United States Government Accountability Office
Report to Congressional Addressees

September 2022

# FEDERAL REAL PROPERTY

# GSA Could Further Support Agencies' Post-Pandemic Planning for Office Space Use

Accessible Version

GAO-22-105105

# GAO Highlight

Highlights of GAO-22-105105, a report to congressional addressees

## Why GAO Did This Study

When the COVID-19 national emergency was announced in March 2020, federal agencies adopted a maximum telework posture, leaving many federal facilities (both leased and owned) underutilized. While future space needs are uncertain, many, including GSA, expect federal agencies will require less office space.

The CARES Act includes a provision for GAO to report on the federal response to the pandemic. GAO was also asked to report on federal agencies' real property plans during and after the COVID-19 pandemic. This report discusses changes agencies made to office space in response to the COVID-19 pandemic and anticipated changes to be made in the next 3 years, and assesses how GSA has supported post-pandemic federal office space-planning.

GAO surveyed the 24 Chief Financial Officers Act agencies about the effects of COVID-19 on current and future plans for office space, and space utilization data. GAO also reviewed relevant statutes, guidance, and GSA's leasing inventory data, and interviewed agency officials.

## What GAO Recommends

GAO recommends that GSA develop a plan to broadly share with federal agencies, including those that do not use GSA services, information learned from GSA's pilots and other space utilization data collection efforts. GSA agreed with the recommendation and stated it will communicate lessons learned from pilots and other data collection activities.

View GAO-22-105105. For more information, contact Jill Naamane at (202) 512-2834 or NaamaneJ@gao.gov.

September 2022

# FEDERAL REAL PROPERTY

## GSA Could Further Support Agencies' Post-Pandemic Planning for Office Space Use

## What GAO Found

Federal agencies reported making limited initial changes to leased and owned office space due to the pandemic, but many reported plans to reduce space going forward. Specifically, from March 2020 to March 2022, 17 of 24 major federal agencies GAO surveyed reported the pandemic resulted in limited reductions to office space due, in part, to the uncertainty on how employees will work in the future. However, in the next 3 years, most agencies reported that they expect to reduce the number of leases or square footage in their real estate portfolio, primarily in response to increases in telework.

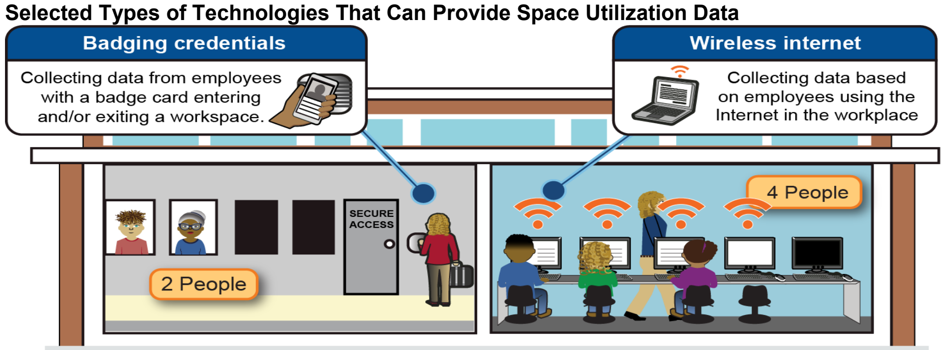
The General Services Administration (GSA) has taken some steps to support federal office space-planning in the post-pandemic environment. In response to the pandemic, the GSA has supported federal agencies by expanding ongoing office space-planning services and collecting new data. These data collection efforts include:

- *pilot-testing technologies* for collecting space utilization data—the number of employees in buildings on a daily or hourly basis (see figure below), and
- *collecting additional space utilization data* at GSA-leased and federally owned properties.

However, GSA has no plans to widely share information that it is gathering in pilot programs and data collection efforts, and that sharing could help agencies better understand their future space needs.

While many agencies—13 of the 24 GAO surveyed—agreed that such data could be helpful in their planning, all 24 agencies expressed concerns, including about the costs to collect data. Consequently, most of these agencies (20 of 24) reported collecting limited or no space utilization data. GSA officials stated they have no plans to distribute information on the costs and benefits of space utilization data learned from their efforts beyond agencies that use GSA space-planning services. By not planning to more broadly share this information, GSA is missing an opportunity to provide a clear understanding of how the potential costs of collecting such data could be outweighed by the long-term benefits, including potential cost savings from reductions in future annual rent, maintenance, and other operational costs.

**Selected Types of Technologies That Can Provide Space Utilization Data**




Source: GAO. | GAO-22-105105

# Contents

Tables



Figures



**Abbreviations**

| | |
|---|---|
| CFO | Chief Financial Officers |
| DOI | Department of Interior |
| GSA | General Services Administration |
| OMB | Office of Management and Budget |
| OPM | Office of Personnel Management |
| NASA | National Aeronautics and Space Administration |
| USDA | U.S. Department of Agriculture |

U.S. GOVERNMENT ACCOUNTABILITY OFFICE

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Congressional Addressees

On March 13, 2020, a Presidential Proclamation announced a national emergency in response to COVID-19. Federal agencies responded by adopting a maximum telework posture, allowing many employees to work remotely off-site, and only allowing employees on-site for necessary agency operations. As a result, nearly 60 percent of federal employees, including employees who had not historically done so, shifted to remote work and telework, leaving many federal facilities (both leased and owned) underutilized.[1]

Federal agencies are now requiring federal employees to come back to the workplace; however, how many employees will return to the office is not yet clear. While future office space needs are uncertain, federal agencies—including the government's property manager, the General Services Administration (GSA)—expect to decrease the amount of leased and owned space across the vast federal portfolio because of personnel who will continue to telework. The federal government has a long-standing challenge with managing and disposing of properties that are no longer needed—one of the primary reasons managing federal real property has remained on GAO's high-risk list for almost 20 years.[2]

Given the widened telework environment and the expansive federal government footprint, you asked us to report on federal agencies' plans for office space and telework policies during and after the COVID-19

[1]Office of Personnel Management, *Federal Employee Viewpoint Survey 2020: Government-wide Management Report* (Washington, D.C.: 2020). With respect to federal property management, the term "underutilized property" is defined to mean a portion or the entirety of any real property, including any improvements, that is used—(A) irregularly or intermittently by the accountable federal agency for program purposes of the Federal agency; or (B) for program purposes that can be satisfied only with a portion of the property. 40 U.S.C. § 621(8).

[2]GAO, *High–Risk Series: Dedicated Leadership Needed to Address Limited Progress in Most High-Risk Areas,* GAO-21-119SP (Washington, D.C.: Mar. 2, 2021).

pandemic. This report is also a part of our body of work in response to the CARES Act.[3]

This report:

- describes changes agencies made to office space due to the COVID-19 pandemic,
- describes changes agencies anticipate making to their office space in the next 3 years due to the COVID-19 pandemic, and
- assesses how GSA has supported agencies in planning their use of office space post-pandemic.

To address these objectives, we sent two surveys to all 24 Chief Financial Officers (CFO) Act agencies and received a 100 percent response rate.[4] These agencies collectively occupied approximately 98 percent of all federal office space in fiscal year 2020, according to GSA data. The first survey asked about the effects of COVID-19 on current changes to and future plans for office space leases, owned buildings, and new construction projects.[5] The second survey asked about space utilization data and for updated information on responses submitted to the first survey. In discussing our survey results, we use the terms “few” to represent 2 to 3 agencies; “several” to represent 4 to 11 agencies; “many”

[3]Pub. L. No. 116-136, § 19010, 134 Stat. 281, 579–81 (2020). All of GAO’s reports related to the COVID-19 pandemic are available on GAO’s website at https://www.gao.gov/coronavirus.

[4]The CFO Act of 1990 established Chief Financial Officers to oversee financial management activities at 23 agencies. Pub. L. No. 101-576, § 205, 104 Stat. 2838, 2842-43. The list now includes 24 agencies, which are often referred to collectively as CFO Act agencies. See 31 U.S.C. § 901(b). For the purposes of this report, “agencies” refer to the 24 CFO Act agencies unless otherwise specified. The 24 CFO Act agencies are the Departments of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Homeland Security, Housing and Urban Development, Interior, Justice, Labor, State, Transportation, Treasury, and Veterans Affairs, National Aeronautics and Space Administration, Environmental Protection Agency, United States Agency for International Development, General Services Administration, National Science Foundation, Nuclear Regulatory Commission, Office of Personnel Management, Small Business Administration, and Social Security Administration.

[5]GSA leases space in commercial buildings on behalf of federal agencies and manages the lease agreements. In these situations, GSA executes an occupancy agreement with a customer federal agency for each space assignment that is similar to a sublease between GSA and the agency. For the purposes of this report, some references to leases might include space occupied by federal agencies pursuant to an occupancy agreement with GSA.

to represent 12 to 19 agencies; and “most” to represent 20 to 23 agencies.

Based on the responses to our surveys and other factors, including changes to real property and office space footprint, we selected five agencies to serve as nongeneralizable, illustrative examples of how federal agencies adjusted and plan to adjust their real property portfolios in response to the pandemic. We interviewed officials from these selected agencies and related entities to collect additional information related to the agency survey responses.

In addition, we reviewed relevant statutes, regulations, Office of Personnel Management (OPM) guidance, Office of Management and Budget (OMB) guidance, GSA’s guidance, and our prior reports. We also interviewed officials from GSA. We compared GSA’s efforts to support agencies to its two most recent strategic plans covering fiscal years 2018–2022 and 2022–2026, which identify the agency’s role in sharing information on solutions and services with federal agencies to support them in managing the costs of real estate planning. We also reviewed and analyzed GSA’s external leasing inventory data from July 2011 to February 2022. Based on our review of the data for omissions and completeness, we determined that the data were sufficiently reliable for the purposes of examining the general characteristics of leases in GSA’s portfolio, including square footage, expiration dates, and extensions.

See appendix I for additional details on our objectives, scope and methodology, including a list of stakeholders interviewed. Appendix II includes more details on our two surveys of CFO Act agencies, including selected results.

We conducted this performance audit from May 2021 to September 2022 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

# Background

## Types of Federal Space

The federal government is responsible for the largest real property portfolio in the United States. Its real-property holdings include thousands of leased spaces and owned buildings across the country that cost billions of dollars annually to operate, maintain, or rent. The Department of Defense, GSA, and the U.S. Postal Service collectively account for the majority of federal real estate holdings. In addition, some agencies have limited independent authority related to real property.[6] GSA is responsible for federally leased assets and owned space on behalf of the federal government. The agency serves as a caretaker for federal properties across the country.

- **Federally leased space**. GSA leases space for agencies from other federal agencies, public entities, and private-sector lessors in commercially owned buildings.[7] As of March 2022, GSA managed 7,760 leases, totaling nearly 180 million square feet. Rent costs for these leases are about $5.7 billion annually.
- **Federally owned space**. Federally owned buildings include courthouses, offices, warehouses, schools, hospitals, housing, data centers, land ports-of-entry, and laboratories, among other assets. There are more than 19,500 federally owned buildings, including approximately 511 million square feet that are considered office space.

As part of its management of this diverse portfolio, GSA undertakes new construction projects and develops guidance for federal agencies. Specifically, GSA manages capital and lease projects through (1) new construction, (2) new leases,[8] or (3) decisions not to renew existing

[6]Limited independent authority related to real property includes, for example, Veterans Affairs enhanced-use lease authority at 38 U.S.C. §§ 8161-69, and Department of Defense lease authority at 10 U.S.C. § 2667.

[7]The Administrator of GSA is authorized under statute to enter into lease agreements, not to exceed 20 years, on behalf of federal agencies. 40 U.S.C. § 585.

[8]For proposed GSA construction, alteration, or acquisition of a building or a lease of space in a building, over specified dollar thresholds, prior to appropriations being made for such projects, GSA is statutorily required to submit such projects for congressional-funding approval. 40 U.S.C. § 3307.

leases.[9] GSA's capital and lease projects often take multiple years to implement. For example, GSA guidance suggests that the lease acquisition process for prospectus-level leases—those above a certain dollar threshold—should begin 36 to 60 months prior to a lease's expiration.[10] Rents paid to GSA by federal agencies that occupy space in federally owned properties or leases are to be deposited into the Federal Buildings Fund, which is GSA's sole source of funds to manage those buildings.[11] GSA and OMB provide guidance and support to federal agencies to help manage the real property they occupy.

## Challenges Managing Real Property

In 2003, we placed federal real property management on our High-Risk List due to long-standing challenges in managing real property, including: (1) effectively disposing of excess and underutilized property, and (2) collecting reliable real property data for decision-making.[12] GAO and others have also reported on issues with managing repairs and maintenance and tenant vacancies in federally owned facilities, which are costly to the federal government.[13] Furthermore, the average age of federal buildings owned by GSA is 49 years, and GSA's Office of

[9]GSA refers to construction, acquisition, and repairs and projects as capital projects, and leasing privately-owned space as lease projects.

[10]Prospectus-level leases refer to proposed lease projects over a statutorily specified dollar threshold for which GSA is statutorily required to submit a prospectus for congressional funding approval prior to the making of the appropriations for such projects. 40 U.S.C. § 3307. Under this provision, GSA is authorized to make annual adjustments to the threshold dollar amount. For fiscal years 2020, 2021, and 2022, prospectus project threshold amounts for construction (alteration and lease projects) are as follows: $3.095 million, $3.095 million, and $3.375 million, respectively, and for alterations in leased space, $1.574 million, $1.574 million, and $1.687 million, respectively.

[11]GSA charges federal tenants rent based on the appraised value of similar private-sector rental properties. GSA also charges federal tenants operating costs, representing the direct costs of operating its facilities including utilities, janitorial services, and routine maintenance. All GSA spending on its portfolio comes from the Federal Buildings Fund.

[12]GAO-21-119SP.

[13]GAO, *High-Risk Series: Key Practices to Successfully Address High-Risk Areas and Remove Them from the List,* GAO-22-105184 (Washington, D.C.: Mar. 03, 2022); GSA Office of Inspector General, *Assessment of GSA's Management and Performance Challenges for Fiscal Year 2022,* (Washington, D.C.: Oct. 15, 2021)*; and* GSA, "*2021 Agency Financial Report"* (Washington, D.C.: Sept. 21, 2021).

Inspector General has found that the agency faces challenges in meeting operation and maintenance needs.[14]

Since 2010, in an effort to address many of these issues and to promote more efficient use of real property assets, Congress, OMB, and federal agencies have implemented a number of initiatives designed to reduce the federal government's real property portfolio and generate cost savings. For example, the Freeze the Footprint and Reduce the Footprint initiatives required federal agencies to take steps to restrict the growth of the federal real property portfolio and then reduce it (see table 1).[15]

**Table 1: Selected Federal Government Property Reduction Initiatives since 2010**

| Title of Initiative | Date Established | Description |
|---|---|---|
| Disposing of Unneeded Federal Real Estate[a] | June 16, 2010 | Directed federal executive branch agencies to achieve not less than $3 billion in civilian real property cost savings by the end of fiscal year 2012 through a number of initiatives, including space consolidation efforts |
| Freeze The Footprint[b] | March 14, 2013 | Required federal executive branch agencies to document efforts to restrict any growth in the size of agency domestic office and warehouse inventories from fiscal year 2012 through fiscal year 2015 |
| National Strategy for the Efficient Use of Real Property[c] | March 25, 2015 | A strategic framework to guide agencies' real property management, to increase efficient real property use, control costs, and reduce real property holdings. |
| Reduce the Footprint[d] | March 25, 2015 | Required federal executive branch departments and agencies to set annual targets for reducing their portfolio of domestic office and warehouse space |
| Federal Assets Sale and Transfer Act of 2016[e] | December 16, 2016 | Created a temporary new funding mechanism to implement OMB-approved recommendations of an independent board to facilitate the reduction of the federal civilian real property inventory |

Source: GAO analysis of federal guidance documents. | GAO-22-105105

[14]GSA Office of Inspector General, *Assessment of GSA's Management and Performance Challenges for Fiscal Year 2022* (Washington, D.C.: Oct. 15, 2021).

[15]Another related initiative being implemented by GSA is the Lease Cost Avoidance program. According to GSA officials, this program aggregates cost savings from several efforts, including the Freeze the Footprint and Reduce the Footprint initiatives, and achieved $4.5 billion in cost avoidance from fiscal year 2018 through fiscal year 2021. The Lease Cost Avoidance program aims to reduce lease costs by establishing longer firm term leases; negotiating favorable rates; reducing rentable square feet; backfilling vacant federal or leased space; and accelerating lease cycle time. GSA continues to implement this plan by tracking cost avoidance through various metrics such as leases negotiated below market costs, reductions in rental square footage, and reductions in vacant leased space through backfill or lease termination. However, in prior GAO work issued in March 2020, we raised concerns regarding the reliability of the information used to calculate the cost savings reported by GSA. GAO. *Federal Leasing: Quality Information and Metrics Would Allow GSA to Better Assess the Value of Its Broker Program*, GAO-20-361 (Washington, D.C.: Mar. 31, 2020).

[a]Presidential Memorandum, *Disposing of Unneeded Federal Real Estate – Increasing Sales Proceeds, Cutting Operating Costs, and Improving Energy Efficiency*, 75 Fed. Reg. 33987 (June 16, 2010).

[b]OMB, *Implementation of OMB Memorandum M-12-12 Section 3: Freeze the Footprint*, Management Procedures Memorandum No. 2013-02 (Washington, D.C.: Mar. 14, 2013).

[c]OMB, *National Strategy for the Efficient Use of Real Property 2015-2020: Reducing the Federal Portfolio through Improved Space Utilization, Consolidation, and Disposal* (Washington, D.C.: Mar. 25, 2015). Subsequently, OMB published the *Addendum to the National Strategy*. See M-20-*10 Memorandum to the Heads of Executive Departments and Agencies* (Washington, D.C.: Mar. 6, 2020).

[d]OMB, *Implementation of OMB Memorandum M-12-12 Section 3: Reduce the Footprint*, *Management Procedures Memorandum No. 2015-01* (Washington, D.C.: Mar. 25, 2015). Subsequently, *OMB Memorandum M-20-03*, *Memorandum for the Heads of Executive Departments and Agencies: Implementation of Agency-wide Real Property Capital Planning* (Washington, D.C.: Nov 6, 2019).

[e]Federal Assets Sale and Transfer Act of 2016, Pub. L. No. 114-287, 130 Stat. 1463.

## COVID-19 Federal Telework and Reentry Guidance

The management of federal real property was severely impacted by the March 13, 2020, national emergency declaration related to COVID-19 and the release of subsequent guidance resulting in executive branch agencies adopting a maximum telework posture.[16] Specifically, agencies reported significant increases in their use of telework and, as a result, underutilization (i.e., irregular or intermittent use) of many federal buildings and office spaces.[17] During the course of the pandemic, several initiatives attempted to address and mitigate COVID-related safety concerns and bring federal employees back into the office:

- In April 2020, the White House and Centers for Disease Control and Prevention issued Guidelines for Opening Up America Again, which included a framework for moving away from maximum telework and

[16]Presidential Proclamation No. 9994, *Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak,* 85 Fed. Reg. 15337 (Mar. 13, 2020). Office of Management and Budget, *Federal Agency Operational Alignment to Slow the Spread of Coronavirus COVID-19,* Memorandum M-20-16 (Washington, D.C.: Mar. 17, 2020).

[17]GAO, *COVID-19: Federal Telework Increased during the Pandemic, but More Reliable Data Are Needed to Support Oversight,* GAO-22-104282 (Washington, D.C.: Feb. 8, 2022). While most federal occupations were permitted to telework, some were not; consequently, not all agencies experienced underutilization in federal buildings.

the reentry of employees back to their workplaces.[18] In response to this guidance, federal agencies developed plans for the reentry of their workforce and the safety of on-site work, and some agencies began bringing employees back to the office. However, the continued spread of COVID-19, emergence of COVID-19 variants, and the resulting concerns over employee safety caused some agencies to delay or suspend reentry plans.

- In January 2021, the Safer Federal Workforce Task Force was established by executive order.[19] Shortly following issuance of the executive order and the establishment of the task force, OMB issued guidance to executive branch agencies to: (1) generally limit the occupancy in federal workplaces to no more than 25 percent of normal capacity during periods of significant or high community transmission, (2) require mask-wearing and physical distancing, and (3) develop safety plans for employees returning to the office.[20]
- In June 2021, new federal guidance from GSA, OMB, and OPM directed agencies to submit updated workplace safety plans to the Safer Federal Workforce Task Force, based on revised guidance from the CDC, as well as agency schedules for reentry and longer-term agency post-reentry policies, which would be reviewed by OMB.[21] This guidance includes, but is not limited to, directing agencies to consider workplace usage and mobility assessments, and

[18]White House and Centers for Disease Control and Prevention, *Guidelines for Opening Up America Again* (Washington, D.C.: Apr. 16, 2020).

[19]Executive Order 13991, *Protecting the Federal Workforce and Requiring Mask-Wearing*, 86 Fed. Reg. 7045 (Jan. 25, 2021).

[20]Office of Management and Budget, *COVID-19 Safe Federal Workplace: Agency Model Safety Principles,* Memorandum M-21-15 (Washington, D.C.: Jan 24, 2021).

[21]The updated guidance released by OMB, Office of Personnel Management (OPM), and General Services Administration (GSA) on June 10, 2021, rescinded the initial reentry guidance from April 2020. OMB and OPM, *Aligning Federal Agency Operations with the National Guidelines for Opening Up America Again*, Memorandum M-20-23 (Washington, D.C.: Apr. 20, 2020). The updated guidance also established new guidelines for agency plans for a return to the workplace. OMB, OPM, and GSA, *Integrating Planning for A Safe Increased Return of Federal Employees and Contractors to Physical Workplaces with Post-Reentry Personnel Policies and Work Environment,* Memorandum M-21-25 (Washington, D.C.: June 10, 2021). In October 2021, we found that, unlike reentry plans created in response to April 2020 OMB guidance, agency safety plans created in response to January 2021 guidance were generally consistent with updated federal guidance. GAO, *COVID-19: Federal Agencies' Initial Reentry and Workplace Safety Planning*, GAO-22-104295 (Washington, D.C.: Oct. 25, 2021).

opportunities to integrate remote work and sharing of spaces among federal agencies.

- In November 2021, OPM encouraged agencies to re-evaluate their telework policies and fully integrate telework into their culture based on experiences during the pandemic. Specifically, OPM encouraged agencies to re-evaluate their telework policies and to fully integrate teleworking into their culture by providing all employees—who are legally permitted to do so—the opportunity to telework at least occasionally. Additionally, the guidance stated managers should be trained on the management of hybrid teams or teams made of individuals who work in the office and in off-site locations, including informing supervisors that employee performance evaluation should be based on results or quality of work, and not affected by the employee's choice to work in the office or remotely.[22]

In March 2022, the President updated the National COVID-19 Preparedness Plan. In a letter written to federal employees, he stated that federal employees could begin to increasingly work in offices. Subsequently, most federal agencies released their reentry plans and began to bring employees back to some in-person work. As of June 2022, OMB officials reported that most federal agencies were welcoming employees back to work in their offices. For example, the U.S. Department of Agriculture, in March 2022, began a phased return to office; however, a portion of the workforce is still participating in remote work and telework. In July 2022, OMB issued guidance instructing the 24 CFO agencies to provide capital plans for fiscal years 2024–2028 to OMB

[22]Office of Personnel Management, *2021 Guide to Telework and Remote Work in the Federal Government: Leveraging Telework and Remote Work in the Federal Government to Better Meet Our Human Capital Needs and Improve Mission Delivery* (Nov. 12, 2021). We reported in February 2022 that while OPM has taken some steps to improve its collection of government-wide telework information, it had not developed a plan to address long-standing data reliability issues which would improve its oversight of agencies' teleworking and provide more accurate and useful information to Congress, because accurate information is critical as OPM and agencies consider the future of work for millions of federal employees. We recommended that Congress consider requiring OPM to develop an implementation plan to improve the reliability of the information in its federal payroll data system, including telework information, and that Congress consider providing OPM with a deadline for completing the plan. As of August 22, 2022, legislation designed to address this issue has not been introduced in the 117th Session of Congress. According to OPM officials, the agency is undertaking improvements to workforce data including telework and remote work data involving technology infrastructure. OPM expects these efforts to improve the accuracy and timeliness of telework and remote work data and officials stated they plan to complete this work by the end of 2023. GAO, *COVID-19: Federal Telework Increased During the Pandemic, but More Reliable Data Are Needed to Support Oversight*, GAO-22-104282 (Washington, D.C.: Feb. 08, 2022).

and the Federal Real Property Council, and emphasized that agencies were expected to reimagine their workplace approach as informed by lessons from the COVID-19 pandemic and new workplace trends such as telework and remote work policies.[23]

# In the Last 2 Years, Agencies Made Limited Reductions to Office Space due to the Pandemic

## Overall, Agencies Made Limited Reductions to the Amount of Leased Office Space but Also Extended Some Leases Due to the Pandemic

Agencies we surveyed reported making limited changes to the amount of office space—primarily within their federally leased space—due to the pandemic. Seventeen of 24 federal agencies we surveyed reported that, from March 2020 to March 2022, they did not terminate any leases or allow leases to expire in response to the pandemic. Eight surveyed agencies chose to terminate and/or allow leases to expire for a relatively small proportion of federally leased office space—approximately 525,000 out of 238 million square feet—in response to the pandemic.[24] For example:

- The Department of Veterans Affairs reduced approximately 178,000 square feet in 6 leases nationwide through a combination of terminations and expiring leases because of the increase in personnel who teleworked during the pandemic.
- OPM terminated three leases in its Crystal City, Virginia; San Francisco, California; and Denver, Colorado locations (approximately

[23]Office of Management and Budget, *FY 2024 Agency-wide Capital Planning to Support the Future of Work*, Memorandum M-22-14 (Washington, D.C.: July 20, 2022). This memorandum restarted the federal agency annual planning process, as instituted in OMB Memorandum M-20-03, *Implementation of Agency-wide Real Property Capital Planning,* which was paused on August 6, 2022 due to the COVID-19 pandemic. Memorandum M-20-03 required agencies to develop an annual agency-wide real property capital plan to define their real property resource need and integrate that need into the agency's annual budget request.

[24]Survey results were based on agency responses in 2021 and 2022.

22,500 total square feet) as a result of employees transitioning to remote work either before or during the COVID-19 pandemic.

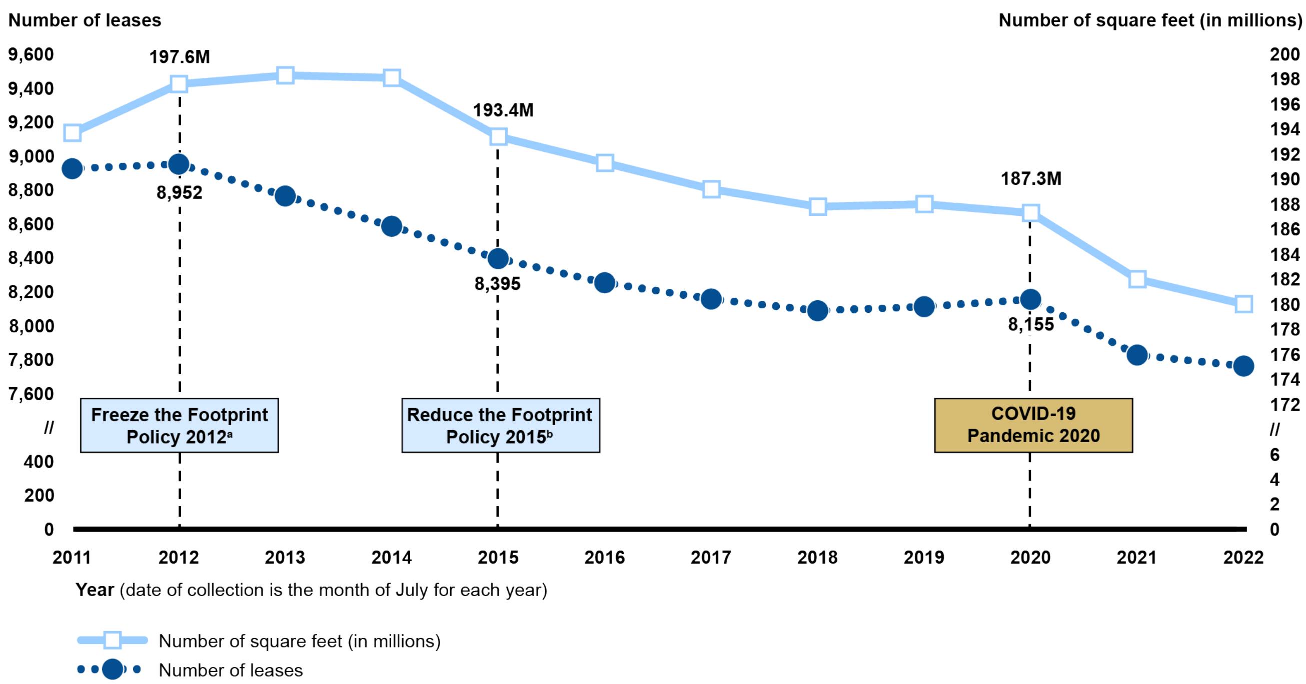
- The Small Business Administration reduced approximately 12,000 square feet in 16 leases nationwide through a combination of terminations and expiring leases in part because the space was underutilized as a result of staff teleworking.
- The National Science Foundation's Office of Inspector General terminated its Denver, Colorado, lease (2,750 square feet) in part because of a decrease in employee use of the space caused by an increase in the number of people regularly teleworking.
- The National Aeronautics and Space Administration (NASA) allowed one lease (3,700 square feet) to expire in Las Cruces, New Mexico, due to increased telework as well as the availability of new technology enabling additional telework.
- The Drug Enforcement Administration reduced office space by approximately 10,300 square feet by consolidating offices and not renewing a lease in Crystal City, Virginia, based on increased telework and reduced workstation square footage.
- The Social Security Administration terminated a 19,000 square foot lease in Towson, Maryland, after determining the work could be completed in another existing space.
- The Immigration and Custom Enforcement allowed one lease (105,000 square feet) to expire in Washington, D.C., after identifying underutilized space in another location. The underutilization was a direct result of telework and remote work during the COVID-19 pandemic.

Although the decrease in federal leases specifically influenced by the pandemic has been limited, it continued and somewhat accelerated the federal government's historical trend of reductions in leased space assets. Federal agencies have been decreasing square footage in part due to executive branch policies aimed at reducing the federal footprint for over a decade, such as Freeze the Footprint (2012) and Reduce the Footprint (2015). Specifically, from July 2011 to March 2022, largely as a result of the aforementioned efforts, the federal inventory was reduced by 1,165 leases (from 8,925 to 7,760), and by nearly 14-million square feet (from about 194-million to over 180 million square feet).[25]

[25]These data are based on GSA's Leased Inventory, which represents leases between federal agencies and commercial properties.

According to agency officials we interviewed, the pandemic likely accelerated plans to continue reducing the amount of leased space. In fact, since the pandemic began in March 2020, federal agencies have reduced leasing at a higher average rate, including a nearly 5 percent reduction in leases (410 lease decrease) and a 4 percent reduction in square footage (over 7-million square foot decrease) (see fig. 1).

**Figure 1: Number of Leases and Square Footage in the Federal Leasing Inventory, July 2011 to March 2022**




Source: GAO analysis of General Services Administration's Leasing Inventory Data. | GAO-22-105105

## Accessible Data Table For Figure 1

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number of Square feet (in millions) | 193.7 | 197.6 | 198.3 | 198.1 | 193.4 | 191.3 | 189.2 | 187.8 | 188 | 187.3 | 182 | 180 |
| Number of leases | 8,925 | 8,952 | 8,764 | 8,586 | 8,395 | 8,253 | 8,157 | 8,088 | 8,112 | 8,155 | 7,827 | 7,762 |

[a]In 2012, the Office of Management and Budget (OMB) directed the 24 Chief Financial Officers (CFO) Act agencies to "freeze" their footprint and maintain their civilian real estate inventory at or below their then-current levels.

[b]In 2015, OMB issued its Reduce the Footprint policy requiring the CFO Act agencies to set annual targets for reducing their portfolio of domestic office and warehouse space.

While federal agencies reported limited reductions in the number and square footage of leases as a result of the COVID-19 pandemic, several also noted having to extend existing leases due to pandemic-related challenges. Specifically, according to GSA officials, federal agencies reported that 21 leases were extended from March 2020 to March 2022 as a direct result of COVID-19. Some agencies we surveyed provided examples of decisions to extend leases that were influenced by the pandemic:

- The Federal Motor Carrier Safety Administration, within the Department of Transportation, extended a lease for office space in San Juan, Puerto Rico, by 5 years. The COVID-19 pandemic, along with ongoing challenges from the devastation of Hurricane Maria in September 2017, caused construction delays for the new office space in a federal building.
- The Environmental Protection Agency delayed its office relocation to a federal building in Washington, D.C., due to challenges posed by moving almost 1,000 employees and equipment while the federal government operated under a maximum telework status. As a result, the agency had to extend its lease (326,057 square feet) in Arlington, Virginia until March 2022.

### Agencies Did Not Dispose of or Acquire New Federally Owned Office Space due to the Pandemic

None of the 24 agencies we surveyed reported disposing of property (e.g., through sales) as a response to the COVID-19 pandemic. Despite telework resulting in a significant increase in vacant space in federally owned properties—going from 8.4 million square feet to 10.6 million square feet between March 2020 and January 2022—agencies reported that the pandemic had little impact on their decisions about the portfolio of federally owned office space.[26] Instead, agency officials stated that any plans to dispose of space were due to efforts that began before the COVID-19 pandemic. In addition, none of the 24 agencies reported acquiring any new buildings.

[26]GSA officials defined vacant space as a space without a tenant which can be brought to market for sale.

Instead of initiating time-consuming processes to dispose of federal properties, several agencies we surveyed reported modifying existing owned space to allow them to better use it and allow for further changes in the future. For example, the Social Security Administration modified its headquarters campus by implementing space sharing—in which two or more individuals may share an office space through scheduling agreements. This allowed employees to use current space more efficiently, provide room for additional employees, and prevented the need to find additional space in the future.

### Agencies Reported Several Reasons for Limited Changes to the Amount of Leased and Owned Office Space during the Pandemic

According to officials we interviewed at five selected agencies, despite the increase of teleworking employees, the agencies did not release a large amount of federal space during the time of the pandemic largely due to uncertainty, agency priorities, and other real property issues. Officials we spoke with provided several reasons that prevented agencies from seeking ways to immediately release building space, including:

- **Uncertainty on the future of work.** The officials were reluctant to make significant real property decisions, including revising plans that took years to develop and fund, until more is known about how federal employees will work in the future. In particular, agencies were uncertain of the number of people who would regularly need access to permanent office space once the maximum telework policies ended. For example, officials from five agencies we met with stated it was too early to know the extent to which the hybrid workforce (office versus teleworkers) would be in place once the pandemic ended, which made it difficult for them to make space-planning decisions.
- **Prioritizing safety and mission.** Agency officials from two of our five selected agencies were primarily concerned with ensuring the safety of employees and achieving their missions and goals. Several agencies we surveyed (9 of 24), reported that during the beginning of the pandemic officials focused on installing protective measures (e.g., Plexiglas), cleaning measures, and social distancing protocols for essential employees who were required to continue in-person work. In addition, officials from three agencies we spoke with were more concerned with continuing to meet their missions, including providing services to the public. Due to these priorities, long-term planning may have not been the top priority for federal agencies.

- **Lease terms.** Prior to the pandemic, in efforts to reduce cost, federal agencies worked with GSA to enter into longer-term leases that lasted 10 or more years, often with extensions that placed agencies in the same buildings for decades. Officials from a few agencies we surveyed stated that these sorts of long-term leases, and their associated costs, resulted in hesitation to take swift action to shed federal space during the pandemic. According to GSA officials, federal leases generally do not include cancellation clauses or require agencies to pay a portion of the remaining contract to vacate a space before the lease expires. These situations often made it more financially appealing to keep an unused space than to break the lease terms, according to agency officials.
- **Process for disposal of unneeded space.** Five federal agencies reported concerns that the process for disposing of unneeded or underutilized federally owned space was lengthy and might not result in cost savings. The process of disposing of federally owned real property involves multiple steps. First, federal agencies determine a property is no longer needed, which may require complicated plans to identify spaces to relocate existing building tenants or assess various legal requirements (e.g., any environmental remediation that must be done prior to disposal). Next, agencies must work with GSA to notify and provide opportunities for other federal agencies, state and local governments, non-profits, and other entities that serve the public to take ownership of the property. If the property is not wanted for these other purposes, agencies then work with GSA to prepare the property for sale to private sector companies.[27] Officials from several agencies expressed doubts that other agencies, state and local governments,

[27]The federal disposal process starts after an agency determines it no longer needs a property and informs GSA that the property is "excess". Once notified by an agency, GSA must circulate a notice of availability of the property to other federal agencies. If other federal agencies do not need the property, then the property is to be determined to be a federal "surplus property" and is to be made available to state and local governmental units, eligible nonprofit organizations and institutions for public benefit uses, such as educational facilities, or fire- and police-training centers. In addition, if the property is deemed suitable to assist the homeless, then priority is to be given for this purpose—over all other potential public benefit uses. If state and local governmental units or other eligible nonprofit organizations, including those that assist the homeless, do not acquire the surplus property, then the property can be disposed of via a competitive sale to the public. Excess property means a property under the control of any Executive agency that is not required for the agency's needs or the discharge of its responsibilities, as determined by the head of the agency pursuant to 40 U.S.C. § 524. See, 40 U.S.C. § 102(3), 41 C.F.R. § 102-75.1160. Surplus property is defined to mean excess property that GSA determines is not required to meet the needs or responsibilities of all federal agencies. See, 40 U.S.C. § 102(10), 41 C.F.R. § 102-75.1160.

or private companies would want excess federal properties, and questioned whether going through the disposal process was worth the significant time and effort. For example, officials from the Department of the Interior's (DOI) Bureau of Land Management stated it is difficult to find another federal agency interested in rural office locations.[28] However, according to GSA officials, federal agencies have regularly disposed of excess property to state and local governments and the private sector.

## Agencies Anticipate Further Reducing Office Space, Based on Telework Policies and Other Factors

### Agencies Anticipate Continuing to Reduce Leased Office Space

Many agencies we surveyed reported that they expect to continue to reduce the number of leases (16 of 24 agencies) or square footage (19 of 24 agencies) in their real estate portfolio in the next 3 years, primarily in response to increases in telework stemming from the pandemic. For example:

- The U.S. Department of Agriculture (USDA) will reduce leased space as a result of increased telework and remote work. The Department is negotiating with GSA to modify approximately 50 leases and return

[28]We have previously reported that federal agencies face long-standing challenges disposing of unneeded real property, in part, due to the costly and lengthy disposal process and the unique characteristics of many federal properties. See GAO, *Federal Real Property: Efforts Made, but Challenges Remain in Reducing Unneeded Facilities*, GAO-16-869T (Washington, D.C.: Sept. 23, 2016) and GAO, *Federal Real Property: Additional Documentation of Decision Making Could Improve Transparency of New Disposal Process*, GAO-21-233 (Washington, D.C.: Jan. 29, 2021).

over 1-million square feet of office space.[29] For example, due to a new telework policy and other workplace flexibilities adopted since COVID-19 began, officials plan to reduce the footprint at one facility in St. Louis by 100,000 square feet, resulting in expected savings for USDA of over $40 million. However, because this is a leased facility, GSA officials told us they will need to either backfill this vacant space with another federal tenant agency or GSA will be responsible for any necessary maintenance costs.

- Department of Education officials said they significantly reduced plans for several future leases (Cleveland, New York, Philadelphia, and Washington, D.C.) because of the pandemic. The Department plans to reduce square footage by 50 percent for future leases and return the entire leased space at Potomac Center Plaza in Washington, D.C.
- In 2022, OPM officials anticipate terminating several leases for office space located in Dallas, Atlanta, and Chicago as a result of employees transitioning to remote work during the COVID-19 pandemic.
- NASA officials said they have future opportunities to consolidate office buildings due to a shift towards more telework following the pandemic. This strategy will require funding for the renovation of existing facilities into hybrid/teleworking environments. Once the funding sources are identified, NASA plans to dispose of older facilities.
- The U.S. Geological Survey, a component within DOI, has begun collaborating with an architectural firm to plan its post-COVID-19 footprint needs and the potential redesign of its headquarters building.

Moreover, according to GSA officials, a large number of anticipated lease expirations in the next few years provides an opportunity to dramatically alter the federal government's real property footprint and potentially save billions of dollars. As of March 2022, more than half of GSA's leases (4,325 out of 7,754), which account for more than 88-million square feet

[29]GSA leases typically have a date after which GSA can terminate the lease with as little as 90 days' notice. According to GSA's *Leasing Desk Guide*, GSA still has discretion over whether to allow the client agency to terminate space. Several factors may affect GSA's decision in this situation, including whether the lease may be terminated without consequence or expense to GSA; the terminating agency has agreed to cover the estimated cost obligations; another agency desires to backfill the space and the agency vacating the space agrees to pay any rent differential between the backfill tenant and rent the vacating agency was paying, not including tenant improvements. In leasing, "backfilling" space refers to assigning a federal tenant or out-leasing space to a non-federal tenant to space that has been vacated by a federal tenant and still has a firm term (non-cancelable) left on the lease.

of space, have expiration dates scheduled for calendar years 2022 to 2026. While agencies will extend some of these leases or move to other spaces, according to GSA officials, in a post-COVID-19 environment agencies are likely to significantly reduce their demand for federal real estate due to changes to telework and remote policies. As a result, GSA officials anticipate the possibility of agencies wanting to downsize space through increased lease buyouts or consolidating offices.[30] GSA officials indicated they are proactively identifying opportunities for reducing agency office footprints by surveying agencies, performing studies, and other GSA initiatives.

Fifteen of the agencies that we surveyed occupy federally owned real property and all of them reported that their federally owned assets are likely to remain the same or slightly decrease over the next 3 years.[31] Agency officials noted that the pandemic has further complicated decisions related to acquiring of federally owned buildings. In particular, several agencies cited supply chain disruptions and increased labor costs as reasons to question whether to pursue new construction projects. For example, DOI officials said construction bids went up by 30-40 percent from estimates provided before the pandemic due to increases in the cost of labor and building materials. Officials at the Department of Defense also noted that large cost increases for some construction materials, particularly products made from steel, copper, brass, and aluminum, have impacted costs to acquire new owned space.

### Factors Agencies Will Consider for Future Space-Planning

Compared to pre-pandemic planning, agencies we surveyed reported that three factors will be more important in future federal office space-planning, as described below.[32]

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[30]In general, a lease buyout is an agreement where the lease of an existing tenant is terminated in exchange for a negotiated lump sum of money.

[31]Nine of the 24 CFO Act agencies we surveyed reported they do not have jurisdiction, custody, and control over federally owned real property.

[32]Survey responses “much more important” and “slightly more important” were aggregated to be “more important.” Agency survey responses are from July–August 2021.

## GSA Lease Contract Flexibilities

Lease contract length and flexibilities will be more important planning factors in the future than they were prior to COVID-19, according to 18 of 24 agencies we surveyed. As previously stated, agency officials we interviewed noted that one reason agencies have been unable to make more significant changes to their real property portfolios in the more than 2 years since the pandemic began is because lease terms made vacating space financially unfeasible or contractually impossible. According to agency officials we surveyed, going forward it will be critical to consider existing lease contract flexibilities as well as potential changes to enhance flexibilities as part of future lease negotiations.

Such flexibilities, including the ability to reduce leases impacted by expanded telework policies as well as terminate leases without a financial penalty, could allow officials to eliminate leased office space in privately owned buildings that are no longer needed and eventually realize significant cost savings. For example, officials from several agencies we surveyed stated that terms and conditions from leases are delaying opportunities presented by increased telework to save costs, including moving from leased to federally owned space, collocating with another agency, consolidating offices, and terminating contracts that are not being used with service vendors such as cafeteria caterers and fitness centers.

GSA is aware that the pandemic has caused challenges for federal agencies that are contractually bound by leases and has encouraged agencies to take steps to provide future lease flexibility. Specifically, in May 2021, GSA advised agencies with space needs but unknown long-term requirements to sign short-term leases ranging from 4 to 6 years. According to GSA, this timeframe will allow agencies time to finalize their long-term space requirements, while providing GSA time to procure and build out the space.[33] This step is a departure from pre-pandemic GSA guidance that encouraged agencies to enter into longer, firm-term leases to lock in rental rates and potentially save money over the life of the lease. GSA officials noted that shorter leases and additional lease flexibility, including the ability to terminate leases in privately owned buildings without financial penalty, increases the risk to the lessor and would likely result in increased rental rates. According to GSA officials,

[33]GSA. *Leasing Alert, Strategic Direction on Lease Terms During and Following the COVID-19 Pandemic*, (LA-21-06), (Washington D.C.: May 7, 2021).

such cost increases could potentially reduce the overall savings agencies believe is attainable through increased lease contract flexibilities.

### Telework Policies

All 24 agencies we surveyed said that telework policies are more important to consider as part of real property planning than prior to COVID-19. As noted above, the lack of clarity on the number of employees who will be permitted and choose to telework in the wake of COVID-19 has delayed real property decisions. Similarly, in commenting on their future real property planning, all five selected agencies we interviewed stated that the degree to which agencies permanently adopt maximum telework and remote work policies will affect the amount of leased and federally owned property needed to support the federal workforce.

In addition, consistent with findings in our February 2022 report on telework in the federal government, all agencies we surveyed are considering developing or expanding remote work policies based on their experiences with telework during the COVID-19 pandemic.[34] However, all five selected agencies we spoke with also noted that it is difficult to determine the extent to which employees will telework in the post-pandemic once federal executive branch agencies are no longer directed by OMB to maximize telework.[35] As a result, officials from all five agencies said they are collecting additional data on anticipated levels of telework in the future to inform space-planning decisions. For example:

- According to Department of the Treasury officials, results from pilot programs on remote work could potentially reduce the amount of space needed to complete mission requirements.
- During the pandemic, USDA adopted interim telework and space utilization policies, but officials reported needing additional information from mission offices prior to developing a permanent telework policy. In July 2021, USDA surveyed 34 component agencies that confirmed space-planning data and provided support for the permanent telework policy released in November 2021. In general, the survey responses provided support that some USDA missions anticipated reducing their

[34]GAO-22-104282.

[35]Office of Management and Budget, *Federal Agency Operational Alignment to Slow the Spread of Coronavirus COVID-19,* Memorandum M-20-16 (Washington, D.C.: Mar. 17, 2020).

lease footprints over the next 6 to 24 months, and most offices estimated that up to 20 percent of their lease footprint could be reduced.

### Office Space Design

Most of the agencies we surveyed (21 of 24) said consideration of policies related to office space design, including accommodating public health measures and a hybrid workforce, are more important for real-property-planning purposes than they were prior to COVID-19. Before redesigning an office space, agencies will need a better understanding of the number of employees who are using a workspace based on completed reentry efforts and implemented telework policies. Specifically, multiple agencies we surveyed expected a need to transform traditional offices into hybrid offices, which allow regular and occasional in-office work, and for additional technology investments to enable agency personnel to perform their jobs at home.[36]

For example, in anticipation of increased teleworking, the Department of Education has adopted a future office floor plan for its entire lease portfolio that is based on a shared space model. According to Department of Education officials, they are currently in the process of meeting with labor groups to discuss the number of employees that would be assigned to permanent or shared office space depending on how many times per week the employee was in the office. This would replace the previous model of one-seat-per-person in the office.

Most agencies we surveyed (21 of 24) also expected increased costs in the next 3 years from the construction of the new office space designs, which may offset the potential savings from reducing the federal footprint through expiring leases and the disposal of federally owned properties. For example, in written responses, GSA officials said that the cost of construction materials went up 27 percent from 2021 to 2022 and that they expect labor prices to increase due to reduced availability of personnel. NASA officials also noted that while they expect to decrease the agency's physical footprint and lower its lease obligations, the costs

[36]Modifications that would support in-person collaboration and remote work may include: (1) a mix of collaborative and private spaces; (2) furniture and workspaces that are multi-purpose and adapt easily to various office needs, such as both small group sessions and individual work; (3) high-quality conference room technology that connects personnel in the office to personnel working at home; and (4) desk reservation systems that make it easy to offer flexible space in the office instead of each employee having an assigned space.

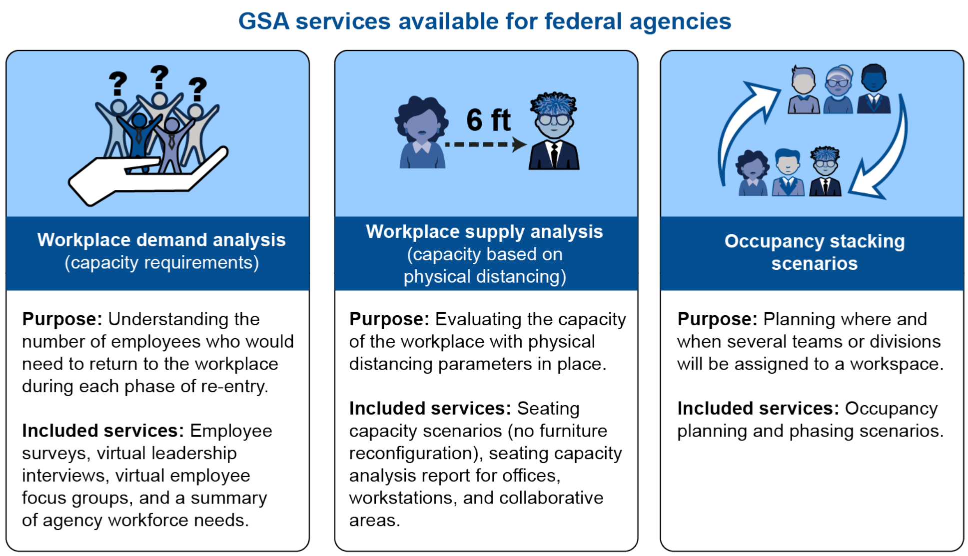
associated with reconfiguring its office space would initially offset those savings. Officials from the Department of Housing and Urban Development anticipate office alterations in the next 3 years that would require large expenditures on furniture to accommodate workplace flexibilities, followed by construction and build-out costs in the following years as they permanently change office designs.

# GSA Has Various Efforts to Support Office Space-Planning but Lacks a Plan to Broadly Share Information on Ways to Measure Office Space Use

## GSA Expanded Office Space-Planning Services and Provided Flexible Workspaces to Help Federal Agencies Respond to the Pandemic

In response to the pandemic, GSA officials said that the agency has expanded its ongoing office space-planning services for federal agencies. For a number of years, GSA has worked to develop services to assist agencies in creating workspaces that better meet employee needs in light of the emergence and expansion of telework. In 2020, as federal employees began working at home in large numbers, GSA expanded these support services with the offering of a new “Return to Workplace Planning Services” contract available to federal agencies. This new services contract, according to GSA, is designed to help federal agency customers create office spaces that meet pandemic-related space needs, (e.g., socially distanced workspaces). Services available to federal agencies under this contract include the hiring of consultants, architects, and workplace strategists to support reentry efforts. Such analytical services also include strategies for how to manage the scheduling of assigned workstations for different teams assigned to a hybrid office model.[37] (See fig. 2.)

**Figure 2: Selected GSA Services to Support Agencies in Redesigning Office Space to Support Employee Reentry**




Source: GAO presentation of General Services Administration information. | GAO-22-105105

GSA officials reported that agencies have not used the Return to Workplace Planning Services contract extensively to date but that interest may increase once more employees return to offices.[38] As of May 2022, according to GSA officials, agencies have used services under this contract, as described below:

[37]Additional services that are available as a part of GSA's Return to Workplace Planning Services contract include services to provide agencies with: (1) customized signs such as those providing information on COVID-19 protocols; (2) coordinated reentry efforts from GSA and stakeholders such as property managers, and contractors working on-site; (3) guidance on developing a communications plan to support re-occupancy; (4) methods for evaluating reentry plan effectiveness based on evolving circumstances; (5) education for occupants on behaviors consistent with safe physical distancing; (6) plans for offices using the design and drafting software (called "AutoCAD"); and (7) furniture layouts to assess seating capacity based on re-arrangement of furniture.

[38]In late 2021, GSA's previous contract that offered Return to Workplace Planning Services expired. GSA is in the process of establishing a replacement contract that will be available in fiscal year 2022. As of May 2022, GSA is currently in an interim period between contracts. Consequently, GSA is not actively marketing Return to Workplace Services. GSA is currently completing three ongoing Return to Workplace Planning Services projects that were awarded prior to the expiration of the previous contract.

- Four agencies contracted for a workplace supply analysis, which evaluates the existing floor plan for an agency and helps determine where safe social distances can be achieved. For example, this could include placing employees in every other seat in conference rooms or several workstations apart in a workspace to adhere to social distancing protocols.
- Three agencies contracted for a workplace demand analysis, which helps agencies determine which employees need to come into the workplace in the early phases of reentry. GSA primarily assisted agencies by conducting employee surveys and virtual employee focus groups.
- Three agencies contracted for occupancy-stacking scenarios, which analyze workspace use by several mission teams or divisions within the workforce. For example, agencies could plan for one group of employees to sit in one area Monday while another could use the same space on Wednesday.

In addition, officials highlighted that GSA is also supporting agencies post-pandemic by providing workspaces that offer a greater degree of flexibility than traditional federally leased or owned buildings. Specifically, GSA is creating a “FlexHub” in its Washington D.C. headquarters building that provides workstations for federal employees on an as-needed basis. It also contracted with private providers of flexible shared office space to allow agencies the opportunity to acquire short-term individual workspaces. Such spaces are designed for situations in which there is no office location in a certain city or agencies do not have sufficient space in a federally owned or leased facility nearby. These flexible spaces could help agencies respond to the pandemic and plan for the future by providing options for short-term office space that allow agencies to reduce their permanent office footprint.

## GSA Lacks a Plan to Broadly Share Information on Ways to Measure Office Space Use

### Agencies Collect Limited Space Utilization Data

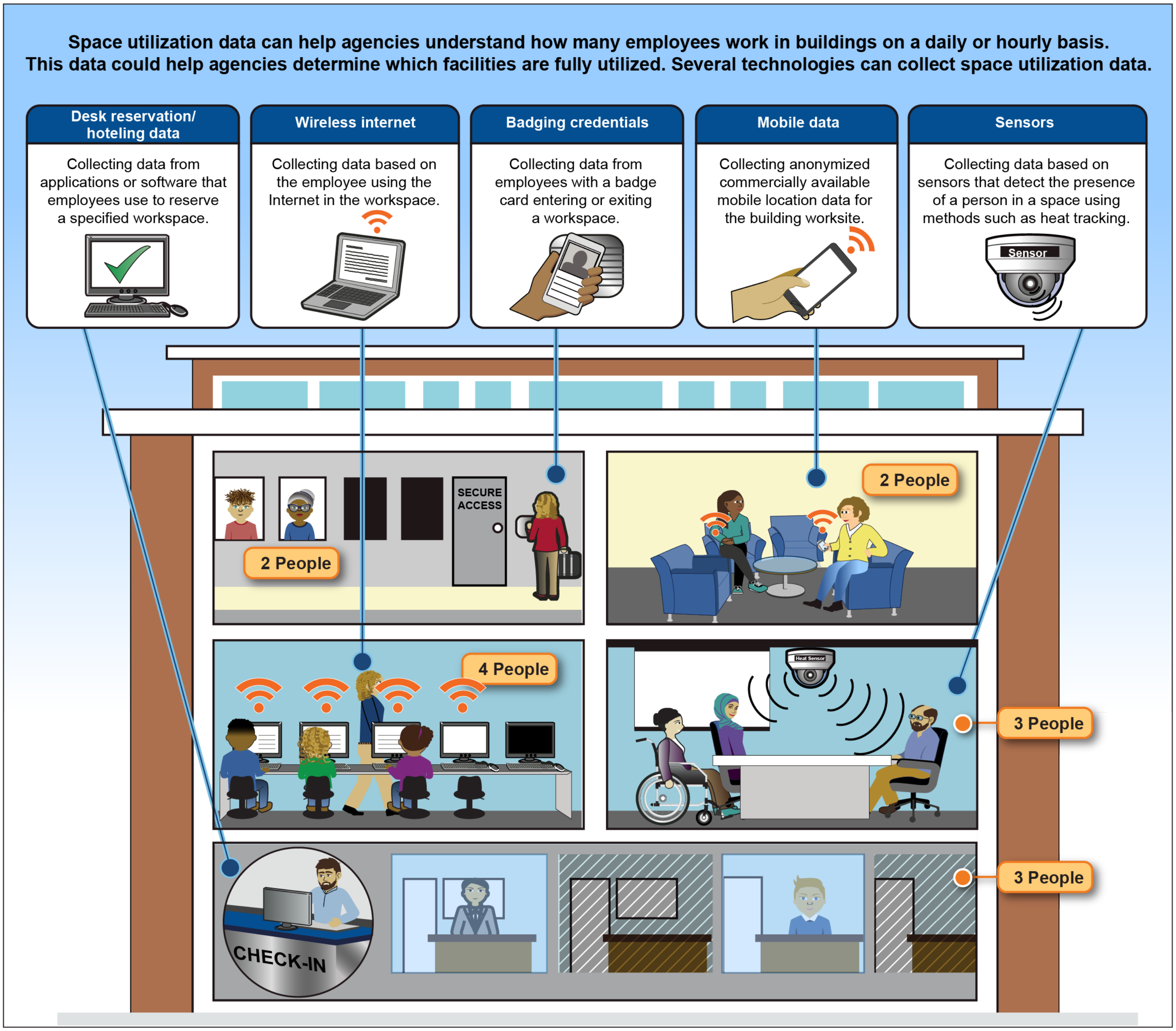
While GSA has expanded office space services for agencies to help plan for the post-pandemic, the effectiveness of these efforts may be limited by a lack of data on the number of employees reporting in-person to federal offices. In the past GSA has suggested federal agencies collect additional space utilization data, but federal agencies have not done so.[39] Specifically, we found that 20 of the 24 federal agencies we surveyed, including GSA, either do not collect or collect limited space utilization data on how many employees are working in buildings on a daily or hourly basis.[40] This type of data is typically collected by a combination of electronic badging, electronic sensors, and other technology (see fig. 3). GSA officials also reported collecting limited badging data in federally leased space—approximately one percent of over 7,700 federal leases in 6,600 commercial buildings. In addition, GSA also collected this type of data in federally owned buildings—approximately eight percent of 1,699 buildings.[41]

[39]Federal Real Property Council. *Data Governance Working Group Minutes*. (Washington: D.C.: May 28, 2019).

[40]To report on which agencies reported collecting limited or no space utilization data, we aggregated survey responses from questions discussing three types of data: daily occupancy data, data from building access control systems, and data from employee desk or reservation software.

[41]GSA collects self-reported, daily check-in data for all of its employees. These data reflect an employee's work location for each day: whether they are in the office, home, on leave, or elsewhere. In addition, the Department of Interior noted that an additional data collection method is the time and attendance system, which can track in office versus working from home based on employee self-reporting.

Figure 3: Selected Types of Technologies That Can Provide Space Utilization Data




Source: GAO. | GAO-22-105105

GSA recognizes that office space benchmarks and estimates traditionally used by federal agencies are limited tools for space-planning and has identified potential cost savings and other benefits of collecting more accurate space utilization data.[42] Specifically, GSA officials noted that space utilization data in a post-pandemic environment could help agencies achieve long-term cost savings from reductions in leased and federally owned space. Such reductions can save future annual rent, maintenance, and other operational costs such as cleaning, landscaping, and security. The officials also noted that such data could help agencies achieve other benefits. Environmental benefits can include conserving energy by controlling air conditioning, heating, and lighting in vacant areas. Security and safety benefits could include providing an accurate count of the number of people entering or exiting buildings to follow fire, safety, security, or social-distancing restrictions.

### GSA Efforts to Collect Space Utilization Data

In light of the potential cost savings and other benefits of space utilization data, in 2019, GSA proposed a requirement for federal agencies to collect and report additional space utilization data into GSA's Federal Real Property Profile—the federal government's database for tracking real property assets.[43] According to GSA officials, this effort would provide GSA and agencies with data to improve office workspaces and determine the square footage actually required per person in federal facilities, based on how many employees are reporting to the office and when. The proposal also would have required the Federal Real Property Council—an interagency body composed of senior real property officials—to collect information on the benefits of this data from private sector companies and

[42]Federal agencies have traditionally planned their space needs using a range of more limited tools that assume most employees work full-time in an office. In particular, GSA has established a benchmark of 180 useable square feet per employee, which many agencies use to determine space needs and develop planned square footage for leased or owned space. However, this benchmark assumes that employees would work at the office most days during the week. Such estimates are limited in that they do not account for how the space is used, particularly in a post-pandemic environment in which teleworking and hybrid, and remote work are likely to become more prevalent and employees may not be in the office every day, or at all.

[43]GSA was directed by an Executive Order to establish a single, comprehensive, and descriptive database, which resulted in the FRPP. Exec. Order No. 13327, § 5(c), *Federal Real Property Asset Management*, 69 Fed. Reg. 5897 (Feb. 6, 2004). The Federal Assets Sale and Transfer Act of 2016 established the FRPP in statute and set out certain requirements for the FRPP. Pub. L. No. 114-287, § 21, 130 Stat. 1463, 1477 (codified at 40 U.S.C. § 1303 note).

explore how they could be applied to federal agencies.[44] However, this proposal was rejected due to OMB's and agencies' concerns about the usefulness of collecting the data government-wide (versus on a project or building basis), as well as costs and privacy issues of the technologies required to collect this data.

Agencies we surveyed also reported several of the same concerns about GSA's 2019 proposal and some additional challenges, such as:

- integrating data collection technologies into buildings (17 of 24 agencies);
- getting agreement from labor groups and unions to install and use technologies (16 of 24 agencies);
- financial costs of acquiring and installing new technologies (16 of 24 agencies); and
- addressing employee privacy concerns (10 of 24 agencies).[45]

More recently, GSA officials told us they are collecting additional data and undertaking a variety of pilot projects to better understand how GSA office space is being used and to help optimize leases and federally owned space across GSA's real property portfolio. Specifically, GSA has set goals and developed a plan to collect additional space utilization data in GSA-leased and federally owned properties.[46] GSA has also begun several pilot projects to test ways technology can be used to collect space

[44]The Federal Real Property Council was established to promote the efficient and economical use of real property assets and assure management accountability for implementing federal real property reforms. The Council is composed of senior federal real property managers and representatives from OMB and GSA, among others. The Federal Real Property Council was established in 2004 by Executive Order 13327 (69 Fed. Reg. 5997 (Feb. 6, 2004). In 2016, the Federal Real Property Council was established in statute by the Federal Property Management Reform Act of 2016 (Pub. L. No. 114-318, § 3(a), 130 Stat. 1608, 1609-13) (codified at 40 U.S.C. § 623) which kept the composition of the council the same and placed some additional responsibilities on the council such as establishing a real property management plan template.

[45]Survey respondents in April 2022 indicated these were moderate, great, or very great challenges. For reporting purposes, we characterize those responses as challenges.

[46]According to officials, in 2022, GSA plans to collect additional space utilization data for 3.1 million and 5.9 million square feet of leased and owned buildings. GSA also plans to collect reliable data for owned office buildings over 100,000 square feet by 2026. GSA also updated several leasing templates with a new clause to allow the agencies to request daily occupancy data from building owners in commercial properties under certain circumstances.

utilization data, including through badging, motion sensors, mobile devices, and Wi-Fi networks.

According to GSA officials, these pilots were undertaken to better understand how office space is being used and help optimize leases and owned space across GSA's real property portfolio. For example, as part of one pilot, GSA plans to collect motion sensor data at a federal building in Denver, CO, a courthouse in Austin, TX, and a terminal building in Dallas, TX, to inform building-operating and space-planning strategies.[47] New information collected through GSA pilots could help to address several concerns raised by agencies over the collection of space utilization data and increase agency support for data collection. In particular, the pilots could provide information on the costs of procuring technology and supporting these devices in numerous facilities, methods for addressing potential privacy concerns, and potential cost savings and other benefits.

### GSA Does Not Plan to Broadly Share Information on Space Utilization Data

GSA officials stated they have no plans to broadly distribute information on the costs and benefits of space utilization data that are learned from recent data collection efforts and pilot tests. Specifically, GSA officials are focused on using information collected on space utilization technologies to support customer federal agencies that use GSA's space or portfolio planning services, as well as GSA's own planning efforts, sustainability reporting, and operational requirements (e.g., determining needed cleaning or security services for a facility).

Since GSA manages a portion of the entire federal real property portfolio, it is possible that a number of agencies may not be aware of GSA's efforts to collect and study space utilization data.[48] In fact, most agencies we surveyed said that they have never received information on how to collect or use space utilization data from GSA (16 of 24 agencies), and that more information on space utilization data from GSA would be helpful (13 of 24 agencies). Further, when considering GSA's 2019 proposal to require agencies to submit space utilization data, agency officials at that

[47]Pilots focused on badging data, mobile location, and motion sensors are ongoing. As of May 2022, pilots examining the use of Wi-Fi network data are planned but have not begun.

[48]GSA is responsible for approximately 1,500 federally owned buildings. The federal government owns more than 19,500 buildings.

time questioned whether the benefits of collecting data would outweigh the costs. Thus, the agency officials also suggested that having additional information on the costs of implementing these devices—information that GSA is planning to collect—would help agencies make appropriate investment decisions. In comments on a draft of this report in August 2022, GSA officials provided examples where it had recently shared information about the costs and benefits of collecting this data with some agencies.[49]

As the federal government's property manager, GSA is well positioned to provide agencies with information to help them decide whether collecting space utilization data is cost-effective. GSA is accustomed to sharing information on real property planning with federal agencies through reports, webinars, and its agency website.[50] For example, GSA advertises its occupancy data analysis services to federal agencies on its website. In addition, GSA officials told us they have broadly shared some general information on space utilization data collection efforts through the Federal Real Property Council and other forums. However, GSA has not shared and does not plan to share information from current and future data collection efforts with federal agencies that do not use GSA services. This lack of data sharing is inconsistent with GSA's responsibilities as laid out in its Strategic Plan, including strengthening agency relationships by increasing information sharing and helping agencies make smarter decisions using GSA's expertise and analysis of data.[51]

By not planning to broadly share information learned from the additional data GSA is collecting and on the results of its pilot projects, GSA is missing an opportunity to help alleviate various agency concerns—

[49]GSA officials said they shared cost information with various agencies at the July 2022 Federal Real Property Council meeting. GSA officials also said they have met with customer agencies at the national and regional level to discuss the costs and benefits of data collection efforts and how space utilization information could be used to help right-size priority projects. In addition, GSA officials noted they host an annual customer forum and a webinar series on opportunities to right-size, consolidate, and reduce costs through a variety of topics.

[50]In the past, GSA has published best practice tools such as the *Workplace Utilization and Allocation Benchmark,* which includes workspace research and recommendations for efficient and optimal use of office workspace for federal agencies.

[51]GSA's *Strategic Plan* also says GSA is supposed to help drive agency behavior in real estate management by developing government-wide analysis and regular reporting to federal agencies and key stakeholders. For this report, we reviewed GSA's two most recent strategic plans during the pandemic: GSA, *Strategic Plan Fiscal Years 2018–2022,* (Washington, D.C.) and GSA. *Strategic Plan Fiscal Years 2022–2026* (Washington D.C.).

including concerns regarding financial costs, privacy protection, and building integration. Without a clear understanding of the long-term benefits of collecting space utilization data, including potential cost savings, agencies' reluctance to invest in data collection technologies may continue. This level of information sharing could be critical in the post-pandemic to help agencies identify excess office space as they implement newly adopted telework and remote work policies.

## Conclusions

The pandemic has significantly affected the need for office space and presents an opportunity for reconsidering the size and scale of the federal government's real property portfolio. For more than 2 years, federal agencies have operated under a maximum telework posture with most employees working away from offices. While agencies are beginning to resume more in-person operations and some employees are returning to federal spaces, it is clear that the federal workplace is evolving and is likely to include a significant increase in hybrid and remote office environments. These changes will undoubtedly have a large impact on the demand for federal office space, leased and owned, and could create an opportunity to restructure the federal government's real property portfolio and meet agencies' office space needs. GSA recognizes this opportunity and is taking some steps to make cost-effective decisions through the collection of more accurate data—namely, how often employees report to federal offices and what parts of the office they use. However, because GSA is not planning to broadly share information collected during the pilots and other data efforts, not all federal agencies have access to or are aware of information on the benefits and costs such data provide. As a result, agencies may be reluctant to invest in data collection technologies that could ultimately reduce the federal real property footprint and produce cost savings.

## Recommendation for Executive Action

The Administrator of the GSA should develop a plan to broadly share with federal agencies, including those that do not use GSA services, information learned from GSA's pilots and other space utilization data collection efforts. (Recommendation 1).

## Agency Comments

We provided a draft of this report to the 24 CFO Act agencies and the Office of Management and Budget for review and comment. The General Services Administration, the Nuclear Regulatory Commission, the Social Security Administration, and the U.S. Agency for International Development provided comments, which are reprinted in appendixes III, IV, V, and VI. The General Services Administration concurred with the recommendation and stated that it is developing a plan to communicate lessons learned from pilots and other data collection activities. Furthermore, officials noted that any actions they take in response to the recommendation should be consistent with Office of Management and Budget memorandums on capital planning. We note that one of these discusses the need for federal agencies to collect and use data on workspace utilization as a part of office space and capital planning decisions, which aligns with our recommendation.[52] The General Services Administration, the National Science Foundation, the Office of Personnel Management, the U.S. Agency for International Development, the Small Business Administration, and the departments of Interior, and Justice provided technical comments, which we incorporated as appropriate. The remaining agencies informed us that they had no comments. The Office of Management and Budget did not provide comments on our draft report.

We are sending copies of this report to the appropriate congressional committees, the Administrator of the General Services Administration, and other interested parties. The report is also available at no charge on the GAO website at https://www.gao.gov.

If you or your staff have any questions about this report, please contact me at (202) 512-2834 or naamanej@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix VII.

[52]Office of Management and Budget. *Fiscal Year 2024 Agency-wide Capital Planning to Support the Future of Work*, Memorandum M-22-14 (Washington, D.C.: July 20, 2022).

Jill Naamane
Acting Director, Physical Infrastructure Issues

*List of Addressees*

The Honorable Patrick Leahy
Chairman
The Honorable Richard Shelby
Vice Chairman
Committee on Appropriations
United States Senate

The Honorable Ron Wyden
Chairman
The Honorable Mike Crapo
Ranking Member
Committee on Finance
United States Senate

The Honorable Patty Murray
Chair
The Honorable Richard Burr
Ranking Member
Committee on Health, Education, Labor, and Pensions
United States Senate

The Honorable Gary C. Peters
Chairman
The Honorable Rob Portman
Ranking Member
Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable Ron Johnson
Ranking Member
Permanent Subcommittee on Investigations

Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable James Lankford
Ranking Member
Subcommittee on Government Operations and Border Management
Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable Rosa L. DeLauro
Chair
The Honorable Kay Granger
Ranking Member
Committee on Appropriations
House of Representatives

The Honorable Frank Pallone, Jr.
Chairman
The Honorable Cathy McMorris Rodgers
Republican Leader
Committee on Energy and Commerce
House of Representatives

The Honorable Bennie G. Thompson
Chairman
The Honorable John Katko
Ranking Member
Committee on Homeland Security
House of Representatives

The Honorable Carolyn B. Maloney
Chairwoman
The Honorable James Comer
Ranking Member
Committee on Oversight and Reform
House of Representatives

The Honorable Richard E. Neal
Chairman
The Honorable Kevin Brady
Republican Leader
Committee on Ways and Means
House of Representatives

The Honorable Thomas R. Carper
United States Senate

# Appendix I: Objectives, Scope, and Methodology

This report provides information on federal agencies' real property plans during and after the COVID-19 pandemic. Specifically, this report: (1) describes changes agencies made to office space due to the COVID-19 pandemic; (2) describes changes agencies anticipate making to their office space in the next 3 years due to the COVID-19 pandemic; and (3) assesses how the General Services Administration (GSA) has supported agencies in planning their use of office space post-pandemic.

To partially answer all of our objectives, we sent two surveys to the 24 Chief Financial Officers (CFO) Act agencies and received a 100 percent response rate.[1] These agencies collectively occupied approximately 98 percent of all federal office space in fiscal year 2020, according to GSA data. (See table 2).

**Table 2: 24 Chief Financial Officers Act Agencies Surveyed on Issues Related to COVID-19 Space-Planning**

| Federal Agencies | |
|---|---|
| Department of Agriculture | Department of Transportation |
| Department of Commerce | Department of the Treasury |
| Department of Defense | Department of Veterans Affairs |
| Department of Education | Agency for International Development |
| Department of Energy | Environmental Protection Agency |
| Department of Health and Human Services | General Services Administration |
| Department of Homeland Security | National Aeronautics and Space Administration |
| Department of Housing and Urban Development | National Science Foundation |
| Department of the Interior | Nuclear Regulatory Commission |
| Department of Justice | Office of Personnel Management |
| Department of Labor | Small Business Administration |
| Department of State | Social Security Administration |

Source: GAO presentation of Chief Financial Officers Act Agencies. | GAO-22-105105

[1]The CFO Act of 1990 established chief financial officers to oversee financial management activities at 23 agencies. Pub. L. No. 101-576, § 205, 104 Stat. 2838, 2842-43. The list now includes 24 agencies, which are often referred to collectively as CFO Act agencies. See 31 U.S.C. § 901(b).

In July 2021, we sent our first survey to federal agencies and asked about the effects of COVID-19 on current changes to and future plans for office space leases, owned buildings, new construction, and disposal projects. In developing the survey questions, we pretested the survey with office-space-planning officials from three federal agencies to determine that the questions were clear, did not place an undue burden on officials, and that the survey was comprehensive. We made changes to the content and format of the survey based on their feedback. To analyze agency responses to open-ended questions, we performed a content analysis through the following process:

- We identified categories of topics in the agencies' responses, including data collection, guidance, and important factors for future space-planning, among others.
- We developed a codebook that defined each category, and two GAO analysts independently assigned codes to each response.
- Afterward, the analysts met to resolve any differences in their coding until they reached a consensus.
- Finally, we analyzed the coded responses to identify common themes and trends.

In April 2022, we sent the 24 CFO agencies a second, shorter survey that included new questions on agencies' use of space utilization data. We asked for updated information on responses submitted to the first survey regarding leases, new construction, and disposal projects. To ensure the reliability of these new questions, we asked internal GAO infrastructure operations staff to review the questions and incorporated feedback. We also sent the questions to one of the 24 CFO Act agencies to ensure clarity and appropriateness. In discussing our survey results, we use the terms "few" to represent 2 to 3 agencies; "several" to represent 4 to 11 agencies; "many" to represent 12 to 19 agencies; and "most" to represent 20 to 23 agencies. Appendix II includes more details on our two surveys of CFO Act agencies, including selected results.

To determine changes agencies made to office space in response to the COVID-19 pandemic and changes expected in the next 3 years, we analyzed survey results and federal real property databases. Specifically, we analyzed GSA's leasing data to document reductions in the federal inventory from July 2011 to February 2022. In addition, we also analyzed lease expiration dates from 2022 to 2026. To determine if the leasing data inventory were reliable, we looked for outliers and incomplete data. We also interviewed GSA officials about their processes for reviewing the data and ensuring their accuracy. We concluded that the data were sufficiently reliable for our purposes, including reporting information related to leases, including the number, expiration dates, and annual rent.

To obtain more in-depth information on how COVID-19 impacted current and future agency space-planning and how GSA supported agencies in planning their use of office space in the post-pandemic, we selected five agencies to serve as nongeneralizable illustrative examples:

- the U.S. Department of Agriculture;
- the U.S. Department of Education;
- the U.S. Department of the Interior (including the Bureau of Land Management and the U.S. Geological Survey);
- the U.S. Department of the Treasury (including the Internal Revenue Service); and
- the National Aeronautics and Space Administration.

We selected these agencies based on survey responses on changes to real property and office space footprint, number of leases, number of owned buildings, and past efforts to reduce agency property, among other factors. Some of the agencies also represent a variety of missions and some components are public-facing (i.e., interact regularly with or provide services to the public). In addition to interviews, we reviewed the agencies' internal space-planning guidance, meeting minutes from task forces created to respond to COVID-19, and other relevant materials.

To obtain information on how GSA has supported agencies in planning their use of office space in the post-pandemic, we reviewed relevant GSA policies, manuals, and reports, and interviewed relevant GSA officials. We also reviewed Office of Personnel Management, Office of Management and Budget, GSA, and Centers for Disease Control guidance pertaining to federal employees returning to work. We also compared GSA's efforts to its two most recent strategic plans covering fiscal years 2018–2022 and 2022–2026; these strategic plans, identify the agency's role in sharing information on solutions and services to federal agencies in managing the costs of real estate planning. We also reviewed relevant statutes and regulations, and our prior reports on GSA's Public Buildings Service.

To gather additional information related to all of our research objectives, we interviewed a range of federal real estate stakeholders from academia, associations, federal unions, and the private sector who could provide context on the effect of COVID-19 on future office space-planning in the federal government. To identify these stakeholders, we conducted a literature search in July 2021 for articles about COVID-19's impact on real estate in the United States. We used proprietary databases including, Westlaw, Scopus, Congressional Quarterly, ProQuest, and Dialog, as well as open sources such as the National Bureau of Economic Research and federal government websites. We selected experts to interview based on the depth of their knowledge and relevance of their research to our objectives. These experts included representatives from:

- Colliers (commercial real estate firm);
- WeWork (flexible office space provider and part of GSA's Flexible Coworking Services contract vehicle);
- Gensler (architecture, design, and planning firm);
- Stanford Institute for Economic Policy Research (academic research organization);
- American Society of Heating, Refrigerating and Air-Conditioning Engineers (non-profit professional/technical organization);
- Kastle Systems (building occupancy data collection and analysis firm);
- Density (building occupancy data and space utilization analytics firm);
- the American Federation of Government Employees (federal employee union representing over 700,000 federal and D.C. government workers); and
- the National Treasury Employees Union (federal employee union representing over 30 federal agencies).

We conducted this performance audit from May 2021 to September 2022 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

# Appendix II: Survey of 24 Chief Financial Officers Act Agencies

This appendix contains selected questions and results from two surveys of all 24 Chief Financial Officers Act agencies[1]:

- Our first survey was administered from July to September 2021 and asked about the effects of COVID-19 on current changes to and future plans for office space leases, owned buildings, new construction, and disposal projects (2021 survey).
- After the COVID-19 pandemic extended into 2022, we chose to administer a second survey from March to May 2022 to: (1) ask several new questions on agencies' use of space utilization data and (2) gather updated information on responses submitted to the first survey (2022 survey).

The 2021 survey and 2022 survey both were comprised of two types of questions: those for which several possible answers were provided to choose from (close-ended), and those that allowed respondents to provide their own answers (open-ended). In this appendix, we include selected survey questions and aggregate results of responses to both closed and open-ended questions. Using professional judgement, we excluded some survey questions from our analysis due to the repetition across the surveys and relevance to the report, among other reasons. For the survey results for the selected closed-ended questions, we calculated the total number of selected responses and present the aggregate totals. For a detailed discussion of our survey methodologies, see appendix I.

Results for the selected closed-ended questions and aggregated totals are presented in this appendix.

[1]The CFO Act of 1990 established chief financial officers to oversee financial management activities at 23 agencies. Pub. L. No. 101-576, § 205, 104 Stat. 2838, 2842-43. The list now includes 24 agencies, which are often referred to collectively as CFO Act agencies. See 31 U.S.C. § 901(b).

# 2021 Survey - Aggregated Results from a Selection of Questions (conducted July 2021)

**How do you expect your leased space in buildings, predominately used for office purposes, to change in the next 3 years?**

| | Expected change in next 3 years? | | | | |
|---|---|---|---|---|---|
| | Greatly increase | Slightly increase | Remain about the same | Slightly decrease | Greatly decrease |
| Number of leases for office space | 0 | 0 | 7 | 14 | 2 |
| Square footage of leased office space | 0 | 0 | 4 | 16 | 3 |

Note: One agency did not respond to this question.

**Does your agency anticipate including any changes or additional flexibilities in new lease terms as a result of the COVID-19 pandemic?**

| Response | Number of agencies |
|---|---|
| Yes | 11 |
| No | 11 |

Note: Two agencies did not respond to this question.

**How do you expect your owned buildings' portfolio, predominantly used for office purposes, to change in the next 3 years?**

| | Expected change in next 3 years? |
|---|---|
| Number of owned buildings for office purposes | 0 Greatly increase<br>0 Slightly increase<br>13 Remain about the same<br>5 Slightly decrease<br>0 Greatly decrease |
| Square footage of owned buildings for office purposes | 0 Greatly increase<br>1 Slightly increase<br>12 Remain about the same<br>5 Slightly decrease<br>0 Greatly decrease |

Note: Six agencies did not respond to this question.

**a. Has your agency's anticipated need for <u>owned</u> buildings, predominantly used for office purposes, changed as a result of the COVID-19 pandemic?**

| Response | Number of Agencies |
|---|---|
| Yes | 3 |
| No | 19 |

Note: Two agencies did not respond to this question.

**As a result of the COVID-19 pandemic, has your agency considered making any changes to its real property portfolio that would change the proportion of <u>leased</u> office space versus <u>owned</u> facilities?**

| Response | Number of Agencies |
|---|---|
| Yes | 8 |
| No | 16 |

**How important are the following factors for planning space needs in general?**

| | Extremely important | Very Important | Moderately important | Slightly important | Not at all important |
|---|---|---|---|---|---|
| Budget Limitations (i.e., budget constraints and/or budget uncertainty) | 18 | 6 | 0 | 0 | 0 |
| Energy Efficiency (i.e., efforts to reduce energy consumption) | 2 | 15 | 6 | 1 | 0 |
| Lease Length and Flexibilities (i.e., leasing terms regardless if acquired by federal agency or third party) | 5 | 17 | 2 | 0 | 0 |
| Mission Requirements (i.e., attributes related to carrying out the mission of the agency) | 18 | 5 | 1 | 0 | 0 |
| Building Security (i.e., internal and external building physical security) | 11 | 10 | 2 | 1 | 0 |
| Space Design (i.e., design and/or configuration of the physical space for specific goals) | 10 | 10 | 4 | 0 | 0 |

| | | | | | |
|---|---|---|---|---|---|
| Teleworking Policies | 10 | 13 | 1 | 0 | 0 |
| Other | 0 | 4 | 0 | 1 | 0 |

**Note: Examples of "Other" provided by respondents include adjacency to other federal agencies, future administration directions, and facility support contract flexibility.**

## Have the following factors become more or less important for planning purposes due to the impact of COVID-19?

| | Much more important | Slightly more important | No change | Slightly less important | Much less important |
|---|---|---|---|---|---|
| Budget Limitations (i.e., budget constraints and/or budget uncertainty) | 4 | 8 | 12 | 0 | 0 |
| Energy Efficiency (i.e., efforts to reduce energy consumption) | 2 | 4 | 18 | 0 | 0 |
| Lease Length and Flexibilities (i.e., leasing terms regardless if acquired by federal agency or a third party) | 10 | 8 | 6 | 0 | 0 |
| Mission Requirements (i.e., attributes related to carrying out the mission of the agency) | 3 | 2 | 19 | 0 | 0 |
| Building Security (i.e., internal and external building physical security) | 1 | 3 | 20 | 0 | 0 |
| Space Design (i.e., design and/or reconfiguration of the physical space for specific goals) | 8 | 13 | 3 | 0 | 0 |
| Teleworking Policies | 16 | 8 | 0 | 0 | 0 |
| Other | 3 | 1 | 1 | 0 | 0 |

**Note: Examples of "Other" provided by respondents include adjacency to other federal agencies, future administration directions, and facility support contract flexibility.**

## Has your agency considered the feasibility of office sharing with another agency?

| Response | Number of Agencies |
|---|---|
| Yes | 16 |
| No | 8 |

## 2022 Survey - - Aggregated Results from a Selection of Questions (conducted March to May 2022)

**From March 2020 to March 2022, did the COVID-19 pandemic influence any of your agency's decisions to take any of the following actions regarding leases predominantly used for office purposes?**

| Response | Terminate a lease | Allow a lease to expire | Enter into a new lease | Renew a lease | Other |
|---|---|---|---|---|---|
| Yes | 6 | 6 | 1 | 4 | 3 |
| No | 17 | 17 | 22 | 19 | 8 |
| Don't know | 1 | 1 | 1 | 1 | 3 |

**a. Approximately how much leased square footage was added as a result of these decisions:** 0

**b. Approximately how much leased square footage was reduced as a result of these decisions:** 524,740

**From March 2020 to March 2022, did your agency make any decisions regarding acquiring any owned buildings, predominantly used for office purposes, as a result of the COVID-19 pandemic?**

| Response | Number of Agencies |
|---|---|
| Yes | 0 |
| No | 24 |

**a. What was the total amount of square feet added by these new owned buildings?** 0

**From March 2020 to March 2022, did your agency make any decisions regarding the disposal of any owned buildings, predominantly used for office purposes, as a result of the COVID-19 pandemic?**

| Response | Number of Agencies |
|---|---|
| Yes | 0 |
| No | 24 |

**a. What was the total amount of square feet included in these disposal decisions?** 0

**From March 2020 to March 2022, has your agency's anticipated need for new construction and alteration projects, used predominantly for office purposes, changed as a result of the COVID-19 pandemic?**

| Response | Number of Agencies |
|---|---|
| Yes | 11 |
| No | 13 |

**Does your agency use any of the following sources of information in order to determine current needs for office space for any of its owned or leased buildings?**

| | Yes | No | N/A |
|---|---|---|---|
| Office Space Utilization Rate (usable square feet per employee) | 24 | 0 | 0 |
| Telework Agreements/Telework Preference Survey | 19 | 4 | 1 |
| Agency Policy on Space Use, Planning, or Management | 24 | 0 | 0 |
| Employee Space Preference (Desk or Office) Surveys | 6 | 14 | 4 |
| Time and Attendance Data | 7 | 15 | 2 |
| Staffing Projections | 22 | 1 | 1 |
| Maxiflex Schedules[a] | 9 | 12 | 3 |

[a]OPM defines a flexible work schedule as that which contains core hours and basic work requirement hours, but which hours may vary on a given workday or week within the limits established for the organization.

**Does your agency use any of the following types of data to determine current needs for office space for any of its owned or leased buildings?**
*Please consider the following definition when answering this question: GSA defines daily occupancy data as data that measure how densely a space is being used by counting the total number of employees in the building or space on any given day.*

| | Yes, for all or most buildings | Yes, for a limited number of buildings | No, do not use this data for space-planning purposes | N/A (Do not collect this type of data) |
|---|---|---|---|---|
| Daily occupancy data, such as data collected through use of sensors, cellular (mobile), Wi-Fi, or other methods | 2 | 6 | 5 | 11 |

| | | | | |
|---|---|---|---|---|
| Data from building access control systems (such as employee badging or credentials) | 2 | 14 | 6 | 2 |
| Data from employee desk and/or reservation software | 2 | 6 | 8 | 8 |

**To the best of your knowledge, has GSA ever provided your agency with information on how to collect and/or use daily occupancy data?** *Please consider the following definition when answering this question: GSA defines daily occupancy data as data that measure how densely a space is being used by counting the total number of employees in the building or space on any given day.*

| Response | Number of Agencies |
|---|---|
| Yes | 8 |
| No | 16 |

**a. Would this type of information be helpful to your agency?**

| Response | Number of Agencies |
|---|---|
| Yes, very helpful | 6 |
| Yes, somewhat helpful | 7 |
| Not helpful | 1 |
| Unsure | 7 |

Note: Three agencies did not respond to this question.

**In 2019, GSA recommended the Federal Real Property Council require federal agencies to collect space utilization data to inform space-planning. How much of a challenge, if at all, might the following issues be in implementing collection of space utilization data at your agency?**

| | Very great challenge | Great challenge | Moderate challenge | Slight challenge | Not a challenge | Don’t know |
|---|---|---|---|---|---|---|
| Cost of implementing data collection | 5 | 5 | 6 | 2 | 3 | 3 |
| Protection of employee privacy | 2 | 3 | 5 | 7 | 6 | 1 |
| Agency support for data collection | 2 | 1 | 5 | 7 | 7 | 2 |
| Integrating technology into buildings | 5 | 8 | 4 | 3 | 1 | 3 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Labor/Union Relations | 4 | 1 | 11 | 2 | 2 | 4 |
| Other concerns | 3 | 1 | 1 | 1 | 2 | 9 |

**Note: Examples of “Other concerns” provided by respondents include financial constraints, network connectivity limits, remote locations, and technological vulnerabilities.**

# Appendix III: Comments from the General Services Administration



The Administrator

August 15, 2022

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
Washington, DC 20548

Dear Comptroller General Dodaro:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office (GAO) draft report, *FEDERAL REAL PROPERTY: GSA Could Further Support Agencies' Post Pandemic Planning for Office Space Use (GAO-22-105105)*.

GAO recommended that the Administrator of GSA develop a plan to broadly share with Federal agencies, including those that do not contract with GSA, information learned from GSA's pilots and other space utilization data collection efforts.

GSA agrees with the recommendation to the extent it is consistent with Office of Management and Budget Memorandums M-20-03 and M-22-14. The enclosed document, "GSA Comments to GAO-22-105105 Draft Report," provides feedback and outlines efforts to communicate lessons learned from pilots and other space utilization data collection activities.

If you have any questions or concerns, please contact me or Gianelle Rivera, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

Robin Carnahan
Administrator

cc: Jill Naamane, Acting Director, Physical Infrastructure Issues, GAO

Enclosure: GSA Comments to GAO-22-105105 Draft Report

**U.S. General Services Administration**
1800 F Street NW
Washington DC 20405-0002
www.gsa.gov

# Text of Appendix III: Comments from the General Services Administration

The Administrator

August15,2022

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
Washington, DC 20548

Dear Comproller General Dodaro:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the U.S. Government Accountability Office (GAO) draft report, FEDERAL REAL PROPERTY. GSA Could Further Support Agencies' Post Pandemic Planning for Office Space Use (GA0-22-105105).

GAO recommended that the Administrator of GSA develop aplan to broadly share with Federal agencies, induding those that do not contract with GSA, information learned from GSA's pilots and other space utilization data collection efforts.

GSA agrees with the recommendation to the extent it is consistent with Office of Management and Budget Memorandums M-20-03 and M-22-14. The enclosed document, "GSA Comments to GA0-22-105105 Draft Report," provides feedback and outlines efforts to communicate lessons learned from pilots and other space utilization data collection activities.

If you have any questions or concerns, please contact me or Gianelle Rivera, Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501- 0563.

Sincerely,
Robin Carnahan
Administrator

cc: Jill Naamane, Acting Director, Physical Infrastructure Issues, GAO
Enclosure: GSA Comments to GA0-22-105105 Draft Report

# Appendix IV: Comments from the Nuclear Regulatory Commission

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

August 10, 2022

Ms. Jill Naamane
Acting Director, Physical Infrastructure
U.S. Government Accountability Office
441 G Street N.W.
Washington, DC 20548

Dear Ms. Naamane,

Thank you for providing the U.S. Nuclear Regulatory Commission (NRC) with the opportunity to review and comment on the U.S. Government Accountability Office's (GAO) draft report GAO-22-105105, "Federal Real Property: GSA Could Further Support Agencies' Post Pandemic Planning for Office Space Use". The NRC has reviewed the draft report and does not have any comments.

If you have any questions regarding this response, please contact John Jolicoeur. Mr. Jolicoeur can be reached by telephone at 301-415-1642 or by e-mail at John.Jolicoeur@nrc.gov.

Sincerely,

Daniel H. Dorman
Digitally signed by Daniel H. Dorman
Date: 2022.08.10 14:51:06 -04'00'

Daniel H. Dorman
Executive Director
for Operations

# Text of Appendix IV: Comments from the Nuclear Regulatory Commission

August 10, 2022

Ms. Jill Naamane
Acting Director, Physical Infrastructure
U.S. Government Accountability Office
441 G Street N.W.
Washington, DC 20548

Dear Ms. Naamane,

Thank you for providing the U.S. Nuclear Regulatory Commission (NRC) with the opportunity to

review and comment on the U.S. Government Accountability Office's (GAO) draft report GAO-22-105105, "Federal Real Property: GSA Could Further Support Agencies' Post

Pandemic Planning for Office Space Use". The NRC has reviewed the draft report and does not have any comments.

If you have any questions regarding this response, please contact John Jolicoeur. Mr. Jolicoeur can be reached by telephone at 301-415-1642 or by e-mail at John.Jolicoeur@nrc.gov.

Sincerely,
Daniel H.
Dorman

Daniel H. Dorman Executive Director for Operations

# Appendix V: Comments from the Social Security Administration

SOCIAL SECURITY
Office of the Commissioner

August 10, 2022

Jill Naamane
Acting Director, Physical Infrastructure
United States Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Acting Director Naamane:

Thank you for the opportunity to review the draft report "FEDERAL REAL PROPERTY: GSA Could Further Support Agencies' Post Pandemic Planning for Office Space" (GAO-22-105105). We have no comments.

If you have any questions, please contact me at (410) 965-2611. Your staff may contact Trae Sommer, Director of the Audit Liaison Staff, at (410) 965-9102.

Sincerely,

Scott Frey
Chief of Staff

SOCIAL SECURITY ADMINISTRATION BALTIMORE, MD 21235-0001

# Text of Appendix V: Comments from the Social Security Administration

August 10, 2022

Jill Naamane
Acting Director, Physical Infrastructure
United States Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Acting Director Naamane:

Thank you for the opportunity to review the draft report "FEDERAL REAL PROPERTY: GSA Could Further Support Agencies' Post Pandemic Planning for Office Space" (GAO-22-105105). We have no comments.

If you have any questions, please contact me at (410) 965-2611. Your staff may contact Trae Sommer, Director of the Audit Liaison Staff, at (410) 965-9102.

Sincerely,
Scott Frey Chief of Staff

# Appendix VI: Comments from the U.S. Agency for International Development

USAID
FROM THE AMERICAN PEOPLE

August 15, 2022

Jill Naamane
Acting Director, Physical Infrastructure
U.S. Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20226

Re: FEDERAL REAL PROPERTY (GAO-22-105105)

Dear Mrs. Naamane,

I am pleased to provide the formal response of the U.S. Agency for International Development (USAID) to the draft report produced by the U.S. Government Accountability Office (GAO) titled, FEDERAL REAL PROPERTY (GAO-22-105105)

USAID would like to thank GAO for the opportunity to respond to this draft report. We appreciate the extensive work of the GAO engagement team, and while there are no recommendations applicable to USAID, your report serves as a reference to guide our data-driven considerations and assessments of space utilization.

USAID does not have additional comments for inclusion in the GAO's final report. Thank you for the opportunity to respond to the draft report, and for the courtesies extended by your staff while conducting this engagement. We appreciate the opportunity to participate in the complete and thorough evaluation of our Federal Real Property.

Sincerely,

Colleen R. Allen
Colleen Allen
Assistant Administrator
Bureau for Management

Enclosure: a/s

# Text of Appendix VI: Comments from the U.S. Agency for International Development

August 15, 2022

Jill Naamane
Acting Director, Physical Infrastructure
U.S. Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20226

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Sincerely,
Colleen Allen
Assistant Administrator Bureau for Management

Enclosure: a/s

# Appendix VII: GAO Contact and Staff Acknowledgments

## GAO Contact

Jill Naamane, at 202-512-2834 or Naamanej@gao.gov

## Staff Acknowledgments

In addition to the contact named above, Matthew Cook (Assistant Director); Nelsie Alcoser (Analyst in Charge); Geoff Hamilton; Georgeann Higgins; Terence Lam; Virginia Lefever; Malika Rice; Amy Rosewarne; Abby Volk; and Elizabeth Wood made key contributions to this report.

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