

Highlights of GAO-10-630, a report to the Subcommittee on Financial Services and General Government, Committee on Appropriations, U.S. Senate

Why GAO Did This Study

The American Recovery and Reinvestment Act of 2009 (Recovery Act) provided the General Services Administration (GSA) with \$5.55 billion to invest in federal buildings and promote economic recovery. This funding includes \$4.5 billion to convert buildings to high-performance green buildings (HPGB), which seek to reduce energy and water use, among other goals.

GAO was asked to address the (1) steps GSA has taken to implement the program and make its Recovery Act projects transparent to the public, (2) extent to which GSA's Recovery Act projects are helping the agency convert buildings to HPGB and addressing federal energy and water conservation requirements and goals, and (3) extent to which GSA has identified potential risks to its Recovery Act program and developed strategies to mitigate those risks. GAO reviewed GSA documents and relevant laws and executive orders, and interviewed GSA officials at headquarters and staff for 12 projects, which varied in type, size, and location.

What GAO Recommends

GAO is recommending that the GSA Administrator should make more information publicly available on Recovery Act projects, include transportation improvements in GSA's criteria for projects, and do more to plan for project-level risks. On commenting on a draft of this report, the GSA Administrator agreed with the recommendations.

View GAO-10-630 or key components. For more information, contact Terrell Dorn at (202) 512-2834 or dornt@gao.gov or Mark Gaffigan at (202) 512-3841 or gaffiganm@gao.gov.

FEDERAL ENERGY MANAGEMENT

GSA's Recovery Act Program Is on Track, but Opportunities Exist to Improve Transparency, Performance Criteria, and Risk Management

What GAO Found

GSA has put an organizational structure in place to implement its Recovery Act program and, as of April 30, 2010, had obligated just over \$4 billion of its \$5.55 billion appropriation, and is on track to meet the act's obligation deadlines. GSA also has published information on its Recovery Act program, such as agencywide plans for spending funds and lists of projects, but this information does not identify the nature of the work being conducted or describe the 263 projects GSA has selected for Recovery Act funding. Without this information, the program is less than fully transparent—a key GSA Recovery Act goal—because the public cannot readily discern what individual projects entail or are expected to achieve with Recovery Act funding.

GSA Recovery Act Obligation Milestones and Deadlines

| Dollars in billions | | | |
|---------------------|---|----------------|----------------------------------|
| | Amount to be obligated | Time frame | Amount obligated (cumulative) |
| Milestone | Not less than a total of \$1 billion | Aug. 1, 2009 | \$1.1 |
| Milestone | Not less than a total of \$1.2 billion | Sept. 7, 2009 | 1.3 |
| Milestone | Not less than a total of \$2 billion | Dec. 31, 2009 | 2.1 |
| Milestone | Not less than a total of \$4 billion | Mar. 31, 2010 | 4.0 |
| Deadline | Not less than a total of \$5 billion | Sept. 30, 2010 | |
| Deadline | Not less than a total of \$5.55 billion | Sept. 30, 2011 | |

Source: GAO analysis of GSA data.

GSA's Recovery Act projects will enhance energy and water conservation performance in the 263 projects to varying degrees. GSA has begun collecting the data it would need to measure the likely extent of improvement. GSA set minimum performance criteria for its projects, which include reducing energy use by 30 percent. The criteria do not, however, include reducing the energy and environmental impacts of transportation through building location and site design, although this is part of the statutory definition of a HPGB. Under the Recovery Act, GSA is to use this definition when converting existing buildings. According to GSA, some managers are designing transportationrelated improvements into their projects. However, because it is not part of GSA's criteria, other managers may not be systematically considering such improvements. According to GSA, the agency has begun to roll out a new centralized data system to collect and report on specific information for Recovery Act projects' green improvements and performance.

GSA has identified risks to its Recovery Act program, such as the risk that Recovery Act reporting is inaccurate or incomplete, and risk mitigation strategies. In addition, GSA's approach to risk management is generally consistent with best practices we have developed. However, GSA relies on informal communication to identify project-level risks and has not taken steps to ensure the completion of project-level risk planning documents required by GSA. GAO found that the required documents, which are intended to help plan for project-level risks, had not been fully completed for 9 of the 12 projects reviewed. Unidentified risks to GSA's Recovery Act projects could potentially limit GSA's ability to achieve Recovery Act goals.