space on or near Capitol Hill continues to grow, the land available for such development and use is limited. The AOC is currently addressing these issues—for example, it leased a portion of a building from the General Services Administration to use as swing space for the House of Representatives. Long-term solutions will require innovative strategies that take advantage of new technologies. One example is the expansion of the AOC's flexible work policies that allow certain functions to be performed by employees from their homes. Additional solutions may include the continued expansion of support operations to satellite offices off the Capitol complex.



The addition of the Capitol Visitor Center will provide new working space for the House and Senate. The AOC will continue to pursue innovative space management strategies to meet its long-term needs.

Fulfilling preventive maintenance work orders and providing quality client services are just two ways the AOC supports Congressional and Supreme Court operations.



Many of the support services the AOC provides are performed behind the scenes. The *Strategic and Performance Plan* and its performance measures help the AOC to monitor its efficiency and effectiveness.

SECTION II: PERFORMANCE INFORMATION

STRATEGIC GOAL 1: CONGRESSIONAL AND SUPREME COURT OPERATIONS SUPPORT

In this section, performance achievements are listed for each strategic goal, followed by a table listing the outcome measures and targets for 2008. The tables compare actual performance to target performance and provide an explanation in those instances when a target was not met. Notable accomplishments are discussed below.

Congressional and Supreme Court operations are supported through the provision of effective facilities management, project delivery, and related services.

Performance Achievements

Objective 1.1: Facilities Maintenance—Effective facilities management services are provided to the Congress and Supreme Court to maintain the facilities and grounds under the care of the Architect of the Capitol.

- Issued a Facilities Control Inspection Program (FCIP) policy.
- Developed a funding strategy for decreasing the deferred maintenance backlog by finalizing options and beginning implementation.
- Completed input of demand and preventive maintenance data for leased facilities into the facilities management information system.

Objective 1.2: Facilities Operations—High-quality services are provided in direct support of Congressional and Supreme Court Operations.

- Benchmarked cost per square foot for cleaning services internally across AOC jurisdictions.
- Expanded cleaning standards to all contracted services for leased facilities.

Objective 1.3: Client Services—Effective facilities management services are provided in direct support of our customers.

- Instituted customized customer service training for Service Center staff.
- Established standard turnaround times for moving and relocation services in the facilities management information system and provided information regarding expected turnaround to customers upon receipt of request.
- Developed standard operating procedures for furniture management operations.

This is the AOC's fourth year of providing Performance Information in the Performance and Accountability Report. In Fiscal Year (FY) 2008, the AOC continued to move the organization toward a focus on results through implementation of its *Strategic and Performance Plan: FY 2007–FY 2011*. At the conclusion of the year, the AOC completed its annual update of the Performance Plan. As a result, some activities shifted into future years, which impacted the organization's ability to collect data for some of its performance measures. As such, some measures have new baseline dates and/or new annual target levels of achievement leading up to the original 2011 targets.

Objective 1.4: Project Delivery—Capital assets are provided and maintained through effective planning and project delivery.

- Automated tracking of original budget compared to final project cost.
- Developed and modified information systems to provide and track project performance metrics and explain trends, including an evaluation of the current Project Information Center (PIC) system.

- Developed procedures for approval, implementation, and use of the Capitol Complex Master Plan that will guide future development of the Capitol complex.
- Implemented project management plans that will be used as a model for future large projects.
- Developed and implemented a master schedule in order to better plan and coordinate project work.

Strategic Goal 1: Performance Measures

Measure	2008 Target	2008 Result	2008 Target Achieved
By FY 2011, the Facility Conditions Index (FCI) is maintained at an assessment level of good to excellent for 90% of the square footage of the facilities that have been formally assessed.	75%	47.9% ¹	NOT MET
By FY 2011:			
a) Cost per square foot for maintenance and repair at a level of at least 2% of the Current Replacement Value (CRV);	a) N/A—2010 Baseline	a) N/A	a) N/A
b) Cost per square foot for maintenance and repair does not exceed 110% of industry standards for like facilities; and	b) N/A—2010 Baseline	b) N/A	b) N/A
c) Customer satisfaction with maintenance and repair of buildings is at least 90%.	c) ≥ 85%	c) 93%	c) MET
By FY 2011:			
a) At least 90% of preventive maintenance work orders are completed as scheduled every month; and	a) N/A—2010 Baseline	a) N/A	a) N/A
b) A sustainment rate of 1.0 is achieved.	b) N/A—2010 Baseline	b) N/A	b) N/A
By FY 2011, cleaning inspections confirm that			
a) Cleaning standards are met at least 90% of the time;	a) ≥ 85%	a) 95.5%	a) MET
b) Cost per square foot for cleaning services does not exceed 110% of industry standards for like facilities; and	b) N/A—2010 Baseline	b) N/A	b) N/A
c) Customer satisfaction with cleaning services is at least 90%.	c) ≥ 85%	c) 85.5%	c) MET
By FY 2011, utilities are effectively utilized in order that:			
a) A decrease of 3% per year ² is achieved in total energy consumption;	a) ≤ 2003 minus 9% points	a) 10.7% ³	a) MET
b) Energy costs per square foot do not exceed 110% of industry standards for like facilities; and	b) ≤ 110%	b) 91.4% ⁴	b) MET
c) 90% of the AOC’s goals, as outlined in the AOC Plan to comply with the Energy Policy Act of 2005/2007, are met.	c) 90%	c) 90%	c) MET

¹ a. The Library Buildings (JAB, TJB, JMMB), Interim Offsite Delivery Facility, Fairchild Building, Explosive Storage Facility, Supreme Court, LOC Special Facilities Center, National Audio-Visual Conservation Center, and National Library Services facility were not part of the calculation because these Facility Condition Assessments have not been completed.

b. Tunnels were not part of the calculation since there is a separate and discreet compliance program associated with the tunnels.

c. Bartholdi Park, the Summer House, and Taft Memorial were not part of the calculation as they are considered “historic assets” and will be part of a separate Outcome Measure (2.2.2)

² This metric was changed from 2% per year to 3% per year in FY 2008 as a result of the Energy Policy Act of 2007.

³ In FY 2008 the AOC reduced energy consumption by 10.7%. This number was calculated using information available at the time of publication. In accordance with FEMP and DOE guidance we were permitted to take an additional 5.4% deduction based on purchases of renewable energy certificates, which brings the total reduction to 16.1%.

⁴ AOC compared its average cost per square foot for goal subject facilities to facilities in the Washington DC area, specifically museums with large public visitor programs, historic buildings, and some archive and storage buildings with strict HVAC conditions. AOC average for FY08 was \$3.83 and industry comparison average was \$4.19.

Strategic Goal 1: Performance Measures—continued

Measure	2008 Target	2008 Result	2008 Target Achieved
By FY 2008: a) Overall recycling rates for office wastes of the AOC recycling program are increased by 5% over the FY 2005 baseline (26.8%); b) An off-specification (formerly "contamination") rate for paper of 0% is maintained; c) Overall tonnage recycled of AOC-managed non-office waste is increased by 3% over the FY 2005 baseline (510 tons); d) Customer satisfaction with the overall Senate recycling program ⁵ is increased by 3% points over the FY 2005 baseline (86.5%); and e) Customer satisfaction with the House recycling program ⁶ containers is increased by 3 percentage points over the FY 2005 baseline (87.8%).	a) ≥ 2005 plus 5% points (31.8% total) b) 0% c) ≥ 2005 plus 3% (525 tons) d) 89.5% e) 90.8%	a) 2005 plus 3.7% points (30.5% total) b) 0% c) 2005 plus 45% (738 tons) d) 87.5% e) 76.6%	a) NOT MET b) MET c) MET d) NOT MET e) NOT MET
By FY 2011: a) Customer satisfaction with grounds care, landscaping, and snow removal is at least 90%; and b) Costs do not exceed 110% of industry standards for like facilities.	a) ≥ 85% b) N/A—2010 Baseline	a) 93% b) N/A	a) MET b) N/A
By FY 2011, the condition of roads, sidewalks, pavers, parking lots and storm drains is maintained at an assessment level of good to excellent for 90% of the squares that have been formally assessed via a Facility Condition Assessment.	75%	86.7% ⁷	MET
By FY 2011, fire suppression and detection device testing and inspection standards, as set by the National Fire Protection Association, are met 100% of the time.	100%	100%	MET
By FY 2011: a) Requests for routine client services are responded to and completed within established timeframes 90% of the time; b) Customers are notified 100% of the time for any exception; and c) Customer satisfaction with routine client services is at least 90%.	a) N/A—2010 Baseline b) 2010 Baseline c) ≥ 85%	a) N/A b) N/A c) 92.3%	a) N/A b) N/A c) MET
By FY 2011: a) Requests for moving and relocation services, including election-year moves, are responded to and completed within established timeframes 90% of the time; b) Customers are notified 100% of the time for any exception; c) A customer satisfaction rate of at least 90% is achieved for moving and relocation services for non-election year moves; and d) A customer satisfaction rate of at least 90% is achieved for moving and relocation services for election-year moves.	a) N/A—2010 Baseline b) N/A—2010 Baseline c) ≥ 85% d) N/A <i>Not an election year</i>	a) N/A b) N/A c) 91.9% d) N/A	a) N/A b) N/A c) MET d) N/A
By FY 2011, customer satisfaction with transportation services is at least 90%.	≥ 85%	92.8%	Met
By FY 2011: a) Set-up and clean-up times for non-USBG events are met 100% of the time; b) Customer satisfaction with non-USBG event support services is at least 90%; and c) 90% of USBG events are rated as "successful" under standards developed according to procedures detailed in AOC process manual BG-SP5.1 "Events At The U.S. Botanic Garden Conservatory."	a) N/A—2010 Baseline b) ≥ 85% c) ≥ 85%	a) N/A b) 96.4 % c) 93.8%	a) N/A b) MET c) MET
By FY 2011: a) Customer satisfaction with furniture services is at least 90%; and b) Backorder rate is reduced to 0.	a) ≥ 85% b) 5%	a) 94.3% b) 0%	a) MET b) MET

⁵ Includes Senate Office Buildings and Senate side of Capitol.

⁶ Includes House Office Buildings and House side of Capitol.

⁷ For FY 2007, roads and catch basins were not included in the calculation as they are not assigned to a square during collection of condition information. The AOC will explore assigning them to squares for future year calculations of this performance metric.

2008 Results

This section provides details for performance targets not met in 2008 and planned future actions to achieve improvements.

Facility Condition

The AOC did not meet its target for the Facility Conditions Index (FCI) this year. The primary reason is that the FCI, for both the Cannon House Office Building and the Hart Senate Office Building, moved to the “fair” condition category. For both buildings combined, this equates to a total of 1,969,593 square feet of space moved from an FCI of “good” to an FCI of “fair.” This reduces the overall facility condition index for the facilities under AOC’s care. Scheduled building renewal projects, such as the Cannon Renewal, will begin to address deferred maintenance requirements and improve the FCI. However, significant additional investments in renewal projects are necessary to notably increase the overall FCI. It is important to address the needs for deferred maintenance in the FY 2010 budget request and to continue to do so in future years.

Recycling

Although the AOC did not meet its target for customer satisfaction with the overall Senate recycling program, progress was made against the 2005 baseline. The AOC will continue to work with its customers to improve the program and address their concerns.

The AOC also did not meet its target for customer satisfaction for the House recycling program containers, mainly because that the new recycling containers were not fully distributed at the time of the customer survey. The organization anticipates greater satisfaction in 2009 now that the containers are in place and customers can fully utilize them.

Strategic Goal 1: Performance Measures—continued

Measure	2008 Target	2008 Result	2008 Target Achieved
By FY 2011: a) Requests for space planning services are responded to and completed within established timeframes 90% of the time; b) Customers are notified 100% of the time for any exception; and c) Customer satisfaction with space planning services is at least 90%.	a) N/A—2010 Baseline b) N/A—2010 Baseline c) ≥ 85%	a) N/A b) N/A c) 91.4%	a) N/A b) N/A c) MET
By FY 2011: a) 90% of all projects ⁸ are on schedule; b) 90% of all projects ⁹ are within budget; c) Government estimate is within +/- 10% of the awarded contract amount 90% of the time ¹⁰ ; and d) Customer satisfaction for in-house design and construction services is increased to a level of 90%.	a) N/A—2010 Baseline ¹¹ b) N/A—2010 Baseline ¹² c) N/A—2010 Baseline ¹³ d) ≥ 85%	a) 88.5% (77 out of 87 projects) <i>Informational only</i> b) 100% (87 projects) <i>Informational only</i> c) 100% ¹⁴ <i>Informational only</i> d) Design Services 94.2% ¹⁵ Construction Services 95.5% ¹⁶	a) N/A b) N/A c) N/A d) MET

⁸ For FY 2008, projects on schedule and within budget will include the following: all CIP and work funded through minor construction or other jurisdiction resources that is \$250,000 or more and that is managed by PPM. For FY 2009 and beyond, the AOC will expand the data to include work \$250,000 and above that is managed by the jurisdictions.

⁹ For FY 2008, projects on schedule and within budget will include the following: all CIP and work funded through minor construction or other jurisdiction resources that is \$250,000 or more and that is managed by PPM. For FY 2009 and beyond, the AOC will expand the data to include work \$250,000 and above that is managed by the jurisdictions.

¹⁰ For FY 2008 estimate to awarded contract metric, the AOC will include the following: all CIP and work funded through minor construction or other jurisdiction resources that is \$250,000 or more, that is managed by PPM, and is executed by contract. For FY 2009 and beyond, the AOC will expand the data to include work \$250,000 and above that is managed by the jurisdictions and awarded by contract. The criteria is contracts awarded in FY 2008 regardless of funding.

¹¹ There is no target for FY 2008. However, since the AOC does collect the data for the measures, it has reported results for informational purposes.

¹² There is no target for FY 2008. However, since the AOC does collect the data for the measures it has reported results for informational purposes.

¹³ There is no target for FY 2008. However, since the AOC does collect the data for the measures it has reported results for informational purposes.

¹⁴ Based on 3 contracts awarded.

¹⁵ Based on 6 projects that were evaluated as of September 30, 2008.

¹⁶ Based on 11 projects that were evaluated as of September 30, 2008.



Whether restoring fine art throughout the Capitol complex, maintaining the impressive collections of the Botanic Garden, or preserving the decorative architecture of the Library of Congress, the AOC is dedicated to the care of some of our nation's most precious treasures.

STRATEGIC GOAL 2: HERITAGE ASSET STEWARDSHIP

The national treasures entrusted to the care of the Office of the Architect of the Capitol are maintained and preserved for present and future generations and visitors to the Capitol complex are provided an informative and inspiring experience.

Performance Achievements

Objective 2.1: Preservation of Heritage Collections—Fine and decorative art, historic artifacts and records, living collections, and other heritage assets under the jurisdiction of the AOC are catalogued, documented, and preserved in good condition.

- Refined inventory guidelines and schedules and explored technology to integrate inventory with related systems by documenting inventory list; refining schedules; exploring technology; and making recommendations.
- Developed a review process for plant quality assessments.
- Assessed the records management and archives program and developed strategies to address space constraints for historic records and the backlog of unprocessed textual records.

Objective 2.2: Preservation of Historic Buildings, Landscape, and Architectural Features—Historic building, landscape, and architectural features in the Capitol complex are preserved in good condition.

- Initiated documentation of Longworth, Cannon, and Russell buildings.
- Started Historic Preservation Inventory Database pilot program.

Objective 2.3: Heritage Asset Presentation—Capitol complex visitors are provided with high-quality interpretive exhibits and programs.

- Continued development of the Photo Lightbox system in order to present information on heritage assets.
- Established additional educational programs including “*One Planet—Ours!*” and the “Sustainable Sites Initiative.”

2008 Results

This section provides details for performance targets not met in 2008 and planned future actions to achieve improvements.

Documentation of historic buildings, landscape, and architectural features

The AOC did not meet its goal for documenting and assessing the condition of historic buildings, landscape, and architectural features but is making progress on this important task. The AOC has contracted to create an historic preservation inventory database that will supplement the surveys currently being conducted and provide an effective means to help us meet our long term goal for documentation and condition assessments.

The methodology to achieve the goal was devised in FY 2007 and began to be implemented and refined in 2008. The annual performance targets were front loaded and, now that a process is in place, the organization expects that

achieving the out-year targets will occur on an increasingly accelerated basis. This will result in the end goal still being achieved by FY 2011.

Addressing preservation concerns of historic buildings, landscape, and architectural features

The AOC also did not meet its goal to ensure that historic preservation concerns of historic buildings, landscape, and architectural features were addressed in minor and major construction, public events, and ongoing facilities maintenance work. The AOC has made significant progress by involving the Historic Preservation Officer (HPO) in monthly jurisdiction project meetings and having the HPO review project forms. Plans call for the addition of additional resources to this effort in order to meet this long term target.

As noted above, this performance target was also front loaded and, now that a process is in place, we expect to achieve the AOC FY 2011 target.

Strategic Goal 2: Performance Measures

Measure	2008 Target	2008 Result	2008 Target Achieved
By FY 2011:			
a) 80% of fine and decorative art, historic artifacts and records, living collections, and other heritage assets are documented and their current condition assessed for present and future restoration efforts and preservation priorities are identified; and	a) 65%	a) 80%	a) MET
b) Heritage asset documentation is updated according to its schedule 90% of the time.	b) 75%	b) 100%	b) MET
By FY 2011, 80% of fine and decorative art, historic artifacts and records, living collections, and other heritage assets are maintained in good condition according to the criteria in our standards document, the AOC Performance and Accountability Report, Stewardship Report section.	55%	86.6%	MET
By FY 2011, and each year thereafter, conservation concerns of fine and decorative art, historic artifacts and records, living collections, and other heritage assets are addressed in 95% of all minor and major construction, public events, and ongoing facilities maintenance work where identified and as applicable.	N/A—2009 Baseline	N/A	N/A
By FY 2011:			
a) 80% of all historic buildings, landscape, and architectural features are documented and their current condition assessed for present and future restoration efforts and preservation priorities have been identified; and	a) 65%	a) 20%	a) NOT MET
b) Heritage asset documentation is updated according to its schedule 90% of the time.	b) 75%	b) 90%	b) MET
By FY 2011, 80% of historic buildings, landscape, and architectural features are maintained in good condition according to the criteria in the AOC standards document, the Facilities Condition Assessments.	N/A—2009 Baseline	N/A	N/A
By FY 2011, and each year thereafter, historic preservation concerns of historic buildings, landscape, and architectural features are addressed in 95% of all minor and major construction, public events, and ongoing facilities maintenance work where identified and as applicable.	80%	60%	NOT MET
By FY 2011, an average overall rating of at least 90% is achieved on the recurring visitor satisfaction survey for interpretive exhibits and interpretive programs.	N/A—2009 Baseline	N/A	N/A



High-quality leadership and administrative support drive the strategic, operational, and resource planning that enables the AOC to perform daily operations that directly support its organizational mission and objectives.

STRATEGIC GOAL 3: LEADERSHIP AND ADMINISTRATIVE SUPPORT

The responsibilities of the Office of the Architect of the Capitol are fulfilled efficiently and effectively, and accountability is enhanced, through the provision of high-quality leadership and administrative support services.

Performance Achievements

Objective 3.1: Leadership—The AOC’s executive leadership and administration establishes clearly defined goals and effective strategies, and the coordination of support systems, so as to maximize the AOC’s mission performance and accountability.

- Delivered customer service training to Internal Service Provider employees.
- Developed a systematic process to identify needed changes in law.
- Developed jurisdiction business plan template and guidelines.

Objective 3.2: People—AOC staff is enabled to support the achievement of AOC goals by the promotion of a work environment that fosters equal employment opportunity, organizational and individual performance, and professional development.

- Established monitoring and evaluation approaches to determine if customers are receiving appropriate information/guidance to access and/or carry out the Equal Employment Opportunity and Conciliation Programs (EEO/CP) Divisions program.
- Developed and implemented a comprehensive Affirmative Employment Program to ensure equal employment opportunity and to achieve a workforce reflective of a diverse labor market.

Objective 3.3: Information—AOC staff leverages information technology and communications to improve AOC’s mission performance.

- Developed Service Level Agreements (SLAs) for major agency systems and Inter-agency Service Agreements (ISAs) for outside service support.
- Incorporated turnaround times into AOC’s IT Help Desk system.
- Completed two components of the Platform Consolidation Initiative (PCI).
- Added questions regarding satisfaction with external communications to the annual Building Services Customer Satisfaction Survey.

Objective 3.4: Fiscal—Financial services are provided in a customer-focused and value-creating manner and foster a culture of high integrity and accountability.

- Developed a performance informed budget mapped to Strategic Goals via the AOC’s 2009 budget request.
- Trained customers on the integration of our financial systems so they can track information from requisition to vendor payment.
- Recommended improvements to the management of full-time equivalents (FTEs) to ensure compliance with the payroll budget and maximize FTE allocation.
- Baselined cycle time measures for various financial services.

Objective 3.5: Material—Responsive, quality, cost-effective, and accountable procurement and inventory management is provided to meet the AOC’s service and supply needs.

- Baselined cycle time measures for key procurement services.
- Improved the (COTR-related) contracting knowledge of AOC staff by identifying and developing training for writing statements of work (SOWs).
- Expanded cross-training opportunities for procurement staff and maintained the Acquisition Workforce Certification program for Level I, II, and III purchasing agents.
- Reviewed the operational needs of the jurisdictions, established additional contractual vehicles where applicable, consolidated requirements where applicable, and awarded contracts that can be used by multiple AOC jurisdictions and/or Legislative Branch Agencies by developing contractual vehicles.

- Developed criteria for how much inventory should be on board by implementing economic order point requisitioning.

Objective 3.6: Safety, Fire, Security, Emergency Preparedness, and Environmental Services—AOC resources are protected through effective safety, fire, security, emergency preparedness, and environmental services.

- Published 2007–2011 Occupational Safety and Health Program Plan (OSH) and OSH Program Implementation Plan.
- Finalized and published the 2008–2012 Environmental Program Plan.
- Developed a centralized framework that defines the minimum requirements for jurisdictional and central support staff emergency preparedness plans.

Strategic Goal 3: Performance Measures

Measure	2008 Target	2008 Result	2008 Target Achieved
By FY 2011, AOC efficiency and effectiveness results in the achievement of 90% of Strategic Plan outcome measures.	80%	72%	NOT MET
By FY 2011, the AOC workforce is aligned with future needs as defined in the Strategic Workforce Plan so that the gap between current competencies and anticipated competencies is no greater than 10% within each budget cycle.	N/A—2009 Baseline	N/A	N/A
By FY 2011, an average employee satisfaction rating with how the AOC is improving of at least 90% is achieved on the biennial employee feedback assessment.	≥ 85%	23% ²	NOT MET
By FY 2011: a) 90% of claims are closed within 90 days, in accordance with the Conciliation Program policy; b) Customers are notified 100% of the time for any exception; and c) 100% of affirmative employment initiatives approved by executive management/superintendents are implemented AOC-wide.	a) 90% b) 100% c) 100%	a) 92.3% b) 100% c) 100% ³	a) MET b) MET c) MET
By FY 2011: a) Timely response to personnel needs is ensured by meeting 90% of the cycle time measures for various personnel-related services ¹ as defined in the AOC operational dashboard; and b) An average rating of at least 90% is achieved on the recurring survey for satisfaction with personnel-related services.	a) ≥ 85% b) N/A—2009 Baseline	a) 100% ⁴ b) N/A	a) MET b) N/A
By FY 2011: a) Requests for information technology services are responded to and completed within established timeframes 90% of the time; b) Customers are notified 100% of the time for any exception; c) An average rating of at least 90% is achieved on the recurring survey for satisfaction with IT services; and d) During core hours ⁵ (6 a.m. to 6 p.m.), mission-critical systems are available 98% of the time, mission-essential systems are available 95% of the time, and mission-support systems are available 90% of the time.	a) N/A—2009 Baseline b) N/A—2009 Baseline c) N/A—2009 Baseline d) 98%/95%/90%	a) N/A b) N/A c) N/A d) 99.8%/99.6%/99.4%	a) N/A b) N/A c) N/A d) MET

¹ Covers services provided by the Budget, Human Resources Management, and Workforce Planning and Management Divisions.

² Although the pace of improvement is low, the overall survey results indicate satisfaction of working for the AOC increased by more than 50% from the previous survey in FY 2004. The proportion of those who were “very satisfied” doubled and the proportion of those who were “very dissatisfied” decreased by 80%.

³ The Affirmative Employment Program was approved and implemented in FY 2008. The full execution of the program’s initiatives cannot begin until the workforce analysis has been completed by an external contractor. The contractor will complete the analysis after EEO/CP and HRMD have completed validating employee data.

⁴ The FY 2008 yearly average for number of days to hire temporary and permanent positions are the two measures reflected at this time; cycle time measures for Budget and Workforce Planning and Management have not been placed on the operational dashboard yet.

⁵ In FY 2008 core hours were defined as 7am–5pm due to budget constraints.

Strategic Goal 3: Performance Measures—continued

Measure	2008 Target	2008 Result	2008 Target Achieved
By FY 2011: a) Achieve level 5 of the GAO Information Technology Investment Management certification and maintain thereafter; b) Achieve at least level 3 of the Capability Maturity Model Integration (CMMI) certification ⁶ ; and c) By FY 2007, achieve level 5 of the GAO Enterprise Architecture Maturity Framework (EAMMF) and maintain thereafter.	a) level 2 b) N/A—2009 Baseline c) level 5	a) level 3 ⁷ b) N/A c) level 3	a) MET b) N/A c) NOT MET
By FY 2011, an average rating of at least 90% is achieved on the biennial AOC employee feedback assessment for satisfaction with internal communications.	≥ 85%	23%	NOT MET
By FY 2011, an average rating of at least 90% is achieved on the recurring survey for effective external communication.	N/A—2009 Baseline	N/A	N/A
By FY 2011: a) Timely response to financial services is ensured by meeting 90% of the cycle time measures for various financial services as defined in the AOC operational dashboard; and b) An average rating of at least 90% is achieved on the recurring survey for satisfaction with useful timely financial information provided to manage programs.	a) N/A—2009 Baseline b) N/A—2009 Baseline	a) N/A b) N/A	a) N/A b) N/A
By FY 2011: a) Jurisdictional obligation rate targets for annual funds are met 100% of the time; b) FY 2003–2007 multi-year funds are met 95% of the time; c) FY 2004–2008 multi-year fund targets are met 95% of the time; d) FY 2005–2009 multi-year fund targets are met 95% of the time; e) FY 2006–2010 multi-year fund targets are met 95% of the time; f) FY 2006–2011 multi-year fund targets are met 95% of the time; g) FY 2007–2011 multi-year fund targets are met 95% of the time; and h) FY 2008–2012 multi-year fund targets are met 95% of the time. <i>*Denotes the required obligation rate to meet the goals of achieving those rates 100% of the time (for 2008 annual) or 95% of the time for all other multi-year funds.</i>	a) 99%* b) N/A c) 94.1%* d) 90.2%* e) 85.5%* f) 82.6%* g) 71.2%* h) 52.3%*	a) 99.3% b) N/A c) 100% d) 89.4% e) 85.5% f) 97.2% g) 71.1% h) 50.9%	a) MET b) N/A c) MET d) NOT MET e) MET f) MET g) NOT MET h) NOT MET
By FY 2007, and each year thereafter: a) A clean audit opinion is received; and b) 80% of internal control and audit weaknesses are resolved within one year.	a) Clean b) 80%	a) Clean b) 40%	a) MET b) NOT MET
By FY 2011: a) Timely response to procurement needs is ensured by meeting 90% of the cycle time measures for various procurement services as defined in the AOC operational dashboard; b) An average rating of at least 90% is achieved on the recurring survey for satisfaction with procurement services; c) Final contract cost does not exceed original cost by more than 15% for 85% of contracts ⁸ ; and d) Final contract schedule does not exceed original schedule by more than 10% for 85% of contracts. ⁹	a) 90% b) N/A—2009 Baseline c) N/A—2009 Baseline d) N/A—2009 Baseline	a) 100% b) N/A c) N/A d) N/A	a) MET b) N/A c) N/A d) N/A
By FY 2011, the inventory usage ratio is maintained at a level of 1.0.	1.3	1.01	MET

⁶ Further analysis of AOC needs has identified the CoBIT framework to be a more applicable tool to measure and develop AOC internal controls and as such will be the measure used from FY 2009 forward.

⁷ In FY 2008, AOC's IT Governance bodies consistently used criteria to select and prioritize investments to develop and maintain the AOC IT investment portfolio. According to the AOC's self assessment, it has thereby achieved Level 3 of GAO's ITIM maturity model.

⁸ A baseline will be set in FY 2009 for construction projects only; FY 2010 targets will include both construction and service contracts.

⁹ A baseline will be set in FY 2009 for construction projects only; FY 2010 targets will include both construction and service contracts.

2008 Results

This section provides details for performance targets not met in 2008 and planned future actions to achieve improvements.

Achievement of Strategic Plan outcome measures

Although the AOC did not meet the goal to achieve 80 percent of targets for the year, the organization collected useful information by calculating the results of several outcome measures for the first time. The AOC will now be able to look at a more comprehensive set of performance information to identify additional opportunities for improvement.

Employee satisfaction with how the AOC is improving

The AOC did not meet its target of 85 percent satisfaction with how they are improving. Although the pace of improvement is low, the overall survey results indicate satisfaction of working for the AOC increased by more than 50 percent from the previous survey in 2004. The proportion of those who were very satisfied doubled and the proportion of those who were very dissatisfied decreased by 80 percent.

GAO Enterprise Architecture Management Maturity Framework

The AOC did not achieve its goal to obtain Level 5 of the GAO Enterprise Architecture Management Maturity Framework (EAMMF). As noted in the AOC's previous 2007 Performance and Accountability Report, this goal has been re-baselined to achieve Level 5 in 2009. Progress on this outcome measure is determined through an annual GAO audit and managed through the AOC's mediation plan. The remaining recommendations in GAO's 2007 audit were the development of "As-Is" and "To-Be" architecture descriptions in terms of performance and that also address security. In 2008, the AOC developed a performance view that aligns AOC's IT investments with AOC's performance plan and began working on a security view. These actions will enable the organization to achieve Level 5 goal by 2009.

Employee satisfaction with internal communication

The AOC did not meet its target of 85 percent satisfaction with internal communications. In an effort to address employee concerns and improve

Strategic Goal 3: Performance Measures—continued

Measure	2008 Target	2008 Result	2008 Target Achieved
By FY 2007, and each year thereafter, a) The injury and illness rate is reduced by 3% over the previous year; b) The lost time case rate by 3%; and c) The number of lost productions days due to work-related injuries and illnesses by 1% over the previous year.	a) 2007 less 3% (4.28% target rate) b) 2007 less 3% (2.55% target rate) c) 2007 less 1% (5,510 target hours) ¹⁰	a) reduction of 7.99% (4.06% rate) b) reduction of 9.6% (2.38% rate) c) increase of 34% (7,488 hours)	a) MET b) MET c) NOT MET
By FY 2011, the overall risk assessment code rating is improved by one rating level from the baseline for environmental findings.	N/A 2009 Baseline	N/A	N/A
By FY 2011: a) 100% of jurisdictional emergency preparedness plans are revised to follow the central framework; b) 100% of employees with designated roles in emergency preparedness are trained; and c) Drills exercising jurisdiction plans (following the central framework) that include all employees (all shifts) are conducted at least once per year. <i>part 1—# employees with designated roles exercise their roles/total # of employees with designated roles</i> <i>part 2***—# evacuation drills completed covering all shifts in all buildings (as applicable)/# of applicable shifts and buildings</i>	a) N/A 2009 Baseline b) N/A 2009 Baseline c) part 1 2011 Baseline part 2 2009 Baseline	a) N/A b) N/A c) N/A	a) N/A b) N/A c) N/A
By FY 2011: a) Timely response to safety, fire, security, emergency preparedness, and environmental services needs is ensured by meeting 90% of safety, 90% of fire, 90% of security, 90% of emergency preparedness, and 90% of environmental service cycle times as defined in the AOC operational dashboard; and b) An average rating of at least 90% is achieved on the recurring survey for satisfaction with safety, fire, security, emergency preparedness, and environmental services.	a) N/A—2009 Baseline b) N/A—2009 Baseline	a) N/A b) N/A	a) N/A b) N/A

¹⁰ Note that actual results are based on hours of Continuation of Pay paid through payroll.

internal communications, the AOC has developed an action plan, which includes distributing bi-weekly a summary list of important information for staff meetings and continuing the emphasis on regularly scheduled AOC Town Hall meetings.

Obligation rates for specific multi-year accounts

The AOC met its 2008 annual obligation rates 100 percent of the time, but did not meet its goals for the following multi-year accounts: 2005–2009, 2007–2011, and 2008–2012. In all three cases, however, the organization came close to reaching the target of meeting the obligation rates 95 percent of the time: for 2005–2009, the AOC missed the target by 0.8 percent; for 2007–2011, by 0.1 percent; and for 2008–2012, by 1.4 percent. In two of these three cases, the difference is statistically insignificant. Despite having been under a Continuing Resolution through the end of FY 2008, which prevented the obligation of nearly all of the multi-year funds, the AOC came very close to achieving the 2008–2012 target. The organization will continue to review obligations and work with jurisdictions to obligate as quickly as possible. For 2009, the AOC is also working internally to pre-position planning and procurement packages for quicker obligation should the 2009 Continuing Resolution be lifted.

Resolving internal control and audit weaknesses

The AOC did not meet its target for resolving all internal control and audit weaknesses within one year. The three internal control weaknesses identified in the annual audit have been partially resolved:

1. **Internal Control Assessments**—Progress in internal controls was mixed with the increase of regular process attestations and documented cycle memos, but a lack of self-assessments. Self-assessments for cycle-memo related processes are planned for completion by the end of 2009.
2. **Reconciliation of Payroll**—Substantial progress has been made in this area. This task should be completed in 2009. In response to this finding, the Information Technology Division developed a program for payroll reconciliation. Modifications were made to make the tool more user-friendly. The Human Resources and Management Division (HRMD) tested the revised program and determined it works more efficiently. HRMD will begin the regular reconciliation process on a pay period basis beginning December 21, 2008.
3. **Purchase to Disbursement Process:**
 - a. Budget Object Code Training for Requisitioners—No work started.
 - b. Regular review of Construction in Process projects with managers—Resolved.
 - c. Limiting access to the vendor database in our Financial Management System—Complete.



The AOC plans to establish baseline performance measure targets for safety, fire, security, and emergency preparedness in the next fiscal year.

Lost production days due to work-related injuries and illnesses

The AOC did not meet its target to reduce the number of lost production days due to a relatively small number of injuries. In 2009, the organization plans to increase focus on injury prevention in the highest lost production day work areas in order to improve.

Looking Toward the Future: 2009 and Beyond

The AOC will continue to make progress collecting and analyzing performance measurement data over the upcoming year, and in FY 2010 the AOC will begin preparations to revise its *Strategic and Performance Plan*. To date, the five-year *Strategic and Performance Plan: FY 2007–FY 2011* has helped to transform the AOC to address modern challenges in order to provide Congress with exceptional service. The updated Strategic Plan will begin with FY 2012 and will look to build on the progress made over the last several years and continue to focus on resources and priorities.

Sound financial management supported the timely completion of the many landscaping, construction, and other tasks associated with the Capitol Visitor Center project.



The AOC provided vital financial support to the Capitol Visitor Center project during the pre-opening period. This assistance played a critical role in developing operational strategies and aiding the launch of its gift shop operations.

SECTION III: FINANCIAL INFORMATION

A MESSAGE FROM THE CHIEF FINANCIAL OFFICER

I am pleased to present the audited financial statements for the Office of the Architect of the Capitol (AOC) for Fiscal Year (FY) 2008. These financial statements are an essential component of our annual Performance and Accountability Report (PAR), and provide key financial information and audit findings in a timely and transparent manner to our Congressional stakeholders and the American public. Publication of this report highlights both our significant accomplishments and our challenges for the years ahead.

Financial Accomplishments

For the fourth consecutive year, we are proud that the AOC has received an unqualified audit opinion from our independent auditors on all principal financial statements. This followed two years of unqualified opinions on our Balance Sheet-only audits. These audit opinions are a significant achievement and highlight the quality work of our first-rate financial professionals. An unqualified opinion attests to the fact that our financial statements present fairly, in all material respects, our financial position, cost of programs, changes in net position, and budgetary resources. Having our financial statements audited by an independent third party testifies to the integrity of our financial information and our accountability to our stakeholders, thus fulfilling our fiscal stewardship responsibilities.

During this past fiscal year, we have continued to enhance our financial management business processes as part of our *Strategic and Performance Plan* and in support of the AOC's mission to provide a wide range of expertise and services to preserve and enhance the Capitol complex. These comptrollership improvements help make the AOC a more effective and efficient organization, as well as help make the Office of the Chief Financial Officer (OCFO) the organization that our internal AOC clients turn to for support.

The Independent Auditor's Report on Internal Control contains one new material weakness and one new significant deficiency, and cleared of one previous material weakness. The AOC is committed towards fiscal accountability and will continue to work diligently to establish internal policies, procedures, and systems in place to keep accurate records, and protect those U.S. taxpayer resources for which we are responsible.



Paula G. Lettice
Chief Financial Officer

Key OCFO achievements during 2008 include:

- **Financial Accounting System Upgrade.** This conversion provided for the latest National Institute of Standards and Technology (NIST) security enhancements, which permits the AOC to stay current with best accounting practices, and moves us to an internet-based system.
- **Management of Budget Operations.** The AOC successfully managed its operations under a constrained budget and improved our coordination of the 2009 budget submission with our Congressional oversight committees. Our 2009 budget request tied funding requests to our strategic goals, enabling us to budget for results.
- **Successful AOC Budget Summit.** The OCFO assisted with the initial AOC “budget summit” with Congressional leaders and staff to help remedy the long-term funding necessary to address its capital renewal and deferred maintenance backlog, infrastructure projects, new facilities, and new mission areas.
- **Development of Cost Accounting System.** The AOC further developed its cost accounting system—a phased, multi-year project to measure organizational performance. This year saw the collection of base-year cost information, normalization of data, and enhancement of our managerial reports.
- **CVC Financial Management Support.** We provided financial management support to the Capitol Visitor Center (CVC) project during the pre-opening period to provide operations strategy and aid the start-up of its visitor services and gift shop operations.
- **Due Diligence on Expenditures.** We provided due diligence on our expenditures—ensuring that the AOC utilized its resources in the most effective manner. This included a constant evaluation of how we used contractor support and an implementation of new overtime reports to help monitor labor resource usage.
- **Improved Coordination and Communication.** Efforts were made to improve coordination and communication among organization leaders and AOC employees. Our quarterly CFO Town Hall meetings ensure the dissemination of the AOC’s major initiatives, policies, and accomplishments of OCFO staff.
- **Succession and Leadership Planning.** In anticipation of the next wave of employee retirements, we took the initial planning steps to help the AOC identify and prepare the next generation of supervisors and managers.
- **Sustained Accountability Improvements.** The AOC managed to sustain recent accountability improvements, despite staff turnover in key financial positions. Such efforts include filling a key vacancy with the hiring of a new director to lead our Accounting Division.
- **Improved Inventory Usage.** The Inventory Management Program, which monitors inventory turnover, purchasing patterns, and balances, saw improvements this year. We exceeded a 99 percent accuracy rate for inventory quantity and valuation and have made progress toward reducing times in which inventory is declared obsolete.

- **Additional Transparency and Accountability.** The AOC continues to improve its transparency and accountability. For instance, this Performance and Accountability Report includes a new Executive Summary to make it more user-friendly.

Financial Challenges

While we’ve had numerous successes, we have ongoing financial challenges to address. While we still cannot attest that we have comprehensive internal controls in place or a structure to monitor and identify changing risks, further progress was made in 2008. The creation and filling of a dedicated Internal Controls Manager position and elevating this position with direct reporting to the CFO testifies to the importance the AOC places on strong controls.

We are committed to sound governance and remain diligent in our efforts to resolve the remaining weaknesses. Our efforts include developing a detailed action plan of corrective measures for implementation in 2009. Please refer to the *Summary of Audit Results* in this report for additional information about our material weaknesses, reportable conditions, and remedial plans.

Looking ahead, the demand for effective financial management and internal controls will continue to grow in importance, as a well-managed organization must have the ability to provide accurate, reliable, and timely financial data to its decision-makers. The AOC intends to provide assurance that it has taken systematic and proactive measures to develop and implement appropriate, cost-effective controls for results-oriented management. In 2009, we will continue to build on our past accomplishments to further refine our budget and financial processes. We shall continue to develop a cost management culture in support of effective and efficient operations and enhance our budget to better link funding requests to our strategic goals.

The Architect of the Capitol has a rich and proud history as steward of the Capitol complex. The Office of the Chief Financial Officer is committed to providing transparency and accountability for the resources entrusted to us and meeting our fiscal stewardship responsibilities for the American public, to members of Congress and their staffs, and to our external customers. We believe that up-to-date business management tools, technologies, and best practices can aid our financial management. We look forward to further developing and implementing financial initiatives that support the AOC’s strategic goals and transforming the AOC into a more effective and efficient organization.



Paula G. Lettice
Chief Financial Officer
January 26, 2009

A MESSAGE FROM THE AUDIT COMMITTEE

April 15, 2009

A Message from the Audit Committee

The Audit Committee was established by the Architect of the Capitol (AOC) on April 4, 2003. The five-member¹⁴ Committee assists the AOC in fulfilling its fiduciary responsibilities by providing an independent review of the financial statement audit process and facilitating open disclosure and transparency. The Committee was not mandated by statute, but instead created by the AOC as a best business practice to increase the credibility of the audit process. Additionally, the Committee members provide valuable expertise on the AOC's financial management.

The Committee meets regularly with AOC's management and auditors to review the AOC's financial audit coverage, the effectiveness of the AOC's internal controls over its financial operations, and its compliance with certain laws and regulations that could materially impact their financial statements. The independent auditors are responsible for expressing an opinion on the conformity of the AOC's audited financial statements with generally accepted accounting principles. The Committee reviews the findings of the internal and external auditors, and the AOC's responses to those findings, to ensure its plan for corrective action includes appropriate and timely follow-up measures. In addition, the Committee reviews the annual Performance and Accountability Report and provides feedback to AOC's management, which has primary responsibility for the report.

We met five times between January 16 and December 9, 2008, and discussed a number of items jointly with AOC management and the independent auditors. We also met independently with the Acting Architect of the Capitol, Inspector General, Chief Financial Officer, Accounting Director, and the independent auditors. Management proposed, and the Committee agreed, that the Fiscal Year (FY) 2008 audit would be a full audit of all four principal financial statements with comparative presentations. We concurred with management's decision to defer a request for the auditor to provide an opinion on AOC internal controls.

At the start of the FY 2008 audit, we discussed the overall scope of work and the audit plans of the external auditors and AOC Inspector General. The Committee had several discussions regarding the audit in order to ensure independence and objectivity in the audit process. We reviewed the Inspector General's audit plan and reviewed the status of the FY 2007 audit findings.

The Committee discussed the importance of sustaining recent accountability improvements and making gains in previously identified critical areas of weakness. A major concern of the Committee is the slow progress made with the assessment, evaluation, and implementation of a formal, comprehensive Internal Control Program. The Committee believes the creation of an internal control assessment is vital to effective AOC operations.

For previously identified annual leave and timekeeping deficiencies, we reviewed the auditor's findings and the AOC's plans for action. The solution to address these deficiencies is the phased implementation of a web-based time and attendance system across the entire organization. While successfully implemented for its General Administration offices in FY 2008, the AOC is still in the process of implementing this system at the Capitol Visitor Center and reviewing plans for the remaining AOC jurisdictions. Based on the AOC's progress to date, the Committee questions whether the AOC can achieve full implementation by the close of FY 2009.

The Audit Committee recognizes the AOC's receipt of a clean audit opinion on its FY 2008 financials as a key achievement, especially in light of the considerable staff turnover in its Accounting Division. The establishment and filling of the positions of statutory Inspector General and Internal Controls Manager are positive signals that the AOC will address the weaknesses repeatedly identified by the audit and this Committee. Based on the procedures performed as outlined above, we recommend that AOC's audited statements and footnotes be included in the 2008 Performance and Accountability Report.

Sincerely,

Dr. Michael J. Riley
Chair and Voting Member

Michael F. Lampley
Voting Member

John D. Webster
Voting Member

¹⁴ The Committee consists of three voting members and two non-voting members (the AOC's Inspector General and Chief Financial Officer). All voting members are independent of the AOC.



The AOC financial statements and accompanying notes provide a clear and concise presentation of the AOC's financial position, net cost of operations, changes in net position, and budgetary resources. Details on AOC Stewardship Assets are found in the Required Supplementary Information section of this report.

OVERVIEW OF FINANCIAL STATEMENTS

The Architect of the Capitol (AOC) audit reports, financial statements, and accompanying notes begin on page 86 of this report. The Balance Sheets for the Fiscal Years (FYs) ended September 30, 2008 and 2007 were audited by an independent auditor, Kearney & Company, along with the accompanying Statements of Net Cost, Changes in Net Position, and Budgetary Resources. An unqualified (clean) opinion was issued for all financial statements.

An unqualified opinion provides reasonable assurance that all financial statements are free of material misstatement. Reasonable assurance, while not absolute, is nonetheless a high level of assurance. The term reasonable assurance includes the understanding that there is a remote likelihood that material misstatements, due to inherent limitations, may not be prevented or detected on a timely basis.

The AOC recognizes the importance of strong financial systems and internal controls to ensure its accountability, integrity, and reliability. The AOC's established internal control over financial reporting includes management's assessment that the organization's internal control system is designed and implemented to provide reasonable assurance regarding the achievement of certain objectives in the following categories: effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations.

Background to the Financial Statements

During the early 1990s, several Congressional acts were passed mandating that the Federal Executive Branch agencies provide better accountability to the American people, adopt uniform financial accounting and reporting standards, and provide tools to better manage their financial resources. While the AOC is a Legislative Branch organization, it has voluntarily incorporated many of these standards in its business practices.

The AOC's statements are compiled using Office of Management and Budget (OMB) guidance (Bulletin No. 01-09 and Circular A-136), and the Financial Accounting Standards Advisory Board's (FASAB) standards, concepts, and interpretations. The AOC prepares all principal annual financial statements as required by the Chief Financial Officer's Act of 1990, as amended by the Government Management Reporting Act (GMRA) of 1994. The financial statements summarize the financial position and activity of the organization.

The AOC produced its first set of financial records using the U.S. government's standard general ledger in FY 2002. In FYs 2003 and 2004, the AOC produced audited Balance Sheets that received unqualified opinions. From FY 2005 through the present, the AOC's full financial statement package was audited (a full set of financials includes a Balance Sheet, Statement of Net Cost, Statement of Changes in Net Position, and Statement of Budgetary Resources), resulting in unqualified audit opinions for each fiscal year.

Purpose of the Financial Statements

Balance Sheet

The Balance Sheet displays amounts of future economic benefits owned or available for use (Assets), amounts owed (Liabilities), and the residual amounts which comprise the difference between Assets and Liabilities (Net Position) as of the end of the Fiscal Year. This Statement provides a snapshot of the AOC's financial position since inception.

Statement of Net Cost

The Statement of Net Cost is designed to display the net cost of AOC's operations, by jurisdiction, for the Fiscal Year. Net cost includes total costs less all revenues attributed to and permitted to be offset against those costs.

The AOC's main revenues are for providing steam and chilled water to non-Legislative Branch entities within the Capitol complex, and for rent received from the Administrative Office of the U.S. Courts in the Thurgood Marshall Federal Judiciary Building.

Statement of Changes in Net Position

The Statement of Changes in Net Position identifies all financing sources available to, or used by, the AOC to support its net cost of operations and also identifies the net effect or change in its financial position. Net position has two components: Cumulative Results of Operations and Unexpended Appropriations. Each component is displayed separately to enable a better understanding of the nature of changes to Net Position as a whole. The primary difference between the two components is that Cumulative Results of Operations reflects activity that has already occurred and Unexpended Appropriations is that portion of appropriations yet to be used.

Statement of Budgetary Resources

The Statement of Budgetary Resources provides data on how the AOC obtained its budgetary resources and the status of these resources at the end of the Fiscal Year. This Statement displays the key budgetary equation, Total Budgetary Resources equals Total Status of Budgetary Resources, which provides information on the status of congressional spending authority.

Additional Financial Schedules

Financial schedules of the Capitol Visitor Center (CVC) Project were prepared to show the amounts approved for obligation and related reallocation, obligations incurred, and expenditures paid for over the ten-year period beginning October 21, 1998 and ending September 30, 2008. Schedules were prepared for each of the three main sections of the CVC Project: the CVC base building, the Senate shell space, and the House shell space. These financial schedules were audited by an independent auditor and received an unqualified opinion.

Required Supplementary Information

Required Supplementary Information contains information on the AOC's Stewardship Assets, both non-living (e.g., heritage property, plant, and equipment) and living (e.g., plant inventories at the Botanic Garden), and Deferred Maintenance.



The AOC recognizes the importance of strong financial systems and internal controls to ensure its accountability, integrity, and reliability.

INDEPENDENT AUDITOR'S REPORT



*Certified Public Accountants
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Independent Auditor's Report

To the Architect of the Capitol

We have audited the accompanying balance sheets of the Architect of the Capitol (AOC) as of September 30, 2008 and 2007, and the related statements of net cost, statements of changes in net position, and statements of budgetary resources for the years then ended. These financial statements are the responsibility of AOC's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AOC at September 30, 2008 and 2007, and its net cost of operations, changes in net position, and budgetary resources for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued reports dated February 6, 2009 on our consideration of AOC's internal control over financial reporting, and compliance and other matters for the year ended September 30, 2008. The purpose of these reports is to describe the scope of our internal control testing over financial reporting and compliance and the results of that testing. The purpose of these reports is not to provide an opinion on the internal control over financial reporting or on compliance. These reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

February 6, 2009
Alexandria, Virginia

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL



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Independent Auditor's Report on Internal Control

To the Architect of the Capitol

We have audited the financial statements of the Architect of the Capitol (AOC) as of and for the year ended September 30, 2008, and have issued our report dated February 6, 2009. We conducted our audit in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*. The management of AOC is responsible for maintaining effective internal control over financial reporting.

In planning and performing our audit, we considered AOC's internal control over financial reporting by obtaining an understanding of the design effectiveness of AOC's internal control, determining whether these controls had been placed in operation, assessing control risk, and performing tests of AOC's controls in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal controls. Accordingly, we do not express an opinion on the effectiveness of AOC's internal control over financial reporting.

We limited our control testing to those controls necessary to achieve the following OMB control objectives that provide reasonable, but not absolute assurance, that: (1) transactions are properly recorded, processed, and summarized to permit the preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and assets are safeguarded against loss from unauthorized acquisition, use, or disposition; (2) transactions are executed in compliance with laws governing the use of budget authority, government-wide policies and laws identified in Appendix E of OMB Bulletin No. 07-04, and other laws and regulations that could have a direct and material effect on financial statements; and (3) transactions and other data that support reported performance measures are properly recorded, processed, and summarized to permit the preparation of performance information in accordance with criteria stated by management. We did not test all internal controls relevant to the operating objectives broadly defined by the Federal Managers' Financial Integrity Act of 1982.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects AOC's ability to



initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of AOC's financial statements that is more than inconsequential will not be prevented or detected by AOC's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by AOC's internal control. Our consideration of internal control was for the limited purpose described in the second paragraph of this report and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We noted three matters, discussed below, involving the internal control and its operation that we consider to be material weaknesses.

MATERIAL WEAKNESSES

1. Internal Control Assessments (Repeat Condition)

AOC has not completed a formal and systematic assessment and evaluation of the design and operation of internal controls. As of September 30, 2008, AOC has completed an assessment of the procure-to-pay process, and has partially completed the human resource, time and attendance, and project management processes. In the absence of a complete assessment, AOC cannot determine if its current internal control design mitigates existing risks and effectively safeguards assets.

Recommendation – We recommend that AOC completes and documents internal control assessments that evaluate the effectiveness of the design and operation of its internal control structure, including the identification of risks to material accounts and the existence of internal controls to mitigate those risks. Although AOC is not subject to OMB Circular A-123, *Management's Responsibility for Internal Control*, we recommend that AOC consult the "Implementation Guide for OMB Circular A-123 Appendix A, Internal Control over Financial Reporting" (the Guide). The Guide was issued by the Chief Financial Officer's Council in May 2005. The Guide includes guidance to enable management to evaluate internal controls and monitor and test these controls throughout the year.

2. Risk Assessment Updates (Repeat Condition)

The AOC internal control environment does not have a formal, documented process to monitor the internal and external environment, to identify changing risk profiles or to respond accordingly. Specifically, AOC has not implemented additional controls to reconcile the payroll data transmitted to and received from the National Finance Center (NFC). While NFC received an unqualified SAS 70 opinion, the SAS 70 only covers data processed by NFC. NFC's internal controls do not encompass data transmission to and from AOC. Despite NFC's unqualified SAS 70 opinion, AOC is still ultimately



responsible for the data validity. AOC has not implemented best practice controls as cited by the Government Accountability Office (GAO) and included as appendices in previous NFC SAS 70 reports. While several employees performed additional tests in response to the event, the actions were predicated on individual efforts as compared to a repeatable and sustainable systemic effort.

Recommendation – We recommend that AOC develop a component in the internal control structure to monitor and identify changing risks. Also, AOC should reconcile NFC payroll data transmission to data receipt including at a minimum, jurisdictional employees and hours.

3. Financial Information System and Financial Reporting Internal Control Design and Operation

We observed a degradation of the financial information system and financial reporting internal control structure design and operation. This decline in the performance of the internal control structure resulted in a significant increase in the time required for the financial reporting close process compared to previous years. After the financial close process was completed, the audit identified key accounts which were not adequately reconciled or analyzed. Additionally, AOC could not easily produce supporting evidence and transaction details for other key accounts. In several instances, the audit team needed to perform the analysis or transaction identification for AOC. The audit also identified an increase in the number of financial reporting errors which AOC ultimately corrected in the financial statements. While none of the observed exceptions individually resulted in a material error, we considered the broad based and collective systemic nature of the exceptions in assessing them as a material weakness.

Additionally, we identified several instances in which the internal control design was not sufficient to identify and prevent financial errors. The nature of these exceptions seem to the result from the lack of a comprehensive risk assessment, as previously discussed, and questions the robustness of the internal control structure to identify other potential errors which did not occur in the current fiscal year. The internal control environment was also subject to additional strain resulting from turnover in key financial positions. A comprehensive risk assessment and documented key control points may have minimized this disruption. Collectively, these exceptions weakened the internal control structure, lengthened the financial reporting timeline, and diminished the effectiveness of the financial analysis process.

Recommendation – We recommend that AOC assign formal authority for oversight and monitoring of the financial reporting process including risk assessments and control design. This assessment should focus on interchange points between all process participants to ensure that financial statement risks are adequately mitigated. We recommend that critical accounting analyses are reviewed for accuracy and prepared in accordance with a master reporting timeline.



SIGNIFICANT DEFICIENCIES

1. Information System General Controls (Repeat Condition)

We evaluated AOC's Information System general controls following guidance provided by the National Institute of Standards and Technology (NIST) and the GAO's Federal Information System Controls Audit Manual (FISCAM). We provided a detailed report as well as a prioritization of findings under separate cover. For detailed descriptions and recommendations for these findings, refer to the separately issued report.

AOC has made improvements to their overall information system security program since the completion of the FY 2007 audit. AOC's progress includes:

- Initiation of Certification and Accreditation (C&A) of the General Support System (GSS) and major applications
- Implementation of tools for monitoring security violations
- Improvement in procedures for de-provisioning user access
- Revisions to AOC's Information Security Program Policy and related procedures.

Having noted improvements, AOC still has areas of weakness that need to be addressed. We summarize some of the salient findings below. Findings are reported under the following general categories:

- Entity-wide Security Program (SP)
- Access Control (AC)
- Segregation of Duties (SD).

Entity-wide Security Program

This category provides a framework and continuing cycle of activity for managing risk, developing security policies, assigning responsibilities, and monitoring the adequacy of the entity's computer-related controls. We noted weaknesses in the following areas relating to AOC's SP:

- Complete formal risk assessments for financial and core operation components
- Implement the Information System Security Plans (ISSP)
- Document detailed procedures in a Computer Incident Response Plan
- Document detailed hiring and termination procedures for IT Security
- Define, document and enforce the expertise needed to carry out information security responsibilities.

Access Control

Controls within this category limit or detect access to computer resources (i.e., data, programs, equipment, and facilities), thereby protecting these resources against



unauthorized modification, loss, and disclosure. The AOC does not define user profiles and document in System Security Plans.

Segregation of Duties

The controls in this category provide policies, procedures, and an organizational structure to prevent one individual from controlling key aspects of computer-related operations, thereby conducting unauthorized actions or gaining unauthorized access to assets or records. The AOC does not have an entity-wide segregation of duties policy.

Recommendation – We recommend that AOC perform the following:

- Continue efforts to complete the C&A for the GSS and major applications following NIST SP 800-37, *Guide for the Security Certification and Accreditation of Federal Information Systems* and development of System Security Plans in accordance with NIST SP 800-18, *Guide for Developing Security Plans for Federal Information Systems*.
- Complete C&A activities and develop the Information System Security Plans (ISSP) in accordance with NIST SP 800-18, *Guide for Developing Security Plans*, as well as make any additions and/or corrections based on the updated risk assessments and planned infrastructure redesign. In addition, AOC should develop and implement procedures to implement the policies designated in the ISSP.
- Continue implementing and enforcing the new personnel policies and procedures.
- Revise incident response procedures to include choosing a containment strategy, evidence gathering and handling, and eradication and recovery. In addition, ITD should integrate the incident response procedures with other relevant policies such as the Search and Seizure policy.
- Continue efforts to implement the security awareness training requirements and enforcing these policies.
- Document user profiles and include them in the System Security Plans.
- Document and implement an overall AOC segregation of duties policy and procedures. Assignment of roles and responsibilities should be documented.

2. Information Systems Financial Management and Time and Attendance Application Controls

We evaluated AOC's Information System Financial Management and Time and Attendance application controls following guidance provided by NIST and FISCAM.



AOC uses Momentum as its financial information application. Momentum provides functionality which includes:

- General ledger maintenance
- Journal voucher preparation and approval
- Financial reporting
- Vendor approval and maintenance
- Purchase order creation, review, and approval
- Invoice review and approval
- Disbursement processing.

A majority of the automated controls over financial reporting and vendor payments reside within Momentum.

AOC uses WebTA as its time and attendance reporting application. WebTA provides functionality which includes:

- Employee information maintenance and approval
- Time recordation, review, and approval
- Transmission to processing center.

A majority of automated controls over time and attendance processing reside within WebTA.

Kearney's testing identified the following weaknesses:

Momentum Security Configuration

AOC has not formally documented the Financial Management Systems (FMS)/Momentum security roles and their assignment by position to achieve adequate segregation of duties. AOC does not maintain documented definitions of the FMS/Momentum security roles and the actions accorded each role in FMS/Momentum. AOC does not maintain a current analysis of which security roles are mutually incompatible and should not be held by the same individual to maintain an effective segregation of duties. AOC also does not maintain an analysis of which security roles should be assigned by position to FMS/Momentum users. AOC has no policy or procedures to ensure the users' actual security role assignments are benchmarked against position description standards to validate the existence of appropriate segregation of duties.

Additionally, AOC's existing Momentum security reports do not facilitate effective monitoring of implementation and operation of security policies. ITD has not activated the Momentum audit logging feature. This feature is critical to capture user activity and relevant security events. This tracking feature facilitates investigation and analysis of



security violations, attempted security breaches, policy exceptions, and other system activity.

AOC has not implemented Momentum’s document type security features to ensure that requisitions, purchase orders, and orders to pay transactions are approved by someone other than the originator and document matching requirements have been implemented. AOC has elected to base these security features on dollar amounts. As a result, a user may process a transaction under his/her dollar threshold from beginning to end without a second party approval.

Additionally, AOC has not disabled the “admin” user ID in FMS/Momentum to ensure accountability and an audit trail for its use. Presently, the system does not uniquely identify a user that logs into the “admin” account. The “admin” user ID allows broad ranging capabilities including changing users’ rights and authorizations and facilitating changes to master databases.

Recommendation – AOC should develop and document a segregation of duties policy for FMS/Momentum that includes the assignment of security organizations, roles and the actions included in each role to users. Further, AOC should periodically review the security roles and actions to determine that adequate segregation of duties is maintained.

AOC should develop security reports, to facilitate robust monitoring of security policies. AOC should perform an evaluation to determine the user access information and security events that should be captured. The Momentum application should be setup to log the appropriate information and audit logs should be reviewed regularly for unusual activity. We recommended that AOC consult the NIST SP 800.92: Guide to Computer Security Log Management for guidance, which provides information concerning Computer Security Log Management and the information to be logged.

AOC should implement the Momentum controls based on a risk assessment to ensure matching of documents and proper approvals.

AOC should assign the “Admin Role” to individual users. The “Admin Role” has the same privileges of the “admin” ID, but provides accountability and transparency.

WebTA Security Configuration

AOC has not documented procedures or access request forms used to add WebTA users and track profiles as required in the WebTA Concept of Operations. WebTA administrators do not review WebTA accounts for inactivity and disable them upon identification. WebTA administrators do not cross-reference terminated AOC employees to WebTA accounts on a routine basis. WebTA account profiles are not documented, maintained, and/or reviewed by WebTA administrators.



The WebTA System Administration does not ensure that WebTA password parameters are set in accordance to industry standards and best practices as follows:

- WebTA passwords are not required to be changed for a duration of “forever”
- WebTA passwords do not require upper, lower, numeric, or special characters
- Old WebTA passwords can be reused
- WebTA accounts are locked after five unsuccessful attempts.

Recommendations - The WebTA administrators should comply with stated requirements in the WebTA Concept of Operations by:

- Documenting and implementing a process for adding WebTA users and their respective profiles
- Reviewing WebTA accounts for inactive accounts and deactivating them after two months of inactivity
- Identifying terminated AOC accounts and remove the accounts every 60 days
- Maintaining, documenting, and reviewing WebTA account profile changes.

The WebTA Security Administrator should ensure that WebTA password requirements comply with industry standards and best practices as follows:

- WebTA passwords should be changed every 60 days
- WebTA passwords should contain upper, lower, numeric, or special characters
- WebTA passwords should not be allowed to be reused
- WebTA accounts should be locked out after 3 unsuccessful attempts.

3. Time Recordation, Processing, and Approval Procedures (Repeat Condition)

We identified instances in which AOC time recordation and payroll was not properly authorized. While AOC has policies addressing each of these areas, AOC has no formal mechanism to ensure compliance. The instances from a sample of seventy-eight timesheets are as follows:

- We identified ten employees whose initial day of employment followed a holiday. Two employees were improperly paid for holiday time prior to their start date
- Out of thirty two instances reviewed, twelve employees were either missing an overtime approval form, did not have the required authorizing signature or did not obtain approval before the overtime was taken
- Twelve annual leave request forms, from a total of fifty-six timesheets reporting leave, were not approved prior to the leave being taken
- Five sick leave request forms, from a total of fifty-six timesheets reporting leave, were not completed and approved timely upon employees return
- Four employees did not sign the Star Web time summary
- Two timekeepers did not sign the Star Web timesheet out a total of sixty-nine timesheets processed in Star Web.



Recommendation – We recommend that AOC develop procedures to ensure that policies concerning the approval and entering of time are followed and enforced.

We also identified other less significant matters that will be reported to AOC's management in a separate letter.

This report is intended solely for the information and use of the Office of Inspector General of the Architect of the Capitol, Architect of the Capitol management, the GAO, and the U.S. Congress, and is not intended to be, and should not be used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "Kearney & Company". The signature is written in a cursive, flowing style.

February 6, 2009
Alexandria, Virginia

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND OTHER MATTERS



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Independent Auditor's Report on Compliance and Other Matters

To the Architect of the Capitol

We have audited the financial statements of the Architect of the Capitol (AOC) as of and for the year ended September 30, 2008, and have issued our report dated February 6, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*. The management of the AOC is responsible for compliance with laws and regulations.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of its compliance with laws and regulations including laws governing the use of budgetary authority, laws, regulations, and government-wide policies identified in Appendix E of OMB Bulletin No. 07-04 and other laws, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. We limited our tests of compliance to these provisions and did not test compliance with all laws and regulations applicable to AOC. However, providing an opinion on compliance with certain provisions of laws and regulations was not an objective of our audit, and, accordingly, we do not express such an opinion.

The results of our tests disclosed two instances of noncompliance, described below, with laws and regulations or other matters that are required to be reported upon under *Government Auditing Standards* and OMB Bulletin No. 07-04.

- AOC was not compliant with the Congressional Accountability Act (CAA) of 1995. In the CAA, Congress made its facilities and employees subject to the same safety laws that apply outside of the Legislative Branch. In 1997, other provisions of the CAA applied fire safety standards to Congressional buildings, including the buildings of AOC. The Office of Compliance has conducted ongoing safety investigations since the inception of the Act, which have identified numerous safety hazards in several of AOC's buildings.
- AOC is responsible for maintenance of the utility tunnels that run from the Capitol Power Plant to the House and Senate office buildings, United States Capitol, and other surrounding buildings. In January 2006, the Office of Compliance issued citations resulting from its July 2005 investigation, which alleged violations of the Occupational Health and Safety Act. These citations addressed the following:
 - Employee exposure to heat stress conditions
 - Monitoring of employees potentially exposed to airborne concentrations of asbestos



- Notifying employees about the presence and location of materials containing asbestos
- Labeling of materials containing asbestos
- Maintaining surfaces free of asbestos waste, debris, and dust.

AOC is working with the Office of Compliance to remediate these two instances of noncompliance.

This report is intended solely for the information and use of the Architect of the Capitol Office of Inspector General, Architect of the Capitol management, Office of Management and Budget, Government Accountability Office, and Congress, and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "Kearney & Company".

February 6, 2009
Alexandria, Virginia

ARCHITECT OF THE CAPITOL

Consolidated Balance Sheets

As of September 30, 2008 and 2007
 (\$ in thousands)

	Fiscal Year 2008	Fiscal Year 2007
ASSETS		
Intragovernmental Assets:		
Fund Balance with Treasury (Note 2)	\$485,626	\$571,932
Investments (Note 3)	70	150
Accounts Receivable (Note 4)	2,303	1,659
Total Intragovernmental	487,999	573,741
Investments (Note 3)	35,611	34,635
Accounts Receivable (Note 4)	94	126
Inventory & Other Related Property (Note 5)	2	—
Property Plant and Equipment, net (Note 6)	1,856,106	1,812,518
Other (Note 7)	7	4
AOC Heritage Collections (Note 1J and 17)	—	—
TOTAL ASSETS	\$2,379,819	\$2,421,024
LIABILITIES		
Intragovernmental:		
Accounts Payable (Note 8)	\$224	\$222
Accrued Unfunded Workers' Compensation (Notes 8 and 9)	8,835	8,499
Other (Note 8)	1,030	1,670
Total Intragovernmental	10,089	10,391
Accounts Payable (Note 8)	5,909	3,085
Debt Held by the Public (Note 10)	148,154	152,305
Actuarial Unfunded Workers' Compensation (Note 9)	45,909	44,435
Contingent and Environmental Liabilities (Note 11)	85,254	98,800
Accrued Annual Leave and Other (Note 9)	17,875	14,680
Capital Lease Liability (Note 13)	28,615	32,052
Contract Holdbacks (Note 14)	14,826	18,117
Other Accrued Liabilities (Note 14)	28,138	47,887
Advances from Others (Note 14)	12,398	13,198
TOTAL LIABILITIES	\$397,167	\$434,950
NET POSITION		
Unexpended Appropriations—Other Funds	\$396,932	\$455,635
Cumulative Results of Operations—Other Funds	1,585,720	1,530,439
Total Net Position	\$1,982,652	\$1,986,074
TOTAL LIABILITIES & NET POSITION	\$2,379,819	\$2,421,024

The accompanying footnotes are an integral part of these financial statements.

ARCHITECT OF THE CAPITOL

Statements of Net Cost

For the Years Ending September 30, 2008 and 2007
 (\$ in thousands)

Program Costs	Fiscal Year 2008	Fiscal Year 2007
General and Administrative		
Gross Costs	\$91,159	\$88,354
Less Earned Revenue	(614)	(125)
Net Program Costs	90,545	88,229
Capitol Buildings/Capitol Grounds		
Gross Costs	45,687	39,428
Less Earned Revenue	(995)	(1,549)
Net Program Costs	44,692	37,879
Senate Office Buildings		
Gross Costs	71,237	71,372
Less Earned Revenue	(545)	(2,787)
Net Program Costs	70,692	68,585
House Office Buildings/House Wellness Center		
Gross Costs	52,189	51,391
Less Earned Revenue	(72)	(155)
Net Program Costs	52,117	51,236
Capitol Power Plant		
Gross Costs	102,439	118,512
Less Earned Revenue	(9,474)	(8,967)
Net Program Costs	92,965	109,545
Library of Congress		
Gross Costs	37,799	34,383
Less Earned Revenue	—	—
Net Program Costs	37,799	34,383
Capitol Police		
Gross Costs	15,782	12,353
Less Earned Revenue	—	—
Net Program Costs	15,782	12,353
Botanic Gardens		
Gross Costs	10,210	8,576
Less Earned Revenue	—	—
Net Program Costs	10,210	8,576
Supreme Court/Judiciary Office Building		
Gross Costs	38,248	35,465
Less Earned Revenue	(31,658)	(30,184)
Net Program Costs	6,590	5,281
Net Cost	\$421,392	\$416,067

The accompanying footnotes are an integral part of these financial statements.

ARCHITECT OF THE CAPITOL

Statements of Changes in Net Position

For the Years Ending September 30, 2008 and 2007
(\$ in thousands)

	Fiscal Year 2008	Fiscal Year 2007
CUMULATIVE RESULTS OF OPERATIONS		
Beginning Balances	\$1,530,439	\$1,440,176
Adjustments		
Changes in Accounting Principles	—	—
Correction of Errors	—	—
Beginning Balances, as adjusted	\$1,530,439	\$1,440,176
Budgetary Financing Sources:		
Other Adjustments (Rescissions, etc)		
Appropriations Used	478,826	458,513
Non-Exchange Revenue	4	52
Donations & Forfeitures of Cash and Cash Equivalents	—	—
Transfers—In/Out without Reimbursement	585	800
Other Budgetary Financing Sources	—	—
Other Financing Sources:		
Donations and Forfeitures of Property (Note 6)	—	28,951
Transfers—In/Out Without Reimbursement (Note 6)	(18,496)	(2,432)
Imputed Financing from Costs Absorbed by Others (Note 12)	15,754	20,446
Other—Cost Allocations	—	—
Total Financing Sources	476,673	506,330
Net Cost of Operations	(421,392)	(416,067)
Net Change	55,281	90,263
Cumulative Results of Operation	\$1,585,720	\$1,530,439
UNEXPENDED APPROPRIATIONS		
Beginning Balances	\$455,635	\$457,254
Adjustments		
Changes in Accounting Principles	—	—
Correction of Errors	—	—
Beginning Balances, as adjusted	\$455,635	\$457,254
Budgetary Financing Sources:		
Appropriations Received	416,436	455,545
Appropriations Transferred-In/Out	10,778	13,686
Other Adjustments (Rescissions, etc)	(7,091)	(12,337)
Appropriations Used	(478,826)	(458,513)
Total Budgetary Financing Sources	(58,703)	(1,619)
Total Unexpended Appropriations	\$396,932	\$455,635
NET POSITION	\$1,982,652	\$1,986,074

The accompanying footnotes are an integral part of these financial statements.

ARCHITECT OF THE CAPITOL

Statements of Budgetary Resources

For the Years Ending September 30, 2008 and 2007
(\$ in thousands)

Program Costs	Fiscal Year 2008	Fiscal Year 2007
Budgetary Resources		
Unobligated Balance, Brought Forward, October 1	\$302,518	\$273,382
Recoveries of Prior Year Unpaid Obligations	10,896	9,142
Budget Authority:		
Appropriation	416,436	455,597
Borrowing Authority	13,079	13,419
Spending Authority from Offsetting Collections:		
Earned:		
Collected	41,574	43,409
Change in Receivables from Federal Sources	1,282	(1,413)
Change in unfilled Orders: Advance Received	(800)	7,817
Transfers from Trust Funds	585	800
Subtotal Budget Authority	\$472,156	\$519,629
Nonexpenditure Transfers, net, anticipated and actual	10,778	13,687
Permanently not available	(24,321)	(29,567)
Total Budgetary Resources	\$772,027	\$786,273
Status of Budgetary Resources		
Obligations Incurred:		
Exempt From Apportionment	\$499,736	\$444,692
Reimbursable	43,577	39,063
Subtotal	543,313	483,755
Unobligated Balances: Exempt from Apportionment	202,802	278,089
Unobligated Balances—Not Available	25,912	24,429
Total Status of Budgetary Resources	\$772,027	\$786,273
Change in Obligated Balances		
Obligated Balances, net:		
Unpaid Obligations, Brought Forward, October 1	\$269,565	\$361,658
Uncollected Customer Payments From Federal Sources, Brought Forward	—	(1,413)
Total Unpaid Obligated Balance, Brought Forward, net	269,565	360,245
Obligations Incurred	543,313	483,755
Gross Outlays	(543,719)	(566,706)
Recoveries of Prior-Year Unpaid Obligations, Actual	(10,896)	(9,142)
Change in Uncollected Customer Payments from Federal Sources	(1,282)	1,413
Total, Obligated Balances, Net	\$256,981	\$269,565
Obligated Balance, Net, End of Period		
Unpaid Obligations	\$258,263	\$269,565
Uncollected Customer Payments from Federal Sources	(1,282)	—
Total, Unpaid Obligated Balance, Net, End of Period	\$256,981	\$269,565
Net Outlays		
Gross Outlays	\$543,719	\$566,706
Offsetting Receipts	(41,359)	(52,026)
Total Net Outlays	\$502,360	\$514,680

The accompanying footnotes are an integral part of these financial statements..

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NOTE 1: Summary of Significant Accounting Policies

A. Reporting Entity

The Architect of the Capitol (AOC) is an office within the Legislative Branch of the federal government. Initially authorized by Congress to provide “suitable buildings and accommodations for the Congress of the United States,” our role has evolved to include responsibility for the maintenance, operation, development, and preservation of the Capitol Building, Senate Office Buildings, House Office Buildings, Library of Congress Buildings and Grounds, Capitol Power Plant, U.S. Botanic Garden, Capitol Police Buildings and Grounds, Supreme Court Building and Grounds, and all of the grounds encompassing the Capitol campus.

We are also responsible for

- providing facilities management services for the Senate Restaurants,
- construction of the Capitol Visitor Center,
- arrangements for the Presidential Inaugural and other ceremonies held on the Capitol Grounds, and
- providing steam and chilled water to the Supreme Court and Thurgood Marshall Federal Judiciary Buildings, Union Station, and the Folger Library, as well as steam only to the Government Printing Office and the Postal Square building.

Non-entity activities include

- a portion of steam and chilled water,
- flag-flying fees, and
- provision of palm trees for rent.

Upon receipt, funds for these activities are not available for our use. The only non-entity asset is in accounts receivable.

B. Basis of Accounting and Presentation

Our Balance Sheet has been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as promulgated by the Federal Accounting Standards Advisory Board (FASAB). The American Institute of Certified Public Accountants (AICPA) recognizes FASAB standards as GAAP for federal reporting entities. These principles differ from budgetary reporting principles. The differences relate primarily to the capitalization and depreciation of property and equipment as well as the recognition of other long-term assets and liabilities.

GAAP require us to make certain estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities (including contingent liabilities), and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from our estimates.

For financial reporting purposes, we have issued AOC Order No. 32-02 which adopts GAAP for financial reporting and internal controls in a manner consistent for a Legislative office. As a Legislative Branch office, we are not required to follow the accounting principles established by the Comptroller General under 31 U.S.C. 3511 or the standards promulgated by FASAB.

We have not adopted the Federal Managers Financial Integrity Act, the Federal Financial Management Improvement Act of 1996, or the Government Performance and Results Act, as these standards apply only to executive branch agencies. We are committed to using these Acts as “best practices” and are incorporating them into our financial management practices as appropriate.

C. Fund Balance with Treasury

We maintain all cash accounts, with the exception of investments described in *Note 3*, with the U.S. Department of Treasury (Treasury). The Fund Balance with Treasury account represents the unexpended balances of appropriation accounts, trust accounts, and revolving funds. Cash receipts and disbursements are processed by Treasury, and our records are reconciled with those accounts on a regular basis.

D. Accounts Receivable

Accounts Receivable includes reimbursement for supplying entities on Capitol Hill with steam and chilled water to heat and cool their facilities (*see Note 4*). Per annual appropriation, we provide steam and chilled water to the Folger Library, Union Station, Supreme Court and Thurgood Marshall Federal Judiciary Buildings, as well as steam only to the Government Printing Office and the Postal Square building. Legislation provides the ability to collect a pre-determined amount to recover the cost of supplying these services and record these amounts as offsetting collections. Any amount collected over the pre-determined amount is credited to the Treasury’s Miscellaneous Receipt Fund and is a non-entity asset.

E. Investments

As a result of financing the construction of the Thurgood Marshall Federal Judiciary Building, we have funds invested by a trustee (*see Note 3*). These investments are recorded at current market value.

F. Trust and Revolving Funds

We have stewardship responsibility for three revolving funds that are included in the balance sheet. The revolving funds consist of the House of Representatives Wellness Center Fund, the Senate Health and Fitness Facility Fund, and the Judiciary Office Building Development and Operations Fund. Preservation and maintenance of the House of Representatives Wellness Center are paid by members’ dues. Proceeds from the Senate recycling program are used to pay for the preservation and maintenance of the Senate Health and Fitness Facility. The Judiciary Office Building Development and Operations Fund is used to record transactions related to the Thurgood Marshall Federal Judiciary Building (TMFJB) (*see Note 3*).

We also administer the National Garden Trust Fund, subject to the direction of the Joint Committee on the Library (of Congress). We are authorized to accept gifts or bequests of money, plant material, and other property on behalf of the Botanic Garden. Gifts of money are deposited into the National Garden Trust Fund. We can also dispose of, utilize, obligate, expend, disburse, and administer such gifts for the benefit of the Botanic

Garden, including, among other things, the carrying out of any programs, duties, or functions of the Botanic Garden, and for constructing, equipping, and maintaining the National Garden (*see Note 3*).

G. Recognition of Financing Sources

We receive funding to support our programs through appropriations authorized by Congress. Funding for our operating and capital expenditures is received as annual, multi-year, and no-year appropriations. The appropriations we receive are

- Botanic Garden,
- Capitol Building,
- Capitol Grounds,
- Capitol Police Buildings and Grounds,
- Capitol Power Plant,
- Capitol Visitor Center,
- Congressional Cemetery,
- General Administration,
- House Office Buildings,
- Library Buildings and Grounds, and
- Senate Office Buildings.

H. Operating Materials and Supplies

Our materials and supplies consist of tangible personal property consumed during normal operations. Per Statement of Federal Financial Accounting Standards (SFFAS) No. 3, “Inventory and Related Property,” operating materials and supplies are recorded using the purchases method. The purchases method provides that operating materials and supplies be expensed when purchased.

Operating materials and supplies are purchased using funds specifically appropriated to our ten jurisdictions;* therefore, the related usage of those materials and supplies is restricted to those specific appropriations making the purchases.

I. Inventory

Our inventory is composed of on-hand balance of retail inventory to be available for sale in its gift shops as required by the mission of the Capitol Visitor Center. This inventory is valued at historical cost using the First-in, First-out (FIFO) method, less an allowance which is based on slow-moving, excess or obsolete inventory. There are no restrictions on this inventory (*see Note 5*).

J. Property and Equipment

We record property and equipment at cost. We depreciate buildings and equipment over their estimated useful lives, which range from 2 to 40 years, using the straight-line method. All AOC property and equipment is in our possession. None is held by others (*see Note 6*).

The following table presents our capitalization thresholds and related useful lives.

*NOTE: General Administration is included as a jurisdiction for Financial Statement purposes.

Capitalization Thresholds and Related Useful Lives

Property Type	Useful Life (years)	Capitalization Threshold
Real Property	40	\$200,000
Improvements	20	\$200,000
Equipment and Vehicles	2–15	\$25,000
Assets under Capital Lease	Shorter of Lease Term or Useful Life of Property Type	See related Property Type
Intellectual Property	3	\$1,000,000

The Capitol Building, the Supreme Court Building, the Botanic Garden, and the Senate and House Office buildings, as well as the Library of Congress Jefferson Building, are considered multi-use heritage assets and are included in the balance sheet.

K. AOC Heritage Collections

Stewardship Property, Plant & Equipment (PP&E) consist of assets whose physical properties resemble those of General PP&E that are traditionally capitalized in the financial statements. Due to the nature of these assets, however, determining a monetary value would be difficult, and matching costs with specific periods may not be possible or meaningful. Heritage assets are Stewardship PP&E that are unique and are generally expected to be preserved indefinitely. Heritage assets have historical or natural significance; are of cultural, educational, or artistic importance; or have significant architectural characteristics. These assets are reported in terms of physical units rather than cost or other monetary values per SFFAS No. 29. There are two types of heritage assets: collection, which are objects gathered and maintained for exhibition, such as museum and art collections; and non-collection, which are parks, memorials, monuments, and buildings. AOC’s collections contain both types of heritage assets.

L. Liabilities

Liabilities represent the amounts we owe to others for goods or services received, and amounts owed for progress in contract performance. Because no liability can be paid without an enacted appropriation, some liabilities are funded while others are unfunded. For accrued unfunded annual leave and workers’ compensation, appropriations may be enacted to fund these activities. The Balance Sheet presents the following types of liabilities:

- Unfunded actual and actuarial workers’ compensation
- Accounts payable
- Debt held by the public
- Annual leave
- Capital lease liability

M. Personnel Compensation and Benefits

Federal Employee Benefits—The Federal Employees’ Compensation Act (FECA) provides income and medical cost protection to covered federal civilian employees injured on the job, employees who have incurred a work-related occupational disease, and beneficiaries of employees whose

death is attributable to a job-related injury or occupational disease. The FECA program is administered by the U.S. Department of Labor (DOL), which initially pays valid claims and subsequently seeks reimbursement from the federal agencies employing the claimants. The DOL determines the actuarial liability for claims outstanding at the end of each fiscal year. This liability includes the estimated future costs of death benefits, workers' compensation, and medical and miscellaneous costs for approved compensation cases (*see Note 9*).

We recognize our share of the cost of providing future pension benefits to eligible employees over the period that they render the related services. This amount is considered imputed financing to us (*see Note 12*).

We also recognize a current-period expense for the future cost of post-retirement health benefits and life insurance for our employees while they are actively employed. This amount is also considered imputed financing to us (*see Note 12*).

Annual and Other Leave—Annual leave is recognized as an expense and a liability as it is earned. The liability is reduced as leave is taken. The accrued leave liability is principally long-term in nature. Other types of leave are expensed when taken and no future liability is recognized for these amounts (*see Note 9*).

N. Contingencies

We account for contingencies in accordance with SFFAS No. 5, "Accounting for Liabilities of the Federal Government." It defines a contingency as an existing condition, situation, or set of circumstances involving uncertainty as to the possible gain or loss to an entity that will ultimately be resolved when one or more future events occur or fail to occur. We recognize a contingent liability when a past transaction or event has occurred, a future outflow or other sacrifice of resources is probable, and the related future outflow is measurable. We have recorded provisions for losses in relation to the definition of contingent liabilities documented above (*see Note 11*).

O. Statement of Net Cost

The Statement of Net Cost (SONC) is presented in accordance with SFFAS No. 4, by responsibility segment/jurisdiction. Costs not otherwise assigned to responsibility segments/jurisdictions are presented as General Administrative. We have a number of initiatives (cost accounting, performance-based budgeting, etc.) in process that will assist us with gathering data in a manner to provide even more information to our stakeholders. While these initiatives are in various stages of progress, we believe the responsibility segment/jurisdiction approach provides information to our stakeholders in a direct and succinct manner. As our financial reporting processes mature, we plan to enhance our SONC by linking it to our strategic plan following best practices seen at other agencies.

The responsibility segments are aggregates of the following funds:

- General Administrative
 - General Administrative
 - American Disabilities Act
 - Congressional Cemetery

- Capitol Buildings and Capitol Grounds
 - Capitol Buildings
 - Capitol Grounds
 - Capitol Visitor Center
 - West Central Front
- Senate Office Building
 - Senate Office Building
 - Senate Health and Fitness
- House Office Building
 - House Office Building
 - House Wellness Center
- Capitol Power Plant
- Library of Congress and Grounds
- Capitol Police and Grounds
- Botanic Garden
 - Botanic Garden
 - National Garden
- Judiciary Buildings and Grounds
 - Supreme Court
 - Thurgood Marshall

Revenues are calculated on a direct cost recovery basis.

NOTE 2: Fund Balance with Treasury

Our funds with Treasury primarily consist of appropriated funds. We also have stewardship responsibility for three revolving funds and administer one trust fund. The balance of these funds as of September 30, 2008 and 2007 is as follows:

A. Fund Balances

Dollars in Thousands

Fund Type	2008	2007
Appropriated Funds	\$ 473,135	\$ 557,396
Trust Funds	10	43
Revolving Funds	12,481	14,493
Total	\$ 485,626	\$ 571,932

B. Status of Fund Balance with Treasury

We classify our funds with Treasury as obligated, unobligated available, or unobligated unavailable. Unobligated available balances represent unexpired appropriations available for incurring new obligations. Unobligated unavailable balances are expired appropriations no longer available to incur new obligations. Obligated balances not yet disbursed include undelivered orders or orders received but not yet paid.

Status of Fund Balance with Treasury as of September 30, 2008 and 2007, consist of the following:

Dollars in Thousands

Balance Type	2008	2007
Unobligated Balance		
Available	\$ 199,937	\$ 274,805
Unavailable	27,426	27,562
Obligated Balance not yet Disbursed	258,263	269,565
Total	\$ 485,626	\$ 571,932

NOTE 3: Investments

A. Investments with Treasury

The National Garden at the U.S. Botanic Garden was funded privately via The National Fund for the U.S. Botanic Garden (USBG), a not-for-profit corporation assisting the Architect of the Capitol in raising private funds pursuant to Public Law 102-229. This is the first project, authorized by Congress for construction by the Architect of the Capitol, which was financed with privately donated funds. Funds were raised by private citizens, corporations, and garden clubs from across the nation. We invest the donated funds in government account securities through the Bureau of Public Debt using their Web-based application, FedInvest. By law, the interest earned is credited to the National Garden fund.

The balances at year September 30, 2008 and 2007 are as follows:

Dollars in Thousands

Investments Held With Treasury	2008	2007
Invested	\$ 150	\$ 1,392
Interest	4	52
Less: Expended	(84)	(1,294)
Total	\$ 70	\$ 150

B. Investments held Outside Treasury

In 1989, we entered into a contractual agreement with Boston Properties for the construction of the Thurgood Marshall Federal Judiciary Building. To finance the construction of the building, Shearson Lehman Hutton, Inc., and Kidder, Peabody, & Co., Inc., issued 30-year Serial Zero Coupon Certificates of Participation.

The proceeds were received by a trustee, The U.S. Trust Company of NY (now The Bank of New York), and deposited into two funds, the Project Fund and the Operating Reserve Fund. The funds are held outside the U.S. Treasury by the trustee and, at our direction, are invested or disbursed. After construction, the remaining amounts were left in trust in the Project Fund. During 2007, the Project Fund balance was transferred to the Operating Reserve Fund. The Operating Reserve Fund is held in reserve for future needs (e.g., roof replacement, major renovation). The market values of these funds are listed as follows:

Dollars in Thousands

Investments Held Outside Treasury		
Fund Type	2008	2007
Operating Reserve	\$ 35,611	\$ 34,635
Total	\$ 35,611	\$ 34,635

NOTE 4: Accounts Receivable

The breakdown of consolidated gross accounts receivable at September 30, 2008 and 2007 is as follows:

Dollars in Thousands

Accounts Receivable		
Receivable Type	2008	2007
Entity:		
Intragovernmental	\$ 1,743	\$ —
With the Public	83	115
Total Entity	1,826	115
Non-Entity:		
Intragovernmental	560	1,659
With the Public	11	11
Total	\$ 2,397	\$ 1,785

Based upon a year-end review, all receivables are deemed collectible.

NOTE 5: Inventory

Inventory as of September 30, 2008 and 2007 consists of the following:

	Cost	Allowance For loss	2008	2007
Inventory held for current sale	\$ 2	\$ —	\$ 2	\$ —

NOTE 6: Property and Equipment

We differentiate our property and equipment by distinct categories. The following represents these categories in further detail:

Dollars in Thousands

Property and Equipment—2008			
Class of Property and Equipment	Acquisition Value	Accumulated Depreciation	Net Book Value
Buildings	\$ 785,512	\$ 460,723	\$ 324,789
Building Improvements	919,917	475,561	444,356
Land	162,947	—	162,947
Land Improvements	142,264	29,823	112,441
Capital Leases			
Real Property	39,450	15,362	24,088
Leasehold			
Improvements	22,934	6,952	15,982
Equipment Computers, Hardware and Other	34,788	24,201	10,587
Construction			
Work-in-Progress	760,916	—	760,916
Total	\$ 2,868,728	\$ 1,012,622	\$ 1,856,106

Dollars in Thousands

Property and Equipment—2007			
Class of Property and Equipment	Acquisition Value	Accumulated Depreciation	Net Book Value
Buildings	\$ 785,513	\$ 445,547	\$ 339,966
Building Improvements	860,934	440,955	419,979
Land	162,947	—	162,947
Land Improvements	138,543	23,023	115,520
Capital Leases			
Real Property	39,541	11,086	28,455
Leasehold			
Improvements	22,934	4,921	18,013
Equipment Computers, Hardware and Other	34,139	23,069	11,070
Construction			
Work-in-Progress	716,568	—	716,568
Total	\$ 2,761,119	\$ 948,601	\$ 1,812,518

The educational, artistic, architectural, and historical significance of the Capitol, Senate, House, Supreme Court, and Jefferson buildings meets the FASAB criteria for heritage assets. Because these buildings are currently used for day-to-day business, they are further classified as multi-use heritage assets. This means we depreciate them in the same manner as if they were general purpose assets.

In 2007, we recorded the acquisition of property in Culpeper, Virginia. The property, acquired via donation from the Packard Humanities Institute and a transfer of matching funds of \$16.5 million, is to be used as the Library of Congress' National Audio Visual Conservation Center. In accordance with SFFAS No. 6, we recorded the acquisition at the fair market value of \$45 million.

In 2008, in an agreement with the Federal Law Enforcement Training Center (FLETC) we transferred a facility with a value of \$17 million.

We are responsible for reviewing and authorizing all changes to the buildings and grounds prior to any change occurring.

NOTE 7: Other Assets

Dollars in Thousands

	2008	2007
Advances to Others	\$ 7	\$ 4

In 2008 and 2007, Advances to Others consisted of travel advances.

NOTE 8: Liabilities Not Covered by Budgetary Resources

The liabilities on our Balance Sheets as of September 30, 2008 and 2007 include liabilities not covered by current budgetary resources. These liabilities require Congressional action prior to budgetary resources being provided. Although future appropriations to fund these liabilities are likely and anticipated, it is not certain that appropriations will be enacted to fund these liabilities. Liabilities not covered by budgetary resources generally include accrued annual and compensatory leave, workers' compensation, debt held by the public, and capital lease liability. Liabilities not covered by budgetary resources for 2008 and 2007 are as follows:

Dollars in Thousands

Liabilities	2008	2007
Intragovernmental:		
Liabilities covered by budgetary resources	\$ 224	\$ 222
Liabilities not covered by budgetary resources	9,865	10,169
Total Intragovernmental	\$ 10,089	\$ 10,391
Liabilities covered by budgetary resources	\$ 90,822	\$ 137,184
Liabilities not covered by budgetary resources	306,345	297,766
Total	\$ 397,167	\$ 434,950

NOTE 9: Payroll and Liabilities

The liability for Accrued Annual Leave and Other is comprised of three accounts: Funded Accrued Payroll (payrolls that have been earned but not paid), Unfunded Accrued Annual Leave (employee leave that has been earned but not taken) and Unemployment Compensation.

Dollars in Thousands		
Accrued Annual Leave and Other		
Accrual Type	2008	2007
Funded Accrued Payroll	\$ 8,761	\$ 6,705
Unfunded Accrued Annual Leave	9,114	7,975
Unemployment Compensation	—	—
Total	\$ 17,875	\$ 14,680

Workers' Compensation is reported as required by the Federal Employees' Compensation Act (FECA). The liability is presented in two parts: an annual accrued liability for billed costs (current portion) and a long-term, actuarial-based unfunded liability (see Note 1.L).

The actuarial workers' compensation liability for 2008 and 2007 was calculated using a formula provided by the DOL.

Dollars in Thousands		
Workers' Compensation		
Type	2008	2007
Unfunded Annual (current)	\$ 8,835	\$ 8,499
Actuarial Unfunded (long-term)	\$ 45,909	\$ 44,435

Estimated future costs have been actuarially determined, and they are regarded as a liability to the public because neither the costs nor reimbursement have been recognized by DOL. Workers' Compensation is included in Liabilities not covered by Budgetary Resources, as described in Note 8.

NOTE 10: Debt Held by the Public

As of September 30, 2008 and 2007, Debt Held by the Public consists of the financing obtained for the construction of the Thurgood Marshall Federal Judiciary Building. The debt consists of 30-year Serial Zero Coupon Certificates of Participation issued in 1988 worth \$125,391,621 with a maturity value of \$525,515,000. The certificates are amortized using the effective interest rate of 8.72%. The balance of Debt Held by the Public is as follows:

Dollars in Thousands		
Debt Held by the Public		
	2008	2007
Securities	\$ 275,680	\$ 292,910
Interest Payable	1,051	1,080
Subtotal	276,731	293,990
Discount on Securities	(400,123)	(400,123)
Less: Amortization of Discount	271,546	258,438
Subtotal	(128,577)	(141,685)
Total	\$ 148,154	\$ 152,305

Various judiciary offices and personnel occupy the Thurgood Marshall Federal Judiciary Building under an Interagency Agreement between the AOC and the Administrative Office of the U.S. Courts. Base rent will not change over the initial 30 years and is set at the amount necessary to retire the debt at \$17,230,000 annually. Payment of the certificates will end in August 2024.

Per the language in the certificate agreement, "This Certificate is not subject to prepayment or acceleration under any circumstance."

NOTE 11: Contingent and Environmental Liabilities

We conducted a review of contingent liabilities for financial statement purposes for 2008 and 2007. Based on this review, we recorded a contingent liability for claims we think it probable we will lose and for which we can reasonably estimate the amount of an unfavorable outcome. Our review covered claims arising from contracts, environmental issues, labor and equal employment opportunity issues, and personal and property damage. Additionally, management and General Counsel evaluated the materiality of cases determined to have a reasonably possible chance of an adverse outcome. None of these cases were determined to meet our materiality threshold.

Fort Meade, Maryland

Our review concluded that we are not responsible for the clean-up and remediation of previous environmental contamination on the approximately 100 acres of land at Fort George G. Meade, Maryland (FGGM), which the U.S. Army transferred to us. The Army is responsible for the environmental clean-up of any previous contamination under the Comprehensive and Environmental Response Compensation and

Liability Act (CERCLA). We understand that the Army is actively monitoring existing contamination on the entire FGGM site, including the 100 acres transferred to us, and is pursuing appropriate remediation of this contamination.

Capitol Power Plant

The Office of Compliance issued a complaint in February 2006, alleging that certain unsafe work practices and conditions exist at the Capitol Power Plant (CPP) utility tunnels. The alleged unsafe work practices and conditions cited in the complaint pertain to the structural integrity of concrete in the utility tunnels and tunnel egress and communication systems.

In addition, in January 2006, the Office of Compliance issued Citations 59 and 60. These citations are not part of the complaint and formal enforcement action but also address other alleged unsafe work practices and conditions at the CPP utility tunnels. The unsafe work practices and conditions alleged by the Office of Compliance in Citation 59 are that employees working in the utility tunnels are exposed to heat stress conditions. Citation 60 is discussed below under Environmental Cleanup Cost Liability.

We are actively seeking solutions to the issues identified by the Office of Compliance. We intend to pursue settlement discussions with the goal of coming to a resolution of the issues in the complaint conditioned upon our budget authority, and logistical, technical and other limitations outside of our control.

Because the review of estimates is required in the preparation of our financial statement, our balance sheets reflect a liability of approximately \$48 million in 2008 and \$53 million in 2007. Management and General Counsel believe that we have made adequate provision for the amounts that may become due under the suits, claims, and proceedings we have discussed here.

Environmental Cleanup Cost Liability

In January of fiscal year 2006, the Office of Compliance issued Citation 60, addressing certain alleged unsafe work practices and conditions at the Capitol Power Plant utility tunnels. Since these conditions existed at the end of 2005 and some of these tunnels have been in place and functioning since the early 1900's, we booked a liability and a related prior period adjustment as required by SFFAS 6, par. 105 on our 2005 financial statements. In Citation 60, the Office of Compliance alleges that the AOC has not adequately monitored Capitol Power Plant employees for asbestos exposure, provided required information to employees regarding the presence and location of asbestos in the tunnels, provided the required notification to employees regarding asbestos-containing materials, or adequately maintained the tunnels so they were as free as practicable from asbestos, and asbestos waste, debris, and dust. Funding was requested and funds were appropriated by Congress to address the tunnel issues which is an amount adequate in management's opinion to comply with the Environmental Protection Agency's guidelines.

NOTE 12: Imputed Financing

In accordance with SFFAS No. 4, "Managerial Cost Accounting," imputed financing results when an entity receives un-reimbursed services from other government entities.

Our imputed financing consists of future pension benefits for our employees that are paid on our behalf by the Office of Personnel Management, printing services provided by the Government Printing Office (GPO), and design elements paid for by the Army Corps of Engineers to improve building infrastructure campus-wide.

With certain exceptions, employees participate in one of three defined benefit retirement programs based upon the starting date of their employment with us: employee and employer contributions are made to the Civil Service Retirement and Disability Fund (CSRDF), the Civil Service Retirement Offset, or the Federal Employees Retirement System, all of which are administered by the Office of Personnel Management. Employees may also participate in the Thrift Savings Plan, which is a defined contribution retirement savings and investment plan. Our employees are authorized to participate in the Thrift Savings Plan by the Federal Employees Retirement System Act of 1986. The Federal Retirement Thrift Investment Board administers the Plan.

Civil Service Retirement System (CSRS)

According to PL 99-335, all employees hired prior to January 1, 1987, could elect CSRS or CSRS Offset. The CSRS provides a basic annuity and Medicare coverage. The CSRS fund covers most employees hired prior to January 1, 1984. The AOC and the employee contribute to Medicare at the rate prescribed by law. We do not match contributions to the Thrift Savings Plan for employees who participate in the CSRS.

Civil Service Retirement System Offset

CSRS Offset generally covers those employees who have had a break in their CSRS service of more than one year and less than five years by the end of 1986. The AOC and the employee contribute to Social Security and Medicare at the rates prescribed by law. We do not match contributions to the Thrift Savings Plan for employees who participate in the CSRS Offset.

Federal Employee Retirement System (FERS)

According to PL 99-335, employees with less than five years of creditable civilian service as of December 31, 1986, were automatically converted to FERS. In addition, during certain periods in 1987, 1988, and 1998, employees hired before January 1, 1984, could choose to participate in FERS. This system consists of Social Security, a basic annuity plan, and the Thrift Savings Plan.

The AOC and the employee contribute to Social Security and Medicare at rates prescribed by law. In addition, we are required to contribute to the Thrift Savings Plan a minimum of 1% per year of the basic pay of employees covered by this system. We also match a voluntary employee contribution up to 3% dollar-for-dollar, and another 2% is matched 50 cents on the dollar.

Imputed Financing consists of the following:

Imputed Financing		
Benefit Type	2008	2007
CSRS	\$ 7,733	\$ 7,963
CSRS Offset	714	639
FERS	17,976	16,313
Less: Contributions	(20,724)	(19,494)
Subtotal Pensions	5,699	5,421
Health	9,230	9,415
Life Insurance	28	25
Total Employee Benefits	14,957	14,861
GPO	470	872
Corps Building Improvements	327	4,713
Total	\$ 15,754	\$ 20,446

NOTE 13: Leases

As of September 30, 2008, we were committed to various non-cancelable leases primarily covering administrative office space and storage facilities, motor vehicles, and office equipment. Many of these leases contain escalation clauses tied to inflationary and tax increases, and renewal options.

In 2007, we had three real property capital leases. During 2007, we purchased one of these buildings and thus, we currently have two real property leases.

The following is a schedule of the present value of the future minimum lease payments required by those leases identified as capital leases, which have initial or remaining noncancelable lease terms in excess of one year.

Capital Leases

Capital Leases			
Fiscal Year	Real Property	Personal Property	Total
2009	\$ 4,536		\$ 4,536
2010	4,571	—	4,571
2011	4,599	—	4,599
2012	4,627	—	4,627
2013	4,655	—	4,655
Thereafter	12,376	—	12,376
Total Future Lease Payments			35,364
Less: Imputed Interest			6,749
Net Capital Lease Liability			\$ 28,615

Operating Leases

We currently have leases with the General Services Administration (GSA) and commercial vendors for office and storage space, plus rentals of equipment and vehicles.

The aggregate of our future payments due under noncancelable operating leases and our estimated real property payments to GSA for fiscal year 2009 through fiscal year 2013 is as follows:

Operating Leases			
Fiscal Year	Real Property	Personal Property	Total
2009	\$ 6,614	\$ 12	\$ 6,626
2010	5,029	12	5,041
2011	4,741	1	4,742
2012	4,283	—	4,283
2013	4,283	—	4,283
Thereafter	38,616	—	38,616
Total Future Lease Payment			\$ 63,591

NOTE 14: Other Liabilities

During fiscal year 2008, other liabilities consists of accrued accounts payable and miscellaneous receipts that are to be forwarded to Treasury (custodial liabilities). These receipts included, but were not limited to, flag-flying fees, rent for the Monocle restaurant, and steam and chilled water. These liabilities are current.

NOTE 15: Net Cost of Operations

Expenses for salaries and related benefits for 2008 and 2007 amounted to \$179 million and \$165 million, which was about 39% and 36% of our annual cost of operations for both years. Included in the net cost of operations are imputed federal employee benefit costs of \$14 and \$15 million paid by OPM.

Exchange revenue with the public consists of revenues received for services provided, such as access to the Senate Health and Fitness Facility, House Wellness Center, steam and chilled water to governmental and private entities, work performed on reimbursable projects, and rent, interest and reimbursement for projects performed related to the Thurgood Marshall Building.

NOTE 16: Reconciliation of Net Cost of Operations (Proprietary) to Budget (Formerly the Statement of Financing)

FASAB requires a reconciliation of proprietary and budgetary information in a way that helps users relate the two. The objective of this information is to provide an explanation of the differences between budgetary and financial (proprietary) accounting. This is accomplished by means of a reconciliation of budgetary obligations and non-budgetary resources available to the reporting entity with its net cost of operations. In previous years this reconciliation was accomplished by presenting the Statement of Financing as a Basic Financial Statement. Effective for fiscal year 2007, the Office of Management and Budget (OMB) decided that this reconciliation would be better placed and understood as a note rather than as a basic statement.

Most entity transactions are recorded in both budgetary and proprietary accounts. However, because different accounting bases are used for budgetary and proprietary accounting, some transactions may appear in only one set of accounts (e.g., accrual of workers' compensation liabilities which are recorded only in the proprietary records). Furthermore, not all obligations or offsetting collections may result in expenses or exchange revenue (e.g., purchase of a building is capitalized on the balance sheet in the proprietary accounts but obligated and outlaid in the budgetary accounts).

The Resources Used to Finance Activities section reflects the budgetary resources obligated and other resources used to finance the activities of the agency. The obligations of budgetary resources are net of offsetting collections, recoveries and offsetting receipts. The other resources are financing sources that increase net position but are not budgetary resources such as donated property and imputed costs.

Resources Used to Finance Items Not Part of the Net Cost of Operations includes resources used to finance the activities of the entity to account for items that were included in net obligations and other resources but were not part of the net cost of operations. This item includes undelivered orders reflected in net obligations but not part of current period net cost of operations. It also includes budgetary resources and obligations recognized in the current period that do not affect the net cost of operations (e.g., the acquisition of assets reflected in net obligations but not in net cost of operations for the period).

Components Requiring or Generating Resources in Future Periods identifies items that are recognized as a component of the net cost of operations for the current period but the budgetary resources (and related obligation) will not be provided (or incurred) until a subsequent period. Costs such as contingent liabilities and workers' compensation are not always funded in the period the costs are incurred and are included in this item.

Components Not Requiring or Generating Resources includes items that are recognized as part of the net cost of operations for the period but will not generate or require the use of resources, such as depreciation and amortization.

Dollars in Thousands

Reconciliation of Net Cost of Operations to Budget		
Benefit Type	FY 2008	FY 2007
Resources used to finance activities:		
Budgetary resources obligated	\$ 489,780	\$ 424,000
Other resources	(2,742)	46,966
Total resources used to finance activities	487,038	470,966
Less: resources used to finance items not part of the net cost of operations	(119,153)	(169,092)
Total resources used to finance the net cost of operations	367,885	301,874
Components of the net cost of operations requiring or generating resources in future periods	(10,597)	58,145
Components of net cost of operations not requiring or generating resources in future periods	64,104	56,048
Total components of net cost not requiring or generating resources in the current period	53,507	114,193
Net Cost of Operations:	\$ 421,392	\$ 416,067

NOTE 17: Stewardship Assets

Heritage assets, per Financial Accounting Standards Advisory Board (FASAB) Statement of Federal Financial Accounting Standards (SFFAS) No. 29, "Heritage Assets and Stewardship Land," are property, plant and equipment (PP&E) that are unique for one or more of the following reasons: historical or natural significance; cultural, educational, or artistic importance; or significant architectural characteristics. Heritage assets are expected to be preserved indefinitely. Federal agencies are not required to show dollar amounts on the balance sheet for heritage assets, except for multi-use heritage assets, which are defined as heritage assets whose predominant use is in general government operations. For example, a historic building predominantly used as an office building would be considered a multi-use heritage asset. The Capitol, Senate and House Office Buildings, Supreme Court, and Thomas Jefferson Building of the Library of Congress are all multi-use heritage assets.

The Architect of the Capitol's heritage assets and stewardship land are directly related to its mission to preserve and enhance the Capitol complex and related facilities. Permanent authority for the care and maintenance of the Capitol was established by legislation on August 15, 1876 (40 U.S.C. 162, 163). The Architect's core duties include the mechanical and structural maintenance of the buildings of the Capitol complex, the conservation and care of works of art in the buildings under the Architect's jurisdiction, the upkeep and improvement of the Capitol Grounds, and the arrangement of Inaugural and other ceremonies held in its buildings or on its grounds.

The AOC’s stewardship responsibility for the heritage assets on the Capitol complex include those in or attached to its buildings and on its grounds and, therefore, encompass the care for works of architectural fine art and other heritage assets. The AOC’s Strategic Plan describes plans to update and refine our heritage asset inventories, Descriptions of the types of heritage assets are:

Artwork

AOC’s artwork has many subcategories include:

- Fine Art
- Decorative Art
- Architectural Fine Art
- Architectural Decorative Art

Architectural Features

The AOC’s buildings and grounds are graced with many unique architectural features include:

- Outdoor Sculptures
- Landscape Features and Fixtures

Reference and Library Materials

The AOC’s Reference and Library Materials include:

- Art and Reference Files
- Art and Reference Materials

Records

The AOC’s historic records and reference materials include:

- Architectural and Engineering Drawings
- Manuscripts and Other Textual Records
- Small Architectural Models
- Photographs

Living Heritage Assets

As Acting Director of the U.S. Botanic Garden the AOC has many Living Heritage Assets, include:

- Taxa
- Memorial Trees
- Plants
- Individual

The required supplementary information (RSI) section of our Performance and Accountability Report provides additional information on our heritage assets.

	2007	Increase	Decrease	2008
Artwork	1,697	646*	396	1,947*
Architectural Features	195*	42*	—	237*
Reference and Library Materials:				
Art and Reference Files	108 drawers	—	—	108 drawers
Art and Reference Materials (in hundreds)	15	—	2	13
Living Heritage Assets (in thousands)	80	12	—	92
Records (in thousands) <small>includes conservation reports</small>	342	17	—	359

NOTE:

Prior to the publication of its Performance and Accountability Report, errors were found for the following totals marked by an asterisk (*):

- Artwork, FY08: 1,947 should be restated to 1,965. Increase should be restated to 664.
- Architectural Features, FY08: 237 should be restated to 198. Increase should be restated to 2.
- Architectural Features, FY07: 195 should be restated to 196.

The AOC makes the utmost effort to ensure the accuracy of the information made public through its annual PAR. The correct totals have been disclosed above and in the Summary of Heritage Assets (found in the *Required Supplementary Information (Unaudited)* section of this report).

INDEPENDENT AUDITOR'S REPORT



*Certified Public Accountants
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Independent Auditor's Report

To the Architect of the Capitol

We have audited the accompanying base building, Senate shell space, and House of Representatives shell space financial schedules of the Capitol Visitor Center (CVC) for the period of October 21, 1998 through September 30, 2008. These financial schedules are the responsibility of the Architect of the Capitol's (AOC) management. Our responsibility is to express an opinion on these financial schedules based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Notes 1 and 2, the schedules were prepared pursuant to the AOC's accounting policies as they relate to the CVC project, which are substantially equivalent to budgetary accounting and represent a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial schedules referred to above present fairly, in all material respects, amounts approved for obligation and related reallocation, obligations incurred, and expenditures paid for the period beginning October 21, 1998 and ending September 30, 2008, of AOC for the CVC base building, Senate shell space, and House of Representatives shell space, on the basis of accounting described in Notes 1 and 2.

A handwritten signature in blue ink that reads "Kearney & Company". The signature is written in a cursive, flowing style.

February 13, 2009
Alexandria, Virginia

CAPITOL VISITOR CENTER BASE PROJECT

Obligation/Expenditure Report

For the Period Beginning October 21, 1998 and Ending September 30, 2008

(\$ in thousands)

Project Components	BUDGET				Commitments /Obligations To Date	Expenditures To Date	Available Balance
	Total	Re-allocations and Transfers	Current 9/30/2008	Approved Obligation Authority			
AOC Administration	\$7,662	\$2,931	\$10,593	\$10,593	\$10,289	\$9,969	\$304
Design and Construction Administration	20,838	1,862	22,700	22,700	22,588	22,306	112
Other Costs	—	1,034	1,034	1,034	869	792	165
Sub-total	20,838	2,896	23,734	23,734	23,457	23,098	277
Construction Management Fees	11,550	13,935	25,485	25,485	25,179	24,139	306
Ongoing Pre-construction Work							
Temporary Visitor Screening Facility	1,700	150	1,850	1,850	1,581	1,571	269
Tree Protection	2,900	(770)	2,130	2,130	2,004	1,867	126
Utility Work	13,000	(1,850)	11,150	11,150	11,150	11,148	—
Historic Preservation	2,500	190	2,690	2,690	2,627	2,338	63
General Conditions and Site Preparation	5,000	1,751	6,751	6,751	6,032	5,706	719
Telecommunications	—	1,850	1,850	1,850	1,797	1,797	53
Testing, Monitoring, Inspecting	—	2,320	2,320	2,320	2,307	2,297	13
Sub-total	25,100	3,641	28,741	28,741	27,498	26,724	1,243
Sequence I Construction							
Excavation, Foundation, and Structure	93,000	15,490	108,490	108,490	108,490	108,490	—
Library of Congress Tunnel	6,000	(2,450)	3,550	3,550	3,550	3,550	—
Improved House Connection	4,000	(888)	3,112	3,112	3,111	3,111	1
Award Fee Budget	—	978	978	978	978	978	—
Sub-total	103,000	13,130	116,130	116,130	116,129	116,129	1
Sequence II Construction							
Building Systems and Architectural Fit-out	90,000	86,274	176,274	176,274	151,235	144,736	25,039
Library of Congress Tunnel	4,000	(2,260)	1,740	1,740	1,415	1,345	325
Enhanced Perimeter Security	2,000	—	2,000	2,000	1,998	1,882	2
Award Fee Budget	—	1,200	1,200	1,200	1,200	751	—
Sub-total	96,000	85,214	181,214	181,214	155,848	148,714	25,366
Jefferson Building (LOC)	—	4,710	4,710	4,710	4,557	4,557	153
East Front Interface							
Structural, MEP, and Related Construction	—	10,800	10,800	10,800	10,800	10,800	—
Extend Existing East Front Elevators	4,000	—	4,000	4,000	4,000	3,999	—
Sub-total	4,000	10,800	14,800	14,800	14,800	14,799	—
Equipment Purchases (AV, Kitchen)	—	5,100	5,100	5,100	4,958	4,564	142
Exhibit and Film Elements	18,000	4,982	22,982	22,982	21,350	20,526	1,632
Security (Note 3)							
Construction Site Security	3,000	(3,000)	—	—	—	—	—
Technical Security Design and Construction	14,350	(13,088)	1,262	1,262	1,262	1,260	—
Additional Items	—	1,250	1,250	1,250	669	542	581
Additional Funding (Note a)	154,750	(149,089)	5,661	—			
TOTALS (Note b)	\$458,250	\$(16,588)	\$441,662	\$436,001	\$405,996	\$395,021	\$30,005

The accompanying footnotes are an integral part of this schedule.

Note a: CVC Obligation plans approved by the Senate on May 21, 2008 and the House on June 9, 2008 approved \$500,000 for the House Remaining Shell Space Fit-out costs. The House and Senate Shell Space costs are not part of this report, but the \$500,000 has been included in the total for the Re-allocations and Transfers additional funding as the funds are from the CVC base budget leaving a balance of \$5,661,197.

Note b: Breakout of the \$16.588 million—\$16.088 million was transferred to USCP, and \$500 thousand was transferred to the House Remaining Shell Space.

Notes to the Capitol Visitor Center Base Project Obligation/Expenditure Report

For the Period Beginning October 21, 1998 and
Ending September 30, 2008

NOTE 1: Summary of Significant Accounting Policies

Reporting Entity

On October 21, 1998, Congress appropriated \$100 million (CVC appropriation) without fiscal year (FY) limitation to the Architect of the Capitol (AOC) as part of the Omnibus Consolidated and Emergency Supplemental Appropriations Act (P.L. 105-277) (the Act) to provide funding for expenses necessary for the planning, design, engineering, and construction of the Capitol Visitor Center (CVC). As such, the AOC has primary responsibility for managing the CVC construction project, including hiring staff and engaging various contractors to assist in the planning, engineering, design, and construction of the CVC. In the Act, Congress expressed its desire that the CVC “provide both greater security for all persons working in or visiting the United States Capitol and a more convenient place in which to learn of the work of Congress.”

On September 18, 2001, an additional \$138.5 million from the Emergency Response Fund (P.L. 107-38) was assigned to the AOC to fund the shortfall in the original CVC project budget and provide funding for additional scope items as directed by the Capitol Preservation Commission (CPC). The Capitol Preservation Fund (CPF) would provide the remaining \$65 million. At that time, the AOC had estimated that total project costs would be \$303.5 million.

On October 1, 2003, Congress appropriated an additional \$35.8 million to the AOC for the CVC project as part of the FY 2004 Legislative Branch Appropriations Act (P.L. 108-83). In addition, \$12 million was transferred to the CVC from the amounts made available to the Capitol Police Buildings and Grounds in chapter 8 of title I of the Emergency Wartime Supplemental Appropriations Act, 2003 (P.L. 108-11; 117 Stat. 586). On January 23, 2004, as part of P.L. 108-199, a rescission of .59 percent of the FY 2004 appropriation resulted in a decrease of \$211,220. At the time, the AOC had estimated that total project costs would be about \$351.3 million.

During FY 2005, the Committee on Appropriations of the House of Representatives and Senate approved a transfer of \$26.3 million from the Emergency Response Fund (P.L. 107-38) unobligated balances to incrementally fund the CVC, of which \$16 million was provided for the CVC base project.

On August 2, 2005, Congress appropriated an additional \$41.9 million to the AOC for the CVC project as part of the FY 2006 Legislative Branch Appropriations Act (P.L. 109-55); of which \$5 million is allocated to the House and Senate shell space. In addition, \$2.3 million was appropriated for the CVC operation costs. On December 30, 2005, as part of P.L. 109-148, a government-wide rescission of 1 percent of the FY 2006 appropriation act resulted in a decrease of \$419,000 of budget authority for the CVC

project, of which \$50,000 is allocated to the House and Senate shell space, and \$23,000 of budget authority for CVC operation costs. At the time, the AOC had estimated that total project costs would be about \$399 million.

On, February 15, 2007, Congress appropriated an additional \$43.758 million to the AOC for the CVC as part of the FY 2007 Revised Continuing Appropriations Resolution, 2007 (P.L. 110-5). P.L. 110-5 provided funding for the CVC at levels established in the FY 2006 Appropriations Act. The \$43.758 includes the \$41.9 million for the CVC project and the \$2.3 million for CVC operation costs, less the government-wide rescission of 1 percent. P.L. 110-5 stated “notwithstanding section 101, amounts made available under such section for projects and activities described under the heading ‘Architect of the Capitol, Capitol Visitor Center’ in the Legislative Branch Appropriations Act, 2006 may be transferred among the accounts and purposes specified in such heading, upon the approval of the Committees on Appropriations of the House of Representatives and Senate.” AOC allocated \$31.193 million to the CVC project. The remaining amount was allocated for CVC operation costs. The current estimate to complete the CVC base project is \$496 million.

In addition, on November 12, 2001, Congress appropriated \$70 million to the AOC as part of the FY 2002 Legislative Branch Appropriations (P.L. 107-68) to be used for the development of the unassigned space within the CVC project for the House and Senate.

On December 26, 2007, Congress appropriated an additional \$28.753 million as provided in the Consolidated Appropriations Act, 2008 (P.L. 110-161). The \$28.753 million includes the \$20.253 million for the CVC project and \$8.5 million for CVC operations costs, less a rescission of .25 percent.

In addition, the CVC project received \$3.235 million as provided in the AOC Reprogramming Letter dated January 31, 2008 (House approved March 5, 2008 and Senate approved February 13, 2008). The current estimated to complete the CVC Construction project is \$621 million.

An obligation plan was submitted to the Senate Committees on Appropriations on November 26, 2007 and the House of Representatives Committee on Appropriations on November 30, 2007, requesting obligation authority of \$6 million from the FY 2007 undistributed balance, and obligation authority of \$4 million from the FY 2008 Continuing Resolution. The Chairman of the House of Representatives Committee on Appropriations approved the obligation plan as requested on December 2, 2007, and the Chairman of the Senate Committee on Appropriations approved the obligation plan as requested on December 4, 2007.

AOC Reprogramming letter was submitted to the Senate and House Appropriations Committees on January 31, 2008 requesting a reprogramming of \$3,235,197 to partially fund additional CVC Fire Alarm Acceptance Testing and Potential Claims Costs. The Chairman and Ranking Member, Senate Subcommittee on the Legislative Branch approved the reprogramming as requested on February 13, 2008, and February 19, 2008, respectively, The Chair, House Subcommittee on the Legislative Branch approved the reprogramming as requested on March 5, 2008.

An obligation plan was submitted to the Senate Committee on Appropriations on May 2, 2008 and the House of Representatives

Committee on Appropriations on May 12, 2008, requesting obligation authority of \$13,776,000 million from the FY 2008 undistributed balance, and to reprogram and obligate \$90,000 in previously approved FY 2007 construction funds. The Chairman of the Senate Committee on Appropriations approved the obligation plan as requested on May 21, 2008, and the House of Representatives Committee on Appropriations approved the obligation plan as requested on June 9, 2008.

An obligation plan was submitted to the Senate Committee on Appropriations and the House of Representatives Committee on Appropriations on September 3, 2008. The plan requested obligation authority of \$5,661,197 million from the FY 2008 undistributed balance, and authority to change the use of \$3,000,000 of FY 2008 construction funds previously approved for obligation for Sequence II Contractor support to reprogram and obligate these funds to Sequence II Delay-related costs. The Chairman of the Senate Committee on Appropriations approved the obligation plan as requested on September 19, 2008, and the House of Representatives Committee on Appropriations approved the obligation plan as requested on October 2, 2008.

The CVC Base Project Obligation / Expenditure Report (the Schedule) reflects the activities and related transactions and balances determined to be directly related to the planning, design, engineering, and construction of the CVC pursuant to the policies of the AOC as summarized in this note and funded by the CVC appropriation and the \$65 million provided by the CPF. The Schedule does not include any amounts expended for the CVC prior to October 21, 1998, nor does it include subsequent activities and transactions related to the CVC not funded through the CVC appropriation, except as noted above. The CVC appropriation for the House and Senate unassigned space is included in separate schedules specifically for those spaces. Note 2 describes the principal categories of activities and transactions related to the CVC but not included in the Schedule.

Basis of Presentation

The Schedule has been prepared to report on the total budget, outstanding commitments, obligations incurred-to-date, expenditures approved-to-date, and the status of funds approved for obligation in accordance with obligation plans for the period beginning October 21, 1998 and ending September 30, 2007. These obligation plans represent the mechanism by which the AOC seeks the House and Senate Committees on Appropriations' approval to obligate funds for each major project milestone, in accordance with the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005 (P.L. 109-13). P.L. 109-13 amended Legislative Branch Appropriations Act of 2000 (P.L. 107-68) by striking "chair and ranking minority member". P.L. 107-68 had amended Legislative Branch Appropriations Act of 2000 (P.L. 106-57) by substituting the chair and ranking minority member of the Committee on Appropriations of the House of Representatives and the Senate for the CPC as having the authority to approve obligation plans.

On September 29, 2000, the AOC agreed to inform the Chairmen of the Senate and House Subcommittees on Legislative Branch Appropriations in the event that the AOC plans to either spend funds for an expense category

not delineated in an obligation plan or to exceed an expense category by the greater of 10% or \$100,000. On April 14, 2003, the Chairmen of the House of Representatives Committee on Appropriations directed the AOC to submit to the Committee a reprogramming request for any deviation from the existing obligation plans in the excess of the lesser of 10% or \$500,000. On April 22, 2003, the Chairmen of the Senate Committee on Appropriations directed the AOC to seek Committee approval for any reprogramming between approved funding categories in excess of 10% or \$250,000. Such amounts are presented in the Schedule under the column titled "Re-allocations and Transfers."

Basis of Accounting

The Schedule was prepared pursuant to AOC's accounting policies as they relate to the CVC project which are substantially equivalent to budgetary accounting and represent an other comprehensive basis of accounting (OCBOA) than generally accepted accounting principles for federal entities (GAAP). Specifically, (1) commitments represent an informal reservation of funds in the anticipation of a future obligation, (2) obligations to date represent the cumulative amount of orders placed, contracts awarded, services received, and similar transactions that have required or will require payments in future periods, (3) expenditures include disbursements in transit and outlays, that is, the issuance of checks, disbursement of cash, or electronic transfer of funds to liquidate an obligation and amounts retained on contracts as described below, and (4) available balance is the amount of current obligation authority that is not a commitment or obligation. At September 30, 2008, approximately \$2.6 million of commitments are included in the column "Commitments / Obligations To Date."

At September 30, 2008, the 10% of invoiced amounts the AOC retains pursuant to the terms of certain contracts, which is usually paid only after the AOC is satisfied with the contractor's performance in fulfilling the terms of the contract, known as "retainage," is included in expenditures. On the Schedule, the value of goods and services received but not yet authorized for payment are not included in expenditures with the exception of retainage.

Budgetary accounting comprises a definite set of criteria and is used by many federal agencies as it facilitates compliance with legal constraints and controls over the use of federal funds.

Recognition of Obligations and Expenditures

Decisions as to which activities to charge to the CVC appropriation and on the timing of these charges are made in accordance with AOC policies for the CVC project. The following represent the principal categories of obligations and expenditures relating to the CVC base project that are funded through the CVC appropriation and, therefore, are included in the Schedule:

- Those activities and transactions considered necessary to meet the scope of the CVC project as defined by the Revalidation Study as approved by the CPC, or as subsequently modified by the CPC either through directive or through approval of modifications to the project scope as described in obligation plans submitted by the AOC.

- All AOC contracts with a value of \$100,000 or more that directly benefit the CVC and would not have been entered into if the CVC were not being designed and constructed.
- All transfers of CVC project funds to other agencies to provide needed support for the CVC project.
- Salaries and benefits of AOC employees specifically hired to manage the CVC project, unless otherwise mandated by Congress or the CPC.
- Travel expenses incurred by the CVC project staff and other AOC staff in support of this project, regardless of value.

NOTE 2: Activities relating to the CVC but not included in the Schedule

The following represent the principal categories of obligations and expenditures relating to the CVC that are not funded through the CVC appropriation and, therefore, are not included in the Schedule:

- Any amounts expended prior to October 21, 1998.
- Indirect costs, overhead allocations, and the salary and benefit costs of AOC personnel who, as part of their normal duties, perform work in support of the CVC Project.
- Direct expenses borne by other agencies in support of the design and construction of the CVC.
- Amounts expended by the Capitol Preservation Fund (CPF) for the CVC ceremonial groundbreaking activities or design studies on a tunnel linking the CVC to the Library of Congress.
- Office supplies and other incidental items that are typically kept in the AOC's stores or otherwise supplied by the AOC's Office Services Division.
- Furniture, moving, phone and data equipment and connections or other items that would otherwise be considered "tenant" costs for newly constructed space.
- Cost of relocating offices or facilities that are temporarily or permanently displaced by CVC construction.
- Amounts approved and expended for the CVC operational costs.

NOTE 3: Transfer of funds from CVC appropriation

Chapter 9 in Division B of the Fiscal Year 2002 Defense Appropriations Act (P.L. 107-117), states, "...any Legislative Branch entity receiving funds pursuant to the Emergency Response Fund...may transfer any funds provided to the entity to any other Legislative Branch account in an amount equal to that required to provide support for security enhancements, subject to the approval of the Committees on Appropriations of the House of Representatives and Senate." Per P.L. 107-38, the CVC received \$138.5 million from the Emergency Response Fund. On March 22, 2002, with prior approval of the Committees on Appropriations of the House of Representatives and Senate, the CVC transferred \$3 million to the United States Capitol Police Board. The Capitol Police will use these funds to support the construction site security and temporary visitors screening operations related to the CVC. These funds were included in the Construction Phase Obligation Plan approved on March 7, 2002.

On August 7, 2003, with prior approval of the Committees on Appropriations of the House of Representatives and Senate, the CVC transferred an additional \$9 million to the United States Capitol Police Board. The Capitol Police will use these funds for the design, installation, and procurement of security systems for the CVC.

On May 9, 2005, with prior approval of the Committees on Appropriations of the House of Representatives and Senate, the CVC transferred an additional \$4.088 million to the United States Capitol Police Board. The Capitol Police will use these funds for the procurement of security systems for the CVC. These transfers effectively reduced the obligation authority to \$412.725 million.

CAPITOL VISITOR CENTER—SENATE SHELL SPACE

Obligation/Expenditure Report

For the Period Beginning November 12, 2001 and Ending September 30, 2008

(\$ in thousands)

Project Components	BUDGET				Commitments /Obligations To Date	Expenditures To Date	Available Balance
	Total	Re-allocations and Transfers	Current 9/30/2008	Approved Obligation Authority			
Design, Planning and Administrative Costs	\$7,500	\$(7,500)	—	—	—	—	—
AOC Administration and Miscellaneous Soft Costs	—	1,205	1,205	1,205	1,131	1,127	74
Design and Construction Administration	—	3,050	3,050	3,050	2,913	2,880	137
Construction Management Fees	—	2,000	2,000	2,000	2,000	2,000	—
Sub-total	7,500	(1,245)	6,255	6,255	6,044	6,007	211
Construction Costs	27,500	(27,500)	—	—	—	—	—
Sequence 1: Foundation and Structure	—	1,750	1,750	1,750	1,750	1,750	—
Sequence 2: Building Fit-out	—	11,000	11,000	11,000	10,830	10,811	170
Remaining Shell Space Fit-out Costs	—	23,070	23,070	23,070	21,447	20,697	1,623
Total Construction Costs	27,500	8,320	35,820	35,820	34,027	33,258	1,793
Additional Funding	2,475	(2,475)	—	—	—	—	—
TOTALS	\$37,475	\$4,600	\$42,075	\$42,075	\$40,071	\$39,265	\$2,004

The accompanying footnotes are an integral part of this schedule.

Notes to the Capitol Visitor Center—Senate Shell Space Obligation/Expenditure Report

For the Period Beginning November 12, 2001 and Ending September 30, 2008

NOTE 1: Summary of Significant Accounting Policies

Reporting Entity

On October 21, 1998, Congress appropriated \$100 million (CVC appropriation) without fiscal year (FY) limitation to the Architect of the Capitol (AOC) as part of the Omnibus Consolidated and Emergency Supplemental Appropriations Act (P.L. 105-277) (the Act) to provide funding for expenses necessary for the planning, design, engineering, and construction of the Capitol Visitor Center (CVC). As such, the AOC has primary responsibility for managing the CVC construction project, including hiring staff and engaging various contractors to assist in the planning, engineering, design, and construction of the CVC. In the Act, Congress expressed its desire that the CVC “provide both greater security for all persons working in or visiting the United States Capitol and a more convenient place in which to learn of the work of Congress.”

On November 12, 2001, Congress appropriated \$70 million in the FY 2002 Legislative Branch Appropriations (P.L. 107-68) to the AOC to be used for the development of the unassigned space within the CVC project for the House and Senate.

During FY 2005, the Committee on Appropriations of the House of Representatives and Senate approved a transfer of \$26.3 million from the Emergency Response Fund (P.L. 107-38) unobligated balances to incrementally fund the CVC, of which \$4.6 million was provided for the Senate shell space.

On August 2, 2005, Congress appropriated an additional \$41.9 million in the FY 2006 Legislative Branch Appropriations Act (P.L. 109-55) for the CVC; of which \$2.5 million is allocated to the Senate shell space. On December 30, 2005, as part of P.L. 109-148, a government-wide rescission of 1 percent of the FY 2006 appropriation act resulted in a total decrease of \$419,000 of budget authority, of which \$25,000 is allocated to the Senate shell space. At the time, the AOC had estimated that total project costs would be about \$42.1 million for the Senate shell space.

There was no additional approved obligation authority for the Senate Shell Space during FY 2008.

The CVC Senate Shell Space Obligation / Expenditure Report (the Schedule) reflects the activities and related transactions and balances determined to be directly related to the planning, design, engineering, and construction of the Senate shell space build-out pursuant to the policies of the AOC as summarized in this note and funded by the CVC appropriation for the Senate shell space. The Schedule does not include any amounts that were included in the CVC Base Project for the construction of the shell space structure. The \$42.1 million provided is for subsequent changes

to the structure and for the build-out of the space. The current estimate to complete the Senate shell space is \$43.2 million. Note 2 describes the principal categories of activities and transactions related to the CVC Senate Shell Space but not included in the Schedule.

Basis of Presentation

The Schedule has been prepared to report on the total budget, outstanding commitments, obligations incurred-to-date, expenditures approved-to-date, and the status of funds approved for obligation in accordance with obligation plans for the period beginning November 12, 2001 and ending September 30, 2007. These obligation plans represent the mechanism by which the AOC seeks the Senate Committee on Appropriations’ approval to obligate funds for the project, in accordance with the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005 (P.L. 109-13). P.L. 109-13 amended Legislative Branch Appropriations Act of 2000 (P.L. 107-68) by striking “chair and ranking minority member”.

On April 22, 2003, the Chairmen of the Senate Committee on Appropriations directed the AOC to seek Committee approval for any reprogramming between approved funding categories in excess of 10% or \$250,000. Such amounts are presented in the Schedule under the column titled “Re-allocations and Transfers.”

Basis of Accounting

The Schedule was prepared pursuant to AOC’s accounting policies as they relate to the CVC project which are substantially equivalent to budgetary accounting and represent an other comprehensive basis of accounting (OCBOA) than generally accepted accounting principles for federal entities (GAAP). Specifically, (1) commitments represent an informal reservation of funds in the anticipation of a future obligation, (2) obligations to date represent the cumulative amount of orders placed, contracts awarded, services received, and similar transactions that have required or will require payments in future periods, (3) expenditures include disbursements in transit and outlays, that is, the issuance of checks, disbursement of cash, or electronic transfer of funds to liquidate an obligation and amounts retained on construction contracts as described below, and (4) available balance is the amount of current obligation authority that is not a commitment or obligation. At September 30, 2008, approximately \$513 thousand of commitments is included in the column “Commitments / Obligations To Date.”

At September 30, 2008, the 10% of invoiced amounts the AOC retains pursuant to the terms of certain contracts, which is usually paid only after the AOC is satisfied with the contractor’s performance in fulfilling the terms of the contract, known as “retainage,” is included in expenditures. On the Schedule, the value of goods and services received but not yet paid for are not included in expenditures with the exception of retainage.

Budgetary accounting comprises a definite set of criteria and is used by many federal agencies as it facilitates compliance with legal constraints and controls over the use of federal funds.

Recognition of Obligations and Expenditures

Decisions as to which activities to charge to the CVC Senate Shell Space appropriation and on the timing of these charges are made in accordance with AOC policies for the CVC project. The following represent the principal categories of obligations and expenditures relating to the CVC project that are funded through the CVC appropriation and, therefore, are included in the Schedule:

- Those activities and transactions considered necessary to meet the scope of the CVC Senate shell space project as defined and approved by the Senate, or as subsequently modified by the Senate either through directive or through approval of modifications to the project scope as described in obligation plans submitted by the AOC.
- Salaries and benefits of AOC employees specifically hired to manage the CVC project, unless otherwise mandated by Congress or the Capitol Preservation Commission (CPC). Expenditures of salaries and benefits are allocated from the CVC base project to the shell space based on percentage of project funding.
- Travel expenses incurred by the CVC project staff and other AOC staff in support of this project, regardless of value.

NOTE 2: Activities relating to the CVC but not included in the Schedule

The following represent the principal categories of obligations and expenditures relating to the CVC that are not funded through the CVC Senate Shell Space appropriation and, therefore, are not included in the Schedule:

- Indirect costs, overhead allocations, and the salary and benefit costs of AOC personnel who, as part of their normal duties, perform work in support of the CVC Project.
- Direct expenses borne by other agencies in support of the design and construction of the CVC.
- Office supplies and other incidental items that are typically kept in the AOC's stores or otherwise supplied by the AOC's Office Services Division.
- Furniture, moving, phone, and data equipment and connections, or other items that would otherwise be considered "tenant" costs for newly constructed space.
- Cost of relocating offices or facilities that are temporarily or permanently displaced by CVC construction.
- Amounts approved and expended for the CVC operational costs.

CAPITOL VISITOR CENTER—HOUSE SHELL SPACE

Obligation/Expenditure Report

For the Period Beginning November 12, 2001 and Ending September 30, 2008
(*\$ in thousands*)

Project Components	BUDGET				Commitments /Obligations To Date	Expenditures To Date	Available Balance
	Total	Re-allocations and Transfers	Current 9/30/2008	Approved Obligation Authority			
Design, Planning and Administrative Costs							
AOC Administration and Miscellaneous Soft Costs	\$ 1,750	\$ (525)	\$ 1,225	\$ 1,225	\$ 1,157	\$ 1,152	\$ 68
Design and Construction Administration							
Design and Construction Documents	2,250	250	2,500	2,500	2,410	2,389	90
Construction Administration	1,000	(500)	500	500	492	478	8
Construction Management Fees							
Design/Procurement Phase	1,500	—	1,500	1,500	1,500	1,500	—
Construction Phase	1,000	(500)	500	500	500	500	—
Sub-total	7,500	(1,275)	6,225	6,225	6,059	6,019	166
Construction Costs	27,500	(27,500)	—	—	—	—	—
Sequence 1: Foundation and Structure	—	3,453	3,453	3,453	3,453	3,453	—
Sequence 2: Building Fit-out	—	11,000	11,000	11,000	10,863	10,844	137
Remaining Shell Space Fit-out Costs	—	22,997	22,997	22,997	21,392	20,963	1,605
Total Construction Costs	27,500	9,950	37,450	37,450	35,708	35,260	1,742
Additional Funding	2,475	(2,475) (500)^a	—				
TOTALS	\$37,475	\$5,700	\$43,675	\$43,675	\$41,767	\$41,279	\$1,908

The accompanying footnotes are an integral part of this schedule.

Note a: CVC Obligation plans approved by the Senate on May 21, 2008 and the House on June 9, 2008 approved \$500,000 for the House Remaining Shell Space Fit-out costs.

Notes to the Capitol Visitor Center— House Shell Space Obligation/Expenditure Report

For the Period Beginning November 12, 2001 and
Ending September 30, 2008

NOTE 1: Summary of Significant Accounting Policies

Reporting Entity

On October 21, 1998, Congress appropriated \$100 million (CVC appropriation) without fiscal year (FY) limitation to the Architect of the Capitol (AOC) as part of the Omnibus Consolidated and Emergency Supplemental Appropriations Act (P.L. 105-277) (the Act) to provide funding for expenses necessary for the planning, design, engineering, and construction of the Capitol Visitor Center (CVC). As such, the AOC has primary responsibility for managing the CVC construction project, including hiring staff and engaging various contractors to assist in the planning, engineering, design, and construction of the CVC. In the Act, Congress expressed its desire that the CVC “provide both greater security for all persons working in or visiting the United States Capitol and a more convenient place in which to learn of the work of Congress.”

On November 12, 2001, Congress appropriated \$70 million in the FY 2002 Legislative Branch Appropriations Act (P.L. 107-68) to the AOC to be used for the development of the unassigned space within the CVC project for the House and Senate.

During FY 2005, the Committee on Appropriations of the House of Representatives and Senate approved a transfer of \$26.3 million from the Emergency Response Fund (P.L. 107-38) unobligated balances to incrementally fund the CVC, of which \$5.7 million was provided for the CVC House shell space.

On August 2, 2005, Congress appropriated an additional \$41.9 million in the FY 2006 Legislative Branch Appropriations Act (P.L. 109-55) for the CVC; of which \$2.5 million is allocated to the House shell space. On December 30, 2005, as part of P.L. 109-148, a government-wide rescission of 1 percent of the FY 2006 appropriation act resulted in a total decrease of \$419,000 of budget authority, of which \$25,000 is allocated to the House shell space. At the time, the AOC had estimated that total project costs would be about \$43.2 million for the House shell space.

An obligation plan was submitted to the Senate Committee on Appropriations on May 2, 2008 and the House of Representatives Committee on Appropriations on May 12, 2008, requesting obligation authority of \$13,776,000 million from the FY 2008 undistributed balance, and to reprogram and obligate \$90,000 in previously approved FY 2007 construction funds. Of the \$13,776,000, \$500,000 was requested for the House Shell Space. The Chairman of the Senate Committee on Appropriations approved the obligation plan as requested on May 21, 2008, and the House of Representatives Committee on Appropriations approved the obligation plan as requested on June 9, 2008.

The CVC House Shell Space Obligation / Expenditure Report (the Schedule) reflects the activities and related transactions and balances determined to be directly related to the planning, design, engineering, and construction of the CVC House shell space build-out pursuant to the policies of the AOC as summarized in this note and funded by the CVC appropriation for the House shell space. The Schedule does not include any amounts that were included in the CVC Base Project for the construction of the shell space structure. The \$43.6 million provided is for subsequent changes to the structure and for the build-out of the space. The current estimate to complete the House shell space is \$45.2 million. Note 2 describes the principal categories of activities and transactions related to the CVC House shell space but not included in the Schedule.

Basis of Presentation

The Schedule has been prepared to report on the total budget, outstanding commitments, obligations incurred-to-date, expenditures approved-to-date, and the status of funds approved for obligation in accordance with obligation plans for the period beginning November 12, 2001 and ending September 30, 2007. These obligation plans represent the mechanism by which the AOC seeks the House Committee on Appropriations’ approval to obligate funds for the project, in accordance with the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005 (P.L. 109-13). P.L. 109-13 amended Legislative Branch Appropriations Act of 2000 (P.L. 107-68) by striking “chair and ranking minority member.”

On April 14, 2003, the Chairmen of the House of Representatives Committee on Appropriations directed the AOC to submit to the Committee a reprogramming request for any deviation from the existing obligation plans in the excess of the lesser of 10% or \$500,000. Such amounts are presented in the Schedule under the column titled “Re-allocations and Transfers.”

Basis of Accounting

The Schedule was prepared pursuant to AOC’s accounting policies as they relate to the CVC project which are substantially equivalent to budgetary accounting and represent an other comprehensive basis of accounting (OCBOA) than generally accepted accounting principles for federal entities (GAAP). Specifically, (1) commitments represent an informal reservation of funds in the anticipation of a future obligation, (2) obligations to date represent the cumulative amount of orders placed, contracts awarded, services received, and similar transactions that have required or will require payments in future periods, (3) expenditures include disbursements in transit and outlays, that is, the issuance of checks, disbursement of cash, or electronic transfer of funds to liquidate an obligation and amounts retained on contracts as described below, and (4) available balance is the amount of current obligation authority that is not a commitment or obligation. At September 30, 2008, approximately \$337 thousand of commitments is included in the column “Commitments / Obligations To Date.”

At September 30, 2008, the 10% of invoiced amounts the AOC retains pursuant to the terms of certain contracts, which is usually paid only after the AOC is satisfied with the contractor's performance in fulfilling the terms of the contract, known as "retainage", is included in expenditures. On the Schedule, the value of goods and services received but not yet authorized for payment are not included in expenditures with the exception of retainage.

Budgetary accounting comprises a definite set of criteria and is used by many federal agencies as it facilitates compliance with legal constraints and controls over the use of federal funds.

Recognition of Obligations and Expenditures

Decisions as to which activities to charge to the CVC House Shell Space appropriation and on the timing of these charges are made in accordance with AOC policies for the CVC project. The following represent the principal categories of obligations and expenditures relating to the CVC project that are funded through the CVC appropriation and, therefore, are included in the Schedule:

- Those activities and transactions considered necessary to meet the scope of the CVC House shell space project as defined and approved by the House of Representatives leadership staff, or as subsequently modified by the House either through directive or through approval of modifications to the project scope as described in obligation plans submitted by the AOC.
- Salaries and benefits of AOC employees specifically hired to manage the CVC project, unless otherwise mandated by Congress or the Capitol Preservation Commission (CPC). Expenditures of salaries and benefits are allocated from the CVC base project to the shell space based on percentage of project funding.
- Travel expenses incurred by the CVC project staff and other AOC staff in support of this project, regardless of value.

NOTE 2: Activities relating to the CVC House Shell Space but not included in the Schedule

The following represent the principal categories of obligations and expenditures relating to the CVC House Shell Space that are not funded through the CVC House Shell Space appropriation and, therefore, are not included in the Schedule:

- Indirect costs, overhead allocations, and the salary and benefit costs of AOC personnel who, as part of their normal duties, perform work in support of the CVC Project.
- Direct expenses borne by other agencies in support of the design and construction of the CVC.
- Office supplies and other incidental items that are typically kept in the AOC's stores or otherwise supplied by the AOC's Office Services Division.
- Furniture, moving, phone, and data equipment and connections, or other items that would otherwise be considered "tenant" costs for newly constructed space.
- Cost of relocating offices or facilities that are temporarily or permanently displaced by CVC construction.
- Amounts approved and expended for the CVC operational costs.



Conservation and preservation of the AOC's heritage assets, such as the works of fine art housed in the Capitol and the architectural fine art features of the Library of Congress' Thomas Jefferson Building, is carefully monitored and documented according to professional standards.

REQUIRED SUPPLEMENTARY INFORMATION

Stewardship of Heritage Assets

The Architect of the Capitol (AOC) is responsible for the stewardship of heritage assets throughout the Capitol complex, which are those joint works in or attached to the U.S. Capitol and on the Capitol Grounds. Also included is other architectural fine art cared for by the AOC in the jurisdictions throughout the Capitol complex, primarily in the Library of Congress' Thomas Jefferson Building. Heritage assets for which the Architect of the Capitol is responsible are both collectible and non-collectible (i.e., architectural). In a sense, the non-collectible assets include the structures themselves. Many assets listed herein are considered national treasures, and caring for them is part of the AOC's stewardship mission.

Fine art is defined as work that is usually figurative, created by a known artist, and unique—and therefore, not repeated as part of a decorative scheme. Its care is managed or informed by the Curator for the Architect and Curator Division staff, and any needed repair or treatment is done by a professional fine art conservator. The Curator works with the AOC's superintendents and facility managers of the jurisdictions to advise on projects and contracts that will conserve heritage assets and to assist with historical research and preservation issues. As part of the AOC's *Strategic and Performance Plan*, heritage asset inventories of fine and decorative art have been updated and refined, and asset conditions have been assessed. Parallel to these strategic efforts, the AOC Historic Preservation Officer and preservation architects plan for systematic inventories of architectural and decorative features throughout the Capitol complex. The Curator Division coordinates with the Historic Preservation Officer in implementing AOC's Preservation Policy.

The AOC's curatorial and archival functions are managed by the Curator for the Architect and carried out by her immediate staff and by the Records Management and Archives and Photography Branches. Until the last decades of the 20th century, the Architect of the Capitol advised the Joint Committee on the Library on the acceptance and placement of works of art and cared for all artwork in the U.S. Capitol. The Curator for the Architect of the Capitol maintains records for works of art, with a file on each work of art and each artist, and develops and manages computerized inventories of heritage assets. The entire Congressional collection was catalogued and published in *Art in the United States Capitol* (1978). The current plan is to make information available by increasing the number of works of art available on the AOC website and by creating links to the House and Senate websites. Since the creation of the positions of Senate Curator in 1968 and House Curator in 2002, responsibilities for caring for fine and decorative art have been shared or may overlap with the Curator of the Architect, who communicates regularly with the Senate and House Curators to exchange information and coordinate projects.

Beginning in the late 1970s, the AOC has devoted staff and resources to the conservation of artwork and the preservation of other heritage assets, such as architectural and engineering drawings and photographs, by using professional standards established by the American Institute for Conservation and the National Archives and Records Administration. Modern conservation standards require that work be fully documented, and the Curator maintains a library of conservation reports.

Historic architectural and engineering drawings and textual records are stored and preserved in the AOC Archives by the Records Management

and Archives Branch. The branch inventories and preserves documents, including textual construction and administrative records and architectural and engineering drawings, and makes them available to support projects and respond to research requests. The Photography Branch documents facilities and projects, including heritage assets and conservation projects, as well as AOC and Congressional events. This branch cares for the photographic records—in themselves a heritage asset. Progress has been made this Fiscal Year (FY) in increasing the accessibility of the drawing and photograph databases to AOC staff and contractors to support current projects and assist with historical research. Some vital records, including microfilm and photographic negatives, are stored off-site in optimum conditions. Condition surveys are periodically carried out and documented to ensure that heritage assets remain in good condition for future generations.

In addition, the Historic Preservation Officer and the Preservation Architect in the Planning and Project Management Division work closely with the Curator's office in documenting, researching, and providing information about buildings; reviewing projects; and developing and implementing preservation policy and procedures.

General Condition Standards

The condition standards applied here are those revised in 2007 to make them compatible with the current AOC *Strategic and Performance Plan* and accepted professional standards, such as those of the American Institute for Conservation and Heritage Preservation. It is important to note that because the art in the Capitol complex is not in a museum setting, it may be regularly subject to damage from touching, impact, and surface deposits, and the condition of newly conserved art is constantly subject to change. Outdoor sculpture and fixtures are continually deteriorated by weathering and pollutants. Once conserved, their protective coatings must be regularly renewed. Therefore, follow-up inspections and periodic conservation maintenance treatment are essential to keeping heritage assets well preserved.

The tables that follow show a rating scale for the AOC's heritage assets' general condition that ranges from "poor" to "excellent" and indicates the aggregate condition of the collection as of September 2008. Conditions for individual assets are included in the inventories. An asset in "poor" condition exhibits, or is in danger of, structural damage or loss and requires major conservation or repair to maintain it intact and keep it stable. It is a high priority for conservation or preservation measures. An asset in "fair" condition is structurally sound, but major conservation is needed to improve its aesthetic integrity. It would be considered medium priority for conservation. "Good" is used to describe an object that is in sound structural condition, retains aesthetic integrity, and does not require immediate conservation attention beyond routine conservation maintenance, such as dusting or minor surface cleaning. It would be low priority for conservation. "Excellent" describes works of art that are new or have been professionally conserved to as close to their original condition and appearance as possible and are not currently in need of conservation treatment.

In applying the condition ratings to historic paper records, "poor" refers to records not yet brought into the AOC Archives or whose preservation

is endangered; "fair" indicates those that are preserved in secure and stable conditions in the AOC Archives; "good" indicates records that are also accessioned and placed in acid-free containers; and "excellent" refers to records that are fully processed and stored in archival folders, with major preservation problems attended to.

For photographic records, "poor" refers to film photographs not in secure storage or digital files not identified, not readable, or not backed up; "fair" indicates that the photographic record is in secure storage, the subject is identified, and the image is backed up; "good" refers to negatives properly housed and inventoried, digital files batch captioned and backed up in multiple locations; and "excellent" describes photographic records with negatives stored off-site or in archival conditions or digital files fully captioned, with images backed up in multiple locations and routine data migration.

Note on 2008 Inventory and Condition Survey Work

During the preparation of this report, some of the numbers of items were adjusted in order to be more comprehensive or accurate; other adjustments resulted from a reevaluation of their proper category. For AOC's non-living heritage assets, there were very few items added and none were deaccessioned during the fiscal year. Footnotes explain the reasons for changes in the number of items between 2007 and 2008.

1. United States Capitol

The U.S. Capitol in Washington, D.C. is a fine example of 19th century neoclassical architecture. The Capitol combines function with aesthetics and has housed the meeting chambers of the Senate and the House of Representatives for approximately two centuries. In addition to its active use by Congress, the Capitol is a museum of American art and history.

1.1 Fine Art

This group includes works of art by a known artist, usually unique, that are not permanently attached to or designed for the structure, i.e., collectible. They are divided between (a) works that are under the jurisdiction of the Joint Committee on the Library and currently cared for by the AOC and (b) those that were originally accepted by the Joint Committee on the Library and are also joint in subject matter, counted as "possibly joint." These are located in the Senate and House wings of the Capitol and, in many cases, are considered part of the Senate or House collections and are cared for by other curators, with responsibility sorted out case by case when needed. Treatment on fine art is performed by professional fine arts conservators working under contract.

1.1.1 Interior Sculpture

Most of the bronze and marble statues are part of the National Statuary Hall Collection, which consists of two statues donated by each state. The collection, established in 1864, was completed with the inclusion of the 100th statue in 2005. Currently, one statue has been replaced and several states are in the process of replacing one of their statues as now allowed by Congress. Each statue and bust is displayed on a pedestal.

Sculpture	As of 10/01/07	As of 9/30/08	Change	General Condition
1.1.1.1 National Statuary Hall Statues	100	100	—	Good ¹
1.1.1.2 Other Statues in Rotunda ²	6	6	—	Good
1.1.1.3 Possibly Joint Statues	5	5	—	Good
1.1.1.4 Busts	10	15	5 ³	Good
1.1.1.5 Possibly Joint Busts	26	21	(5) ⁴	Good
1.1.1.6 Other (Maquettes, etc.)	8	9	1 ⁵	Good

¹ Conservators conducted a condition assessment of the National Statuary Hall Collection in 2002 and the AOC has had many sculptures conserved since then. Conservation treatment and maintenance is planned for statues relocated for the Capitol Visitor Center (CVC).

² The Magna Carta display and Portrait Monument are included in this group.

³ Change due to reclassification from 1.1.1.5.

⁴ See note 3.

⁵ An additional maquette from storage was added.

1.1.2. Framed Oil Paintings

The largest collection of oil paintings consists of the portraits of House of Representatives' committee chairmen and Speakers. They were catalogued and conserved by the Architect of the Capitol until the creation of a House Curator under the Clerk of the House in 2002, and are not included here. Framed oil paintings cared for by the AOC include portraits of Architects of the Capitol and other paintings within the office of the Architect. Each painting has a frame, many of which are heritage assets themselves.

Paintings	As of 10/01/07	As of 9/30/08	Change	General Condition
1.1.2.1 Portraits	21	17	(4) ¹	Good
1.1.2.2 Possibly Joint Portraits	23	26	3 ²	Good
1.1.2.3 Paintings Other Than Portraits	5	11	6 ³	Good to Excellent
1.1.2.4 Possibly Joint Paintings	24	23	(1) ⁴	Good

¹ Four Brumidi figure paintings that are not portraits were moved to 1.1.2.3.

² Three portraits on the Senate side that fit the "possibly joint" criteria were added to this line.

³ Added four Brumidi paintings from 1.1.2.1, the Christy from 1.1.2.4, and one other oil painting on canvas that was previously excluded.

⁴ *Signing of the Constitution* by Christy now cared for by the AOC with the agreement of the House Curator and moved to 1.1.2.3.

1.1.3. Works of Art on Paper

The major collection of prints featuring the U.S. Capitol, the Conable Collection, and other prints accepted by the House Fine Arts Board, are now being cared for by the House Curator. The AOC cares for works on paper primarily related to the Capitol which are studies or used for research and reference purposes preserved in the AOC archives and are generally not on display.

Works of Art on Paper	As of 10/01/07	As of 9/30/08	Change	General Condition
1.1.3.1 Watercolors	6	6	—	Good
1.1.3.2 Prints	45	45	—	Fair to Good
1.1.3.3 Sketches for Murals	approx. 232	approx. 232	—	Good

1.2. Decorative Art

These may range from objects of great craftsmanship and historical importance to mass-produced objects. Often the name of the designer or maker is not known. Conservation treatment may be appropriate for the highest level of decorative art. The overmantel mirror frames, owing to their scale and the fact that many were designed for a particular location, may also be considered architectural art. As the Senate Curator has taken over inventory and conservation of Senate mirror frames, those counted here are on the House side of the Capitol.

Decorative Art	As of 10/01/07	As of 9/30/08	Change	General Condition
1.2.1 Gilded Mirror Frames	80	93	13 ¹	Fair to Good
1.2.2. Historic Furniture	34	42	8 ²	Good
1.2.3. Antique Clocks	16	10	(6) ³	Excellent
1.2.4. Textiles	2	2	—	Good

¹ Mirrors in storage were added to the count.

² Eight marble benches removed from the East Front for CVC construction were added to the count.

³ Six clocks now cared for by the Senate Curator were excluded this year.

1.3. Architectural Fine Art

This is art that is part of the fabric of a structure, permanently attached to the structure or building systems, or designed as part of an architectural space.

Architectural Fine Art	As of 10/01/07	As of 9/30/08	Change	General Condition
1.3.1 Pediments (exterior)	3	3	—	Poor to Fair ¹
1.3.2 Statues (interior and exterior)	7	6	(1) ²	Good
1.3.3 Plaster Model for Sculpture	0	1	1 ³	Excellent
1.3.4 Sculptured Stair Railings	4	4	—	Good
1.3.5 Architectural Models on Display	1	1	—	Good
1.3.6 Reliefs	38	39	1 ⁴	Good
1.3.7 Bronze Doors (sets) (interior and exterior)	4	4	—	Good to Excellent ⁵
1.3.8 Plaques	28	28	—	Fair to Good
1.3.9 Stained Glass	15	15	—	Poor to Good ⁶
1.3.10 Rotunda Paintings	8	8	—	Good to Excellent ⁷
1.3.11 Rooms or Spaces with Fine Art Murals ⁸	79	79	—	Fair to Excellent

¹ A condition survey of the pediments has been made and the work is planned in conjunction with conservation of the architectural stonework of the building.

² The relief by Valaperta was reclassified to 1.3.6.

³ The model for the Statue of Freedom was moved from the Russell Senate Office Building to the CVC.

⁴ See note 14.

⁵ Conservation of all three sets of bronze doors on the East Front has been completed.

⁶ A survey revealed that the four stained glass laylights in the Grand Stairways are in poor condition and a possible safety hazard. They were removed and placed in storage in 2007 and plans will be made for a future restoration.

⁷ Following the conservation of the historic gilded frames, surface cleaning of the paintings is carried out in 2008.

⁸ Each room or space may contain multiple sections of murals in vaults and lunettes with individual mural scenes or figures, so the total number of images painted on the Capitol's walls are in the hundreds. Mural conservation has been ongoing since 1981 and most are in "good" condition. Conservation will be needed for some murals considered "good" in order to recover the original paint layer, restore its historic appearance and bring to "excellent."

1.4. Architectural Decorative Arts

These heritage assets are part of the fabric of a structure, permanently attached to the structure or building systems, or designed as part of an architectural space.

Architectural Decorative Art	As of 10/01/07	As of 9/30/08	Change	General Condition
1.4.1. Mantels	149	167	18 ¹	Good
1.4.2. Chandeliers	approx. 480	250 ²	(230)	Good to Excellent
1.4.3. Pendant Lights	not listed	270 ³	+270	Good
1.4.4. Sconces	approx. 240	approx. 100	(140) ⁴	Good
1.4.5. Rooms or Spaces with Decorative Murals	51	47	(4)	Good

¹ Increase is based on updated survey of all mantels, including marble reproductions but excluding faux-painted wooden mantels.

² Lighting fixtures have been counted by the Capitol Superintendent this FY and added to inventory (with the category of pendant light added, rather than included in with chandeliers). There are still about 150 fixtures to be inventoried. Totals in each category are not yet available. A minority, perhaps one-third, of these lighting fixtures would be considered historic. The plan is to inventory the light fixtures considered to be of historic value, so an accurate count of heritage assets may be achieved.

³ See note 2.

⁴ See note 2.

1.5. Architectural Features

Historic architectural features include woodwork, shutters, columns, capitals, brackets, historic floors (such as the Minton tile floors in the Capitol), and special architectural surfaces (such as marble and scagliola). They are maintained by the Capitol Superintendent (or Senate Sergeant at Arms). There is no accurate count of these features, though some may be included in condition surveys and historic structure reports. The numbers are large—for example, there are at least 450 interior columns and pilasters with carved capitals. In recent years, special attention has been paid to the restoration of historic scagliola—an imitation marble installed on some walls in the 1850s. The Historic Preservation Officer and Preservation Architect currently oversee the preservation of these features.

2. Capitol Grounds

The Capitol Grounds are comprised of approximately 234 acres on which the Capitol, Senate and House Office Buildings, and Capitol Power Plant reside. The Grounds on Capitol Square were designed by noted landscape architect Frederick Law Olmsted, between 1874 and 1892. The Grounds include outdoor sculpture and monuments and living assets such as trees and plantings. Heritage assets include ornamental fountains, drinking fountains, outdoor seating, stone retaining walls, and light fixtures.

2.1 Outdoor Sculpture	As of 10/01/07	As of 9/30/08	Change	General Condition
2.1.1 Monuments/ Statues	3	3	—	Good
2.1.2 Fountains with Sculpture	2	2	—	Poor to Good
2.1.3 Plaques	0	2	2 ¹	Excellent

¹ Two small bronze plaques have been given conservation and follow-up maintenance treatment and included above.

2.2 Landscape Features and Fixtures (Capitol Square)	As of 10/01/07	As of 9/30/08	Change	General Condition
2.2.1 Urns ¹	20	20	—	Excellent
2.2.2 Lighting Fixtures ²	approx. 166	approx. 166	—	Fair to Excellent
2.2.3 Reliefs (in stone wall) ³	N/A	N/A	—	Poor to Fair

¹ Olmsted bronze fixtures restored to date include the West Front urns and two light posts and two East Front fountain basins, lanterns, and light posts designed by Olmsted returned following completion of CVC construction.

² See note 1.

³ The Olmsted walls were documented and their condition assessed in 2006. The "U.S Capitol Grounds Historic Structure and Cultural Landscape Report: Olmsted Hardscape Features" (completed in 2008) provides detailed condition assessments.

2.2 Memorial Trees

The Capitol Grounds' memorial trees are living heritage assets that have been planted over the years to honor distinguished citizens, groups, and national events. About one-half are located on the Capitol's East Front.

Memorial Trees	As of 10/01/07	As of 9/30/08	Change	General Condition
Memorial Trees on Capitol Grounds	100	140	40 ¹	Good

¹ This year, four new memorial trees were planted by Members of Congress. A full count of the entire grounds was conducted this Fiscal Year, which increased the total inventory number across the campus to 140 memorial trees.

3. House Office Buildings (HOB)

The Capitol complex includes three major office buildings and one annex building for the House of Representatives. These buildings consist of the Cannon, Longworth, Rayburn, and Ford House Office Buildings.

Architectural Fine Art	As of 10/01/07	As of 9/30/08	Change	General Condition
3.1 Pediments (exterior)	1	1	—	Good
3.2 Sculpture (exterior)	8	8	—	Fair to Good
3.3 Plaster Models of Sculpture	27	27	—	Good
3.4 Architectural Models on Display	1	1	—	Good
3.5 Reliefs	1	1	—	Good
3.6 Murals	1	1	—	Good
3.7 Plaques ¹	0	1	1	Good

¹ Added Cannon HOB plaque.

4. Senate Office Buildings (SOB)

The Capitol complex includes three major office buildings for the United States Senate. These buildings consist of the Russell, Dirksen, and Hart Senate Office Buildings

Architectural Fine Art	As of 10/01/07	As of 9/30/08	Change	General Condition
4.1 Pediments (exterior)	1	1	—	Fair
4.2 Sculpture	1	1	—	Poor
4.3 Plaster Models of Sculpture	7	6	(1) ¹	Good
4.4 Architectural Models on Display	4	4	—	Excellent
4.5 Maquettes, etc.	1	1	—	Good
4.6 Reliefs (exterior)	approx. 4	51	47 ²	Good
4.7 Murals (rooms with)	1	1	—	Excellent

¹ The model for the Statue of Freedom was moved to the CVC from the Russell Senate Office Building.

² The category "Plaques" from last year was replaced with the category "Reliefs."The exterior figurative reliefs on the Dirksen Senate Office Building are appropriately considered heritage assets and added.

5. Library Buildings and Grounds

The Library of Congress' 1897 Thomas Jefferson Building is covered with decoration inside and out, including large areas of decorative painting, relief plaster, woodwork, stone work, and mosaic ceilings. The John Adams Building is embellished with much fine, Art Deco-style decorative metal and stone work, which are not counted here.

Architectural Fine Art	As of 10/01/07	As of 9/30/08	Change	General Condition
5.1. Statues	27	27	—	Good to Excellent
5.2. Sculptured Stair Railings	2	2	—	Good
5.3. Reliefs (interior and exterior)	74	74	—	Good
5.4 Bronze Doors (sets) (exterior)	11	11	—	Fair to Good
5.5. Stained Glass/ Mosaics	18	17	(1) ¹	Fair to Good
5.6. Rooms or Spaces with Fine Art Murals ²	32	32	—	Fair to Excellent
5.7. Fountains with Sculpture (exterior)	2	2	—	Fair to Good ³
5.8 Sculptural Clock	0	1	1 ⁴	Good

¹ Includes large areas with multiple stained glass panels. One duplication was eliminated.

² Within these spaces are approximately 142 individual murals plus 164 small panels. Most murals in the Jefferson Building were conserved as part of its renovation and restoration. They are inspected periodically as part of an on-going maintenance program and small problems are treated, keeping them in excellent condition. The Adams Building's murals and the Jefferson Building's Blasfield dome murals and figures painted by artists in the ceiling of the Great Hall have not been conserved.

³ The large Neptune Fountain has been conserved and is regularly maintained. The small Pan sculpture in the courtyard fountain is in need of conservation.

⁴ Added the Main Reading Room's Flanagan clock.

6. Supreme Court Building

The Supreme Court Building is richly adorned with decorative carvings in marble and wood, decorative metal and plaster work, and decorative painting. The collectible fine art is cared for by the Curator of the Supreme Court.

Architectural Fine Art	As of 10/01/07	As of 9/30/08	Change	General Condition
6.1 Pediments (exterior)	2	2	—	Poor to Fair
6.2 Sculpture (exterior)	2	2	—	Good
6.3 Reliefs	4	4	—	Good
6.4 Light Posts with Reliefs (exterior)	2	2	—	Poor to Fair
6.5 Bronze Door (set) (exterior)	1	1	—	Good

7. Architectural and Engineering Artifacts

Small architectural and engineering artifacts and models are inventoried and stored by the Curator for possible research or exhibition. Large artifacts, such as pieces of stone removed from buildings or plaster models, have been inventoried and stored in two locations at Ft. Meade, Maryland. Some stone has been saved for possible reuse for repairs. Sculpture and stone removed from the East Front of the Capitol during its 1958 extension are currently at a storage area run by the Smithsonian Institution.

The Curator's Office tracks these artifacts and maintains lists of the objects in storage. It is not possible to provide a meaningful count as some crates hold multiple pieces and some items are stored in pieces in multiple crates. The AOC plans to work with the Historic Preservation Officer and Preservation Architect to appraise the artifacts and evaluate them for permanent retention.

8. Historical Records and Reference Materials

The Records Management and Archives Branch preserves and makes accessible architectural and engineering drawings and textual records deposited according to approved records schedules developed by the branch, based on archival appraisal and records surveys. The branch arranges drawings and textual records in accordance with archival principles to facilitate control, access, reference, research, and retrieval. Architectural and engineering drawings and manuscripts require special archival storage and handling because of their diverse physical attributes. The Records Management and Archives Branch stores drawings flat in acid-free folders in horizontal drawing cases. Stable temperature and humidity conditions and high security are maintained for the records. Microfilm of many drawings is stored off-site for back-up purposes. Digital scans of many drawings are also important backups.

8.1. Architectural and Engineering Drawings

Beginning with plans for the construction of the Capitol in the early 1800s, and with primary holdings from the 1850s on, the architectural and engineering drawings contain a wide range of subjects and formats—pencil renderings, finely detailed ink and watercolor working drawings, polished presentation pieces, blueprints, and modern computer-aided design drawings. The architectural and engineering drawings are vital for current construction and maintenance projects, as well as for historic research. The specifications and files on previous projects aid in the planning and development of new projects.

Approximately 166,000 architectural and engineering drawings are stored in the AOC archives. Drawings are constantly being added. Approximately 50 percent of these drawings have been arranged, indexed, and assigned control numbers. Most of the remaining are properly stored in drawing cabinets (arranged by building), and await indexing and verification that they are not duplicates. Some drawings have been received in rolls and still require preservation work. Therefore, no exact total number of drawings may be provided. Drawings are scanned, described, and computer indexed and backed up (using a web-based database maintained by the Records Management and Archives Branch) to facilitate retrieval. Microfilm is produced from the scanned images. To further enhance retrieval, scanned images are linked to the descriptive information in the electronic text data

base. Basic preservation and conservation of drawings are performed by archival staff in the Records Management and Archives Branch. Specialized work on fragile and historic drawings may be performed under contract.

8.2 Construction and Administrative Textual Records

The Records Center maintains administrative and project records that document the history of the AOC as well as the construction history of the U.S. Capitol complex. These holdings date from the Capitol Extension project in the 1850s and continue through the present. Of special value are the manuscript collection and the Architects’ letter books dating to the 1850s. The records are organized by numbered record groups. Textual records are described in accession records, finding aides, and guides. Boxes and folders are labeled and stored according to record groups.

8.3. Photographs

The Photography Branch produces photographs relating to architectural design, construction, renovation, and restoration of the historic buildings and grounds under the AOC’s care. The largest project this year was the completion of the Capitol Visitor Center. Major ceremonial events are covered, along with documentation of works of art and conservation projects. This branch produces graphic slides, displays, and video for Agency and Congressional use. A major function of the branch is the preservation of a photographic archive dating back to the 1850s. For example, the collection includes approximately 4,000 glass plates, in addition to hundreds of thousands of images in negative, print, and digital format. The number of images is growing rapidly since the conversion to digital format. Each unique image is given a control number (one image may exist in multiple formats). The majority of the glass and film negatives are stored off-site for their long-term preservation. Digital files are systematically backed-up and copied. Additional work was accomplished this year on a program to make the web-based database (maintained by the Photography Branch) accessible to a wider number of AOC staff.

8.4. Small Architectural Models

A small number of working models are preserved as part of the architectural record for study and possibly future exhibit purposes.

8.5, 8.6, and 8.7. Reference Files, Library Materials, and Conservation Reports

The curatorial and archival functions of the AOC are managed by the Curator for the Architect. A major curatorial function is maintaining the inventory of, and files for, art and historical objects, which was established by Curator Charles Fairman in 1911. The Curator’s Office has a file on each work of art, artist, and room in the Capitol, in addition to files on the buildings and architectural subjects, and a file list is maintained. Records are kept on major ceremonies, such as joint sessions of Congress and Inaugurations. Conservation reports and studies are growing in number and importance. These files are used to answer questions from Members of Congress and the public and to provide information for written fact sheets and publications. The U.S. Capitol Historical Society Fellowship, managed by the Curator, continually adds to the knowledge of the art and architecture of the Capitol complex.

Records and Reference	As of 10/01/07	As of 9/30/08	Change	General Condition
8.1 Architectural and Engineering Drawings	approx. 166,000	approx. 170,000	4,000	Good to Excellent
8.2 Manuscripts and Other Textual Records	approx. 5,000 Boxes	approx. 5,320 Boxes	320	Fair to Good
8.3 Small Architectural Models	18	10	(8) ¹	Fair
8.4 Photographs	170,650	183,100	12,450 ²	Fair to Excellent
8.5 Art and Reference Files ³	108 Drawers	108 Drawers	—	Good
8.6 Art and Reference Library (published volumes)	1,375 Vols.	1,210 Vols.	(165) ⁴	Fair to Good
8.7 Conservation Reports (in notebooks) ⁵	204	223	19	Good

¹ The models were appraised with the Historic Preservation Officer and only those deemed worthy of permanent retention retained.

² Unique images are assigned an AOC control number. The total number of records in the form of negatives, transparencies, prints, and digital files is several multiples of these numbers. This year, about 5,000 photographs were fully processed and entered into the database; the backlog of 7,500 images is rated as only “fair” in condition.

³ An electronic file index serves as a guide to the subjects.

⁴ A thorough shelf check and verification was conducted this fiscal year to give an accurate count of volumes, resulting in a lower total. The library catalogue is maintained in an electronic database.

⁵ An electronic inventory of the conservation reports is maintained.

9.0 Botanic Garden

The U.S. Botanic Garden (USBG) maintains an orderly, documented, labeled collection of living plants. The USBG plant collection includes all the plants that are used to fulfill the mission of the institution. These plants are categorized as follows:

- Plants of historical significance or current institutional significance for the USBG (individuals or descendants from the Wilkes and Perry expedition, commemorative gifts from foreign governments, descendants of plants of American historical significance);
- Plants appearing on approved permanent landscape planting plans for the Conservatory, National Garden, Bartholdi Park, and the Production facility;
- Plants listed for rotation into permanent exhibits in the Conservatory, National Garden, or Bartholdi Park;
- Plants used in ongoing education programs;
- Plants needed to support future exhibits or programs and whose quality or relative unavailability in the commercial trade justifies inclusion in the permanent collection;
- Orchid species and selected orchid cultivars;
- Listed rare and endangered species received under the Convention on International Trade in Endangered Species (CITES) of Flora and Fauna repository agreement, through interagency transfer, or by other means;

- Medicinal plants whose quality or relative unavailability in the commercial trade justifies inclusion in the permanent collection; and
- Plants used for accent and horticultural propagation stock, including those obtained for trail for performance under local conditions.

Plants are used for exhibition, study, and exchange with other institutions. The Garden’s noteworthy collections include economically significant plants, medicinal plants, orchids, cacti and succulents, bromeliads, and cycads.

In addition to providing a tranquil and beautiful environment for visitors, the Botanic Garden makes its gardens and living collections important resources for the study of threatened plants and their conservation. The USBG staff maintains extensive computerized records of the plants in the Garden’s collections. The records track the location, condition, and

provenance of each addition. Collections are continually reviewed for accuracy in identification as relevant to the Botanic Garden’s mission.

The U.S. Botanic Garden received approximately 1,000 new accessions of plants during the Fiscal Year. By the end of 2008, the Botanic Garden had more than 37,000 individual plants in cultivation at the conservatory and the Blue Plains Production Facility. There were over 10,000 total orchids in the collections, by far the largest single collection of plants maintained. The USBG maintains approximately 7,800 unique taxa in its collections.

Botanic Garden (non-living Heritage Assets)

Outdoor Sculpture	As of 10/01/07	As of 9/30/08	Change	General Condition
Fountains with Sculpture	1	1	—	Poor to Fair

Botanic Garden (living Heritage Assets)

Below is a table listing statistics on our entire collection of living heritage assets with a separate table that identifies the AOC plant inventory. Inventories for 2008 and the previous four years are provided to facilitate comparison.

All Plants (including orchids)							
Fiscal Year	Names ¹	Accessions ²	Plants ³	Deaccessions YTD ⁴	Taxa (Alive) ⁵	Plants (Alive) ⁶	Number of Individuals ⁷
2004	25,537	21,572	31,380	1,396	6,512	15,423	35,910
2005	26,117	22,388	32,486	962	6,842	15,530	36,955
2006	26,757	23,959	34,443	707	7,374	16,712	45,552
2007	27,433	24,835	36,262	1,092	7,432	16,695	55,316
2008	28,086	25,860	37,639	891	7,802	16,957	67,397

¹ Number of taxonomic entries in USBG regardless of whether they are associated with current holdings. (Cumulative)
² Current number of accession, presumed to be genets. (Cumulative)
³ Total number of individuals in *Plants* table—living and dead. (Cumulative)
⁴ Deaccessions for the current year.
⁵ Number of unique taxa currently alive in holdings.
⁶ Number of individuals in *Plants* table currently living.
⁷ Number of individuals living including multiple ramets associated with a single accession number. (Note: This number has a high degree of inaccuracy)

Orchid Collection

The USBG’s orchid collection is the largest single subset of its plant collection (approximately 25 percent of its total). Because of its stature and diversity, the AOC displays these numbers separately.

Orchids							
Fiscal Year	Names ¹	Accessions ²	Plants ³	Deaccessions YTD ⁴	Taxa (Alive) ⁵	Plants (Alive) ⁶	Number of Individuals ⁷
2004	3,756	7,161	9,457	384	1,817	15,423	35,910
2005	3,887	7,339	9,735	403	1,858	15,530	36,955
2006	3,918	7,395	9,867	209	1,796	16,712	45,552
2007	3,973	7,496	10,146	219	1,744	16,695	55,316
2008	3,994	7,530	10,330	349	1,694	16,957	67,397

¹ Number of taxonomic entries in USBG regardless of whether they are associated with current holdings. (Cumulative)
² Current number of accession, presumed to be genets. (Cumulative)
³ Total number of individuals in *Plants* table—living and dead. (Cumulative)
⁴ Deaccessions for the current year.
⁵ Number of unique taxa currently alive in holdings.
⁶ Number of individuals in *Plants* table currently living.
⁷ Number of individuals living including multiple ramets associated with a single accession number. (Note: This number has a high degree of inaccuracy)

Summary of Heritage Assets

The consolidating schedule below reports the detailed living and non-living heritage assets for each jurisdiction. A summary of AOC Heritage Assets is presented in Note 17 to the annual financial statements.*

The Architect of the Capitol Stewardship Assets Consolidating Schedules

As of September 30, 2008 and 2007 (Unaudited)

Category	FY 2008								FY 2007								
	AOC Jurisdiction							TOTAL	AOC Jurisdiction							TOTAL	
	CB	CG	HOB	LOC	SC	SOB	USBG		CB	CG	HOB	LOC	SC	SOB	USBG		
Artwork																	
Fine Art																	
Interior Sculpture																	
National Statuary Hall Statues	100	—	—	—	—	—	—	100	100	—	—	—	—	—	—	—	100
Other Statues in Rotunda	6	—	—	—	—	—	—	6	6	—	—	—	—	—	—	—	6
Possibly Joint Statues	5	—	—	—	—	—	—	5	5	—	—	—	—	—	—	—	5
Busts	15	—	—	—	—	—	—	15	10	—	—	—	—	—	—	—	10
Possibly Joint Busts	21	—	—	—	—	—	—	21	26	—	—	—	—	—	—	—	26
Other	9	—	—	—	—	—	—	9	8	—	—	—	—	—	—	—	8
Sub-Total: Interior Sculpture	156	—	—	—	—	—	—	156	155	—	—	—	—	—	—	—	155
Paintings																	
Portraits	17	—	—	—	—	—	—	17	21	—	—	—	—	—	—	—	21
Possibly Joint Portraits	26	—	—	—	—	—	—	26	23	—	—	—	—	—	—	—	23
Paintings other than Portraits	11	—	—	—	—	—	—	11	5	—	—	—	—	—	—	—	5
Possibly Joint Paintings	23	—	—	—	—	—	—	23	24	—	—	—	—	—	—	—	24
Sub-Total: Paintings	77	—	—	—	—	—	—	77	73	—	—	—	—	—	—	—	73
Works of Art on Paper																	
Watercolors	6	—	—	—	—	—	—	6	—	—	—	—	—	—	—	—	—
Prints	45	—	—	—	—	—	—	45	—	—	—	—	—	—	—	—	—
Sketches for Murals (Approx.)	232	—	—	—	—	—	—	232	—	—	—	—	—	—	—	—	—
Sub-Total: Works of Art on Paper	283	—	—	—	—	—	—	283	—	—	—	—	—	—	—	—	—
Sub-Total: Fine Art	516	—	—	—	—	—	—	516	228	—	—	—	—	—	—	—	228
Decorative Art																	
Gilded Overmantel Mirror Frames	93	—	—	—	—	—	—	93	80	—	—	—	—	—	—	—	80
Historic Furniture	42	—	—	—	—	—	—	42	34	—	—	—	—	—	—	—	34
Antique Clocks	10	—	—	—	—	—	—	10	16	—	—	—	—	—	—	—	16
Textiles	2	—	—	—	—	—	—	2	2	—	—	—	—	—	—	—	2
Sub-Total: Decorative Art	147	—	—	—	—	—	—	147	132	—	—	—	—	—	—	—	132
Architectural Fine Art																	
Pediments	3	—	1	—	2	1	—	7	3	—	1	—	2	1	—	—	7
Statues/Sculpture	6	—	8	27	2	1	—	44	7	—	8	27	2	1	—	—	45
Plaster Models of Sculpture	1	—	27	—	—	6	—	34	—	—	27	—	—	7	—	—	34
Sculptured Stair Railings	4	—	—	2	—	—	—	6	4	—	—	2	—	—	—	—	6
Architectural Models on Display	1	—	1	—	—	4	—	6	1	—	1	—	—	4	—	—	6
Reliefs	39	—	1	74	4	51	—	169	38	—	1	74	4	—	—	—	117
Light Posts with Reliefs (exterior)	—	—	—	—	2	—	—	2	—	—	—	—	—	—	—	—	—
Bronze Doors (sets)	4	—	—	11	1	—	—	16	4	—	—	11	—	—	—	—	15
Plaques	28	—	1	—	—	—	—	29	28	—	—	—	—	4	—	—	32
Stained Glass/Mosaics	15	—	—	17	—	—	—	32	15	—	—	18	—	—	—	—	33
Rotunda Paintings	8	—	—	—	—	—	—	8	8	—	—	—	—	—	—	—	8
Rooms or Spaces with Fine Art Murals	79	—	1	32	—	1	—	113	79	—	1	32	—	1	—	—	113
Maquettes	—	—	—	—	—	1	—	1	—	—	—	—	—	1	—	—	1
Sub-Total: Architectural Fine Art	188	—	40	163	11	65	—	467	187	—	39	164	8	19	—	—	417

Category	FY 2008								FY 2007							
	AOC Jurisdiction							TOTAL	AOC Jurisdiction							TOTAL
	CB	CG	HOB	LOC	SC	SOB	USBG		CB	CG	HOB	LOC	SC	SOB	USBG	
Architectural Decorative Art																
Mantels	167	—	—	—	—	—	—	167	149	—	—	—	—	—	—	149
Chandeliers	250	—	—	—	—	—	—	250	480	—	—	—	—	—	—	480
Pendant Lights	270	—	—	—	—	—	—	270	—	—	—	—	—	—	—	
Sconces	100	—	—	—	—	—	—	100	240	—	—	—	—	—	240	
Rooms/Spaces with Decorative Murals	47	—	—	—	—	—	—	47	51	—	—	—	—	—	51	
Sculptural Clock	—	—	—	1	—	—	—	1	—	—	—	—	—	—	—	
Sub-Total: Architectural Decorative Art	834	—	—	1	—	—	—	835	920	—	—	—	—	—	920	
TOTAL	1,685	—	40	164	11	65	—	1,965*	1,467	—	39	164	8	19	—	1,697
Architectural Features																
Outdoor Sculptures																
Monuments/Statues	—	3	2	—	—	—	1	6	—	3	2	—	—	—	1	6
Fountains with Sculpture	—	2	—	2	—	—	—	4	—	2	—	2	—	—	—	4
Plaques	—	2	—	—	—	—	—	2	—	—	—	—	—	—	—	—
Sub-Total: Outdoor Sculptures	—	7	2	2	—	—	1	12	—	5	2	2	—	—	1	10
Landscape Features and Fixtures																
Lighting Fixtures (Approx.)	—	166	—	—	—	—	—	166	—	166	—	—	—	—	—	166
Urns	—	20	—	—	—	—	—	20	—	20	—	—	—	—	—	20
Reliefs	—	n/a	—	—	—	—	—	—	—	n/a	—	—	—	—	—	—
Sub-Total: Landscape Features and Fixtures	—	186	—	—	—	—	—	186	—	186	—	—	—	—	—	186
TOTAL	—	193	2	2	—	—	1	198*	—	191	2	2	—	—	1	196*
Reference and Library Materials																
Art and Reference Files (Drawers)	108	—	—	—	—	—	—	108	108	—	—	—	—	—	—	108
Art and Reference Library	1,210	—	—	—	—	—	—	1,210	1,375	—	—	—	—	—	—	1,375
TOTAL	1,318	—	—	—	—	—	—	1,318	1,483	—	—	—	—	—	—	1,483
Living Heritage Assets																
Taxa	—	—	—	—	—	—	7,802	7,802	—	—	—	—	—	—	7,432	7,432
Plants	—	—	—	—	—	—	16,957	16,957	—	—	—	—	—	—	16,695	16,695
Individual	—	—	—	—	—	—	67,397	67,397	—	—	—	—	—	—	55,316	55,316
Memorial Trees	—	140	—	—	—	—	—	140	—	100	—	—	—	—	—	100
TOTAL	—	140	—	—	—	—	92,156	92,296	—	100	—	—	—	—	79,443	79,543
Records¹																
Architectural and Engineering Drawings	170,000	—	—	—	—	—	—	170,000	166,000	—	—	—	—	—	—	166,000
Manuscripts and Other Textual Records	5,320	—	—	—	—	—	—	5,320	5,000	—	—	—	—	—	—	5,000
Small Architectural Models	10	—	—	—	—	—	—	10	18	—	—	—	—	—	—	18
Conservation Reports	223	—	—	—	—	—	—	223	204	—	—	—	—	—	—	204
Photographs	183,100	—	—	—	—	—	—	183,100	170,650	—	—	—	—	—	—	170,650
TOTAL	358,653	—	—	—	—	—	—	358,653	341,872	—	—	—	—	—	—	341,872

NOTE:

Totals marked by an asterisk (*) do not match the amounts disclosed in the AOC's Financial Statement Note 17 (see page 112). Subsequent to the issuance of its Financial Statements the following errors were found:

- Architectural Decorative Art, FY08: 1,947 per Note 17 should be restated to 1,965.
- Architectural Features, FY08: 237 per Note 17 should be restated to 198.
- Architectural Features, FY07: 195 per Note 17 should be restated to 196.

The AOC makes the utmost effort to ensure the accuracy of the information made public through its annual Performance and Accountability Report and the amounts on its Summary of Heritage Assets (shown above and on previous page) represent the corrected amounts.

¹ Records are related to all AOC Jurisdictions and include the AOC's administrative records. For simplicity, such records are shown under the responsibility of the CB Jurisdiction.

10.0 Deferred Maintenance

The Architect of the Capitol (AOC) is responsible for the maintenance, operation, development, and preservation of the buildings, grounds and other national treasures of the Capitol complex. The AOC’s mission is to preserve and enhance these assets to sustain Congressional operations now and into the future. The Federal Accounting Standards Advisory Board (FASAB) Statement of Federal Financial Accounting Standard (SFFAS) No. 6 defines deferred maintenance as maintenance that was not performed when it should have been or was scheduled to be and which, therefore, is put off or delayed for a future period.

SFFAS No. 6, “Accounting for Property, Plant, and Equipment,” as amended by SFFAS No. 14, “Amendments to Deferred Maintenance Reporting,” requires annual disclosure of the estimated cost to remedy accumulated deferred maintenance on AOC property, plant, and equipment (PP&E). In its *Strategic and Performance Plan*, the AOC has defined its acceptable level of condition of PP&E to be “good” to “excellent” based on the Facility Condition Index. PP&E of less than “good” condition are determined to require significantly more maintenance than facilities in better condition. The three major classes of assets for which maintenance was deferred in 2008 are: buildings and other structures, grounds, and heritage assets.

To evaluate the condition of buildings, other structures, and grounds, the AOC uses a combination of Facility Condition Assessments (FCAs) and the Capitol Complex Master Plan to identify deferred maintenance, capital renewal projects, capital improvements, and capital construction projects. The focus of this required supplementary information disclosure is solely deferred maintenance, as identified through the FCAs, and does not include capital renewal projects, capital improvements, and capital construction projects.

The AOC has completed initial FCAs on all the buildings and grounds under our purview except for the Library of Congress’ Thomas Jefferson Building, James Madison Memorial Building, National Audio-Visual Conservation Center, Ft. Meade Book Storage Modules, and Special Service Facilities Center; the West Refrigeration Plant Expansion; the Supreme Court building; pedestrian tunnels; miscellaneous Capitol Police

buildings; Capitol Visitor Center; the West Refrigeration Plant Expansion; and major equipment related to the Capitol Power Plant. As a result, estimates for these facilities have not been included in the 2008 figures below. Deferred maintenance calculations based on projected 2008 Replacement Values. The AOC continues to complete and update FCAs across the Capitol complex. As a result, FCAs for some of these facilities are underway or in the planning stage and are anticipated to be included in subsequent Performance and Accountability Reports.

The AOC’s estimate of the amount of accumulated deferred maintenance that is required to improve its PP&E to an acceptable level is \$306,784,000. The table below depicts the breakdown of deferred maintenance costs by category at the beginning and ending of the Fiscal Year.

Deferred Maintenance (\$ in Thousands)			
Category	As of 10/01/07	As of 9/30/08*	Change
Buildings and Other Structures	\$288,482	\$302,678	(\$14,196)
Grounds	973	144	829
Heritage Assets	3,455	3,962	(507)
Total	\$292,910	\$306,784¹	(\$13,874)

¹ The deferred maintenance figure for September 30, 2008 excludes the Library of Congress’ Thomas Jefferson Building, James Madison Memorial Building, National Audio-Visual Conservation Center, Ft. Meade Book Storage Modules, and Special Service Facilities Center; the West Refrigeration Plant Expansion; the Supreme Court Building; pedestrian tunnels; Capitol Visitor Center; the West Refrigeration Plant Expansion; and major equipment related to the Capitol Power Plant. Deferred maintenance calculations based on projected 2008 Replacement Values.

* **Note on General Condition:** The AOC aims to maintain its assets in at least “good” condition. Asset condition is defined by the Facility Condition Index, which is calculated as the cost of deferred maintenance divided by the current replacement value. A ratio of less than 0.02 is considered “excellent;” a ratio of 0.02 to 0.05 is judged to be “good;” a ratio of 0.05 to 0.10 is deemed “fair;” and a ratio more than 0.10 is considered “poor.” The AOC goal is to attain a ratio of less than 0.05 (or “good” condition) for its assets. It is important to note that although an asset may be rated as being in acceptable condition, individual systems within that asset may require deferred maintenance to return the system to an acceptable operating condition.

For further information on deferred maintenance, capital renewal costs, capital improvements, capital construction, and ongoing operations and maintenance, please see the *Looking Ahead* section of Section I in this report.

APPENDIX

ACKNOWLEDGMENTS AND ADDITIONAL RESOURCES

This 2008 Performance and Accountability Report was produced with the energies and talents of the staff of The Office of the Architect of the Capitol. To these dedicated individuals we offer our sincerest thanks and acknowledgment.

In particular, we would like to recognize the following AOC organizations and individuals for their contributions:

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LIST OF ABBREVIATIONS AND ACRONYMS

ABA	Acquisitions and Bibliographic Access	E-85	Ethanol-85
AC	Access Control	EA	Enterprise Architecture
ACF	Alternate Computer Facility	EAMMF	Enterprise Architecture Management Maturity Framework
ADA	Americans with Disabilities Act	EEO/CP	Equal Employment Opportunity and Conciliation Programs Division
AFSCME	American Federation of State, County, and Municipal Employees	EISA 2007	Energy Independence and Security Act of 2007
AIA	American Institute of Architects	EPA	Environmental Protection Agency
AICPA	American Institute of Certified Public Accountants	EPAct 2005	Energy Policy Act of 2005
AOC	Architect of the Capitol	ERP	East Refrigeration Plant
BAS	Building Automation System	ESCO	Energy Savings Contractor
BI	Business Intelligence	ESPC	Energy Savings Performance Contract
BIM	Building Information Modeling	FASAB	Federal Accounting Standards Advisory Board
BSCSS	Building Services Customer Satisfaction Survey	FCA	Facility Condition Assessment
C&A	Certification and Accreditation	FCI	Facility Conditions Index
CAD	Computer-Aided Design	FCIP	Facilities Control Inspection Program
CAO	Chief Administrative Officer	FECA	Federal Employees' Compensation Act
CB	Capitol Building Jurisdiction	FEMP	Federal Energy Management Program
CCMP	Capitol Complex Master Plan	FERS	Federal Employees Retirement System
CD	Construction Division	FFMIA	Federal Financial Management Improvement Act
CEOVs	Chief Executive Officer for Visitor Services	FGGM	Fort George G. Meade, Maryland
CERCLA	Comprehensive and Environmental Response Compensation and Liability Act	FLETC	Federal Law Enforcement Training Center
CFL	Compact Fluorescent Lamp	FM	Facilities Management
CFO	Chief Financial Officer	FMFIA	Federal Managers Financial Integrity Act
CG	Capitol Grounds Jurisdiction	FTE	Full-Time Equivalent
CIP	Capital Improvements Plan	FY	Fiscal Year
CITES	Convention on International Trade in Endangered Species of Flora and Fauna	GAAP	Generally Accepted Accounting Principles
CMMI	Capability Maturity Model Integration	GAO	Government Accountability Office
COTR	Contracting Officer's Technical Representative	GMR	General Management Review
CPA	Certified Public Accountant	GMRA	General Management Reporting Act of 1994
CPBG&S	United States Capitol Police Buildings, Grounds, and Security Jurisdiction	GPO	Government Printing Office
CPP	Capitol Power Plant Jurisdiction	GSA	General Services Administration
CRV	Current Replacement Value	GSS	General Support System
CSRDF	Civil Service Retirement and Disability Fund	GTCl	Green the Capitol Initiative
CSRS	Civil Service Retirement System	HOB	House Office Buildings Jurisdiction
CVC	Capitol Visitor Center	HPO	Historic Preservation Officer
CVSWG	Capitol Vulnerability Study Working Group	HR	Human Resources
DCS	Distributed Control System	HRMD	Human Resources Management Division
DOE	Department of Energy	HVAC	Heating, Ventilation, and Air Conditioning
DOL	Department of Labor		

I&I	Injury and Illness	PAR	Performance and Accountability Report
IDP	Individual Development Plan	PCI	Platform Consolidation Initiative
ISA	Inter-Agency Service Agreement	PEC	Program for Energy Conservation
ISSP	Information Systems Security Program	PIC	Project Information Center
IT	Information Technology	PL	Public Law
ITD	Information Technology Division	PM	Preventative Maintenance
ITIM	Information Technology Investment Management	PMD	Project Management Division
JAB	John Adams Building	PP&E	Property, Plant, and Equipment
JCL	Joint Committee on the Library	PPM	Office of Planning and Project Management
JMMB	James Madison Memorial Building	SAS	Statement on Auditing Standards
kWh	Kilowatt-Hour	SC	Supreme Court Jurisdiction
LEED	Leadership in Energy and Environmental Design	SD	Segregation of Duties
LEED AP	Leadership in Energy and Environmental Design Accredited Professional	SECCC	Senate Employees Child Care Center
Library	Library of Congress	SFEP	Office of Safety, Fire, and Environmental Programs
LOC	Library Buildings and Grounds Jurisdiction	SFFAS	Statement of Federal Financial Accounting Standards
MD&A	Management's Discussion and Analysis	SLA	Service Level Agreement
MEP	Mechanical, Electrical, and Plumbing	SOB	Senate Office Buildings Jurisdiction
MOR	Management Operation Reporting	SONC	Statement of Net Cost
MY	Multi-Year	SOW	Statement of Work
NAVCC	National Audio-Visual Conservation Center	SP	Security Program
NFC	National Finance Center	T&A	Time and Attendance
NFPA	National Fire Protection Association	TJB	Thomas Jefferson Building
NIST	National Institute of Standards and Technology	TMFJB	Thurgood Marshall Federal Judiciary Building
NVE	New Visitors Experience Program	USBG	United States Botanic Garden Jurisdiction
OAP	Office of the Attending Physician	U.S.C.	United States Code
OCFO	Office of the Chief Financial Officer	USCP	United States Capitol Police
OGC	Office of the General Counsel	WFPM	Workforce Planning and Management Division
OIG	Office of Inspector General	WRP	West Refrigeration Plant
OMB	Office of Management and Budget	WRPE	West Refrigeration Plant Expansion
OOC	Office of Compliance	YTD	Year-to-Date
OPM	Office of Personnel Management		
OSH	Occupational Safety and Health Program Plan		
OSHA	Occupational Safety and Health Administration		
OSP	Office of Security Programs		
OT	Overtime		





LEGEND

1	U.S. Capitol
2	Capitol Visitor Center (underground)
3	Russell Senate Office Building
4	Dirksen Senate Office Building
5	Hart Senate Office Building
6	Webster Hall
7	Cannon House Office Building
8	Longworth House Office Building
9	Rayburn House Office Building
10	Ford House Office Building
11	House Page Dorm
12	Botanic Garden Conservatory
13	Botanic Garden Administration Building
14	National Garden
15	Thomas Jefferson Building
16	John Adams Building
17	James Madison Building
18	Special Facilities Center
19	Supreme Court Building
20	Thurgood Marshall Federal Judiciary Building
21	Capitol Power Plant Complex
22	Eney, Chesnut, Gibson Memorial Building
FACILITIES NOT SHOWN:	
Childcare Center (Senate)	
Alternate Computer Facility	
Botanic Garden Production Facility and Various Support Facilities Postal Square (leased)	
GPO Building (leased)	
Library of Congress Buildings	
Ft. Meade Building	
National Audio-Visual Conservation Center	
U.S. Capitol Police Buildings	
Training Facility	
Dog Kennel and Training Facility	
Maintenance Facility (leased)	
Fairchild Building (leased)	
Delivery Center (leased)	
Storage/Logistics Warehouse (leased)	

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