



Office of Audits
Office of Inspector General
U.S. General Services Administration

IMPLEMENTATION REVIEW OF CORRECTIVE ACTION PLAN

The GSA Public Buildings Service's
Special Programs Division Is Not
Effectively Managing Reimbursable
Work Authorizations
Report Number A210045/P/2/R23001
December 2, 2022

Assignment Number A250038
March 28, 2025

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Introduction

We have completed an implementation review of the management actions taken in response to the recommendations contained in our December 2, 2022, audit report, *The GSA Public Buildings Service's Special Programs Division Is Not Effectively Managing Reimbursable Work Authorizations*, Report Number A210045/P/2/R23001.

Objective

The objective of our review was to determine whether the GSA Public Buildings Service (PBS) has taken the actions as outlined in the corrective action plan for our audit report, *The GSA Public Buildings Service's Special Programs Division Is Not Effectively Managing Reimbursable Work Authorizations* (see **Appendix A**).¹ To accomplish our objective, we:

- Reviewed the original audit report to understand the recommendations and provide context for the corrective action plan;
- Corresponded with PBS personnel;
- Examined documentation submitted by PBS to support the completion of the corrective action plan steps; and
- Reviewed PBS's implementation of the guidance and procedures contained in these supporting documents.

Background

The Special Programs Division (SPD) is a division of PBS's Office of Project Delivery and reports directly to the Office of Project Delivery's Assistant Commissioner in Washington, D.C. At the time of our audit, the SPD's Program and Project Management Branch consisted of a Director, a Branch Chief, five full-time employees, and nine contractor employees.

All funding for SPD projects is provided through reimbursable work authorizations (RWAs), which are interagency agreements PBS uses to provide goods and services to other federal agencies. In general, PBS accepts RWAs for work in buildings under GSA's jurisdiction, custody, and control using its reimbursable authority under the Property Act.² PBS may also accept RWAs under the Economy Act for work in buildings that are not owned by GSA.³

¹ The redacted information in the corrective action plan contains information that, if disclosed, would infringe on an individual's personal privacy.

² The Federal Property and Administrative Services Act of 1949, referred to in this report as "the Property Act," was codified in Titles 40 and 41 of the U.S. Code. Reimbursable authority is mentioned at 40 U.S.C. 592(b)(2).

³ 31 U.S.C. 1535, *Agency agreements*, is also known as the Economy Act.

These agreements allow GSA to deliver services to these agencies, which are later reimbursed for the costs incurred, along with an applicable fee. This fee covers expenses such as employee salaries and benefits, office overhead, and travel costs within the SPD.

Because RWAs are funded through customer agency appropriations, it is critical that PBS's SPD provides careful stewardship of the RWAs. According to PBS's *Reimbursable Work Authorization National Policy Manual*, which establishes PBS's requirements for its RWA program and other GSA policies, this means that the SPD must execute RWAs in accordance with applicable appropriations law.⁴

On December 2, 2022, we issued an audit report, *The GSA Public Buildings Service's Special Programs Division Is Not Effectively Managing Reimbursable Work Authorizations* to GSA's PBS Commissioner. The objective of the audit was to determine whether PBS's SPD has effective controls over its acceptance, management, administration, and funding of RWAs in accordance with all applicable laws, regulations, and GSA policies.

Our audit found that the SPD was not effectively fulfilling its stewardship responsibilities, resulting in violations of applicable laws, regulations, and GSA policies.

To address the finding identified in our report, we recommended that the PBS Commissioner take action to ensure that the SPD:

1. Properly trains its employees in the acceptance, execution, and closeout of RWAs in accordance with applicable laws, regulations, and GSA policies.
2. Properly oversees project managers and other acquisition personnel regarding any RWA contract administration, including modifications and closeouts.
3. Adequately documents delays, and all efforts to rectify those delays, when contract award cannot be completed within a reasonable time, or when mutually agreed-upon milestone dates cannot be met.
4. Implements controls to meet reasonable time requirements for contractual obligations. As part of these controls, ensure the SPD works with customer agencies to expeditiously cancel RWAs that cannot proceed within a reasonable time.
5. Implements controls to ensure that substantially completed RWAs are identified and closed out according to applicable GSA policies.

In its response, PBS agreed with our report recommendations.

⁴ RWA National Policy Manual PBS 1000.2B, August 2020.

Results

Our implementation review determined that PBS management has taken appropriate corrective actions to address the recommendations. We determined that no further action is necessary.

Audit Team

This review was managed out of the Northeast and Caribbean Region Audit Office and conducted by the individuals listed below:

| | |
|------------------------|---|
| Arthur Maisano | Regional Inspector General for Auditing |
| Gregory Ventola | Audit Manager |
| Anna Naumova | Auditor-In-Charge |
| Annastasia Hoamcharran | Auditor |

Appendix A – Corrective Action Plan for Report Number A210045/P/2/R23001

Special Programs Division (SPD), Reimbursable Work Authorization (RWA) Program Corrective Action Plan

Designated Responding Official: Jennifer Groman, Assistant Commissioner, Office of Project Delivery

Contact Person: Ron Snow / Ashlee Carlson

Telephone Number: [REDACTED]

Date: 12/16/22

| Report Number A210045/P/2/R23001 | Recommendation numbers | Proposed Recommendation Completion Date (Month/Year) |
|---|------------------------|--|
| The GSA Public Buildings Service's Special Programs Division is Not Effectively Managing Reimbursable Work Authorizations | 001 | April, 2023 |

Finding(s): (For GSA Internal Use Only):

The SPD is not effectively fulfilling its stewardship responsibilities, resulting in violations of applicable laws, regulations, and GSA policies.

Root Cause of Finding(s): Root cause determination is for GSA internal use only.

This was due to a lack of consistent program oversight and execution as well as a lack of personnel resources with proper training to provide expert support and stewardship.

Recommendation: Only one per page

PBS Commissioner takes action to ensure that the SPD properly trains its employees in the acceptance, execution, and closeout of RWAs in accordance with applicable laws, regulations, and GSA policies.

Version Date: 12/16/2022

| <u>Action to be Taken Step by Step</u> | <u>Supporting Documentation</u> | <u>Documentation will be sent Last Duty Day of the month</u> |
|---|--|--|
| 001: SPD has recently hired a dedicated RWA Program Manager that will serve as a subject matter expert of RWA policy, regulations and applicable laws to ensure compliance of all SPD RWAs and to provide the proper training. | Position description for new RWA Program Manager. | February 28, 2023 |
| 002 The SPD RWA Program Manager will focus on acceptance, execution and closeout of RWAs in order to improve the process. They will create and provide annual refresher training on the acceptance of RWAs in accordance with applicable laws, regulations, and GSA policies to the entire SPD Program. | SPD RWA training slides on RWA acceptance, execution and closeout. | April 28, 2023 |

Version Date: 12/16/2022

Special Programs Division (SPD), Reimbursable Work Authorization (RWA) Program Corrective Action Plan

Designated Responding Official: Jennifer Groman, Assistant Commissioner, Office of Project Delivery

Contact Person: Ron Snow / Ashlee Carlson

Telephone Number: [REDACTED]

Date: 12/16/22

| | | |
|--|-----------------------------------|---|
| Report Number A210045/P/2/R23001 The GSA Public Buildings Service's Special Programs Division is Not Effectively Managing Reimbursable Work Authorizations | Recommendation numbers 002 | Proposed Recommendation Completion Date (Month/Year) April 2023 |
|--|-----------------------------------|---|

Finding(s): (For GSA Internal Use Only):

The SPD is not effectively fulfilling its stewardship responsibilities, resulting in violations of applicable laws, regulations, and GSA policies.

Root Cause of Finding(s): Root cause determination is for GSA internal use only.

This was due to a lack of consistent program oversight and execution as well as a lack of personnel resources with proper training to provide expert support and stewardship.

Recommendation: Only one per page

PBS Commissioner takes action to ensure that the SPD properly oversees project managers and other acquisition personnel regarding any RWA contract administration, including modifications and closeouts.

Version Date: 12/16/2022

| <u>Action to be Taken Step by Step</u> | <u>Supporting Documentation</u> | <u>Documentation will be sent Last Duty Day of the month</u> |
|--|--|--|
| 001: Coordinate with the Office of Financial Officer (OCFO) to assign dedicated budget analysts to work with SPD during the lifecycle of all RWAs to help oversee any RWA contract administration, including modifications and closeouts. | Correspondence documenting the engagement of OCFO. | February 28, 2023 |
| 002: SPD will issue guidance to reinforce that, prior to acceptance of the RWA, all non-severable RWAs above the PBS prospectus threshold are reviewed and approved by the Regional Review Board, which includes the RWA Manager, the Office of the General Counsel, and the OCFO as required. | Provide a copy of the issuance of this policy as well as the reinforcement guidance. | February 28, 2023 |
| 003: SPD will issue guidance to reinforce the use of the Office of Project Delivery's RWA Acceptance Request Form prior to RWA acceptance to ensure compliance with RWA policies. | Provide a copy of the issuance of this policy as well as the reinforcement guidance. | February 28, 2023 |
| 004: SPD will issue guidance to enter all RWA projects into Kahua for better tracking and oversight of the RWA administration. | Correspondence for the issuance of this guidance. | April 28, 2023 |
| 005: SPD will conduct a monthly High Risk RWA Review to identify and take corrective action on any RWAs with regards to contract administration, including modifications and closeouts, that may be at risk for delays. | Most recent High Risk Review document. | February 28, 2023 |

Version Date: 12/16/2022

Special Programs Division (SPD), Reimbursable Work Authorization (RWA) Program Corrective Action Plan

Designated Responding Official: Jennifer Groman, Assistant Commissioner, Office of Project Delivery

Contact Person: Ron Snow / Ashlee Carlson

Telephone Number: [REDACTED]

Date: 12/16/22

| | | |
|--|-----------------------------------|---|
| Report Number A210045/P/2/R23001 The GSA Public Buildings Service's Special Programs Division is Not Effectively Managing Reimbursable Work Authorizations | Recommendation numbers 003 | Proposed Recommendation Completion Date (Month/Year) April 2023 |
|--|-----------------------------------|---|

Finding(s): (For GSA Internal Use Only):

The SPD is not effectively fulfilling its stewardship responsibilities, resulting in violations of applicable laws, regulations, and GSA policies.

Root Cause of Finding(s): Root cause determination is for GSA internal use only.

This was due to a lack of consistent program oversight and execution as well as a lack of personnel resources with proper training to provide expert support and stewardship.

Recommendation: Only one per page

PBS Commissioner takes action to ensure that the SPD adequately documents delays, and all efforts to rectify those delays, when contract award cannot be completed within a reasonable time, or when mutually agreed-upon milestone dates cannot be met.

Version Date: 12/16/2022

| <u>Action to be Taken Step by Step</u> | <u>Supporting Documentation</u> | <u>Documentation will be sent Last Duty Day of the month</u> |
|--|--|--|
| 001: SPD will require that the Project/Program Managers create and maintain a detailed milestone schedule in coordination with the acquisition team for each RWA to ensure obligations occur within a reasonable time. | Correspondence for the issuance of this guidance. | February 28, 2023 |
| 002: SPD will conduct a monthly High Risk RWA Review to identify any RWAs that may be at risk for delays in order to take corrective action to rectify those delays. | Most recent High Risk Review document. | February 28, 2023 |
| 003: SPD will adequately document in the project file any delays, and all efforts to rectify those delays, when contract award cannot be completed within a reasonable time, or when mutually agreed-upon milestone dates cannot be met. Corresponding updates will also be made to milestone schedules. | Email correspondence for the issuance of this reminder to the SPD Program. | April 28, 2023 |

Version Date: 12/16/2022

Special Programs Division (SPD), Reimbursable Work Authorization (RWA) Program Corrective Action Plan

Designated Responding Official: Jennifer Groman, Assistant Commissioner, Office of Project Delivery

Contact Person: Ron Snow / Ashlee Carlson

Telephone Number: [REDACTED]

Date: 12/16/22

| | | |
|---|--|---|
| Report Number A210045/P/2/R23001 The GSA Public Buildings Service's Special Programs Division is Not Effectively Managing Reimbursable Work Authorizations | Recommendation numbers 004 | Proposed Recommendation Completion Date (Month/Year) April 2023 |
|---|--|---|

Finding(s): (For GSA Internal Use Only):

The SPD is not effectively fulfilling its stewardship responsibilities, resulting in violations of applicable laws, regulations, and GSA policies.

Root Cause of Finding(s): Root cause determination is for GSA internal use only.

This was due to a lack of consistent program oversight and execution as well as a lack of personnel resources with proper training to provide expert support and stewardship.

Recommendation: Only one per page

PBS Commissioner takes action to ensure that the SPD implements controls to meet reasonable time requirements for contractual obligations. As part of these controls, ensure the SPD works with customer agencies to expeditiously cancel RWAs that cannot proceed within a reasonable time.

Version Date: 12/16/2022

| <u>Action to be Taken Step by Step</u> | <u>Supporting Documentation</u> | <u>Documentation will be sent Last Duty Day of the month</u> |
|---|---|--|
| 001: SPD will issue guidance to require that the Project/Program Managers create and maintain a detailed milestone schedule in coordination with the acquisition team for each RWA as a control to meet reasonable time requirements. | Correspondence for the issuance of this guidance. | February 28, 2023 |
| 002: SPD will require of its project teams that any reasonable delays to the schedule be incorporated into an updated schedule and reissued as well as reflected in the project file. | Correspondence for the issuance of this guidance. | April 28, 2023 |
| 003: OCFO will utilize RWA follow-up letters in RETA to document communications to customers when action is required by the customer and no action has been taken as a control for customer agencies to expeditiously cancel RWAs that cannot proceed within a reasonable time. | Example correspondence of this action. | April 28, 2023 |
| 004: SPD will issue guidance to Contracting Officers to reinforce compliance with Procurement Acquisition Lead Time (PALT) as established in accordance with Procurement Instructional Bulletin (PIB) 15-01 to ensure we meet reasonable time requirements for contractual obligations. | Copy of the GSA PALT. | February 28, 2023 |

Version Date: 12/16/2022

Special Programs Division (SPD), Reimbursable Work Authorization (RWA) Program Corrective Action Plan

Designated Responding Official: Jennifer Groman, Assistant Commissioner, Office of Project Delivery

Contact Person: Ron Snow / Ashlee Carlson

Telephone Number: [REDACTED]

Date: 12/16/22

| Report Number A210045/P/2/R23001 | Recommendation numbers | Proposed Recommendation Completion Date (Month/Year) |
|---|------------------------|--|
| The GSA Public Buildings Service's Special Programs Division is Not Effectively Managing Reimbursable Work Authorizations | 005 | April 2023 |

Finding(s): (For GSA Internal Use Only):

The SPD is not effectively fulfilling its stewardship responsibilities, resulting in violations of applicable laws, regulations, and GSA policies.

Root Cause of Finding(s): Root cause determination is for GSA internal use only.

This was due to a lack of consistent program oversight and execution as well as a lack of personnel resources with proper training to provide expert support and stewardship.

Recommendation: Only one per page

PBS Commissioner takes action to ensure that the SPD implements controls to ensure that substantially completed RWAs are identified and closed out according to applicable GSA policies.

Version Date: 12/16/2022

| <u>Action to be Taken Step by Step</u> | <u>Supporting Documentation</u> | <u>Documentation will be sent Last Duty Day of the month</u> |
|---|---|--|
| 001: SPD will require that all teams report substantial completion to OCFO within 10 working days of substantial completion as OCFO is required to enter the completion date of the RWA in RETA within 30 days of actual substantial completion to ensure that substantially completed RWAs are identified and closed out according to applicable GSA policies. | Correspondence for the issuance of this guidance. SPD RWA Training Slides. | April 28, 2023 |
| 002: SPD will require that project teams obtain the final invoice and confirm all requirements have been met to pay the invoice to assist with financially closing out the RWA according to applicable GSA policies. | Correspondence for the issuance of this guidance. SPD RWA Training Slides. | April 28, 2023 |

Version Date: 12/16/2022

Appendix B – Report Distribution

Acting GSA Administrator (A)

GSA Deputy Administrator (AD)

Commissioner (P)

Deputy Commissioner (PD)

Deputy Commissioner of Enterprise Strategy (P2)

Acting Chief of Staff (PB)

Acting Deputy Chief of Staff (PB)

Deputy Assistant Commissioner (PA)

Program Management Officer (PXA)

Supervisory Program Specialist (PXAB)

Supervisory Program Analyst (PX)

Program Analyst (XDRP)

Chief Financial Officer (B)

Acting Deputy Chief Financial Officer (B)

Office of Audit Management and Accountability (BA)

Assistant Inspector General for Auditing (JA)

Deputy Assistant Inspector General for Acquisition Audits (JA)

Deputy Assistant Inspector General for Real Property Audits (JA)

Director (JAO)