

GAO Highlights

Highlights of [GAO-23-107060](#), a testimony before the Committee on Environment and Public Works, U.S. Senate

Why GAO Did This Study

The federal government owns over 500 million square feet of office space that costs billions annually to operate and maintain. As the country emerges from the pandemic, the federal government has a unique opportunity to reconsider how much and what type of office space it needs.

This testimony discusses the preliminary results of an ongoing GAO review that (1) assesses the extent to which agencies utilized their headquarters buildings in selected weeks of early 2023; (2) describes the costs of underutilized federal office space; and (3) discusses challenges agency officials identified to increasing the utilization of their headquarters buildings.

GAO collected building size and attendance data from 24 federal agencies for one week in January, February, and March of 2023. GAO calculated the capacity of each headquarters building by dividing the size of the building by a per-person benchmark used by the General Services Administration. GAO then calculated utilization for each building by dividing the in-office attendance for the sample period by the capacity for each building. The percentages in this testimony are preliminary estimates based on ongoing work and are subject to change.

The General Services Administration and the Department of Veterans Affairs provided comments on our preliminary results.

View [GAO-23-107060](#). For more information, contact David Marroni at (202) 512-2834 or MarroniD@gao.gov.

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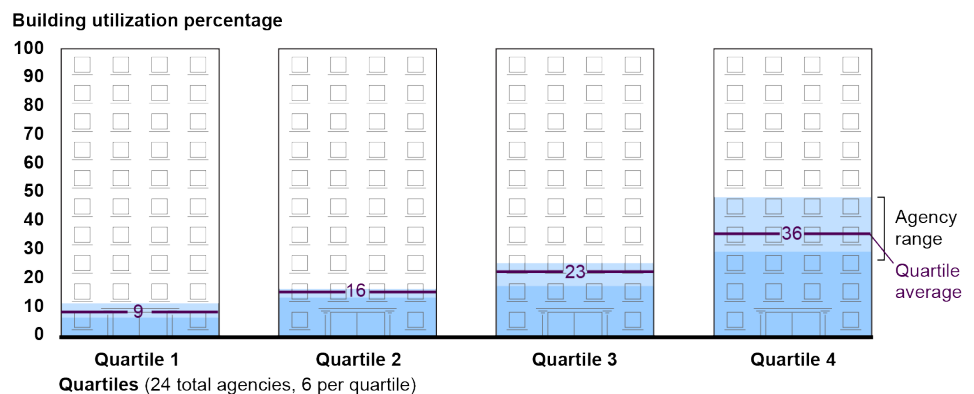
FEDERAL REAL PROPERTY

Preliminary Results Show that Increased Telework and Longstanding Challenges Led to Underutilized Federal Buildings

What GAO Found

Federal agencies have long struggled to determine how much office space they needed to fulfill their missions efficiently. Retaining excess and underutilized space is one of the main reasons that federal real property management has remained on GAO's High-Risk List since 2003. Seventeen of the 24 federal agencies in GAO's review used an estimated average 25 percent or less of their headquarters buildings' capacity in a three-week sample period across January, February, and March of 2023. On the higher range, agencies used an estimated 40 to 49 percent of the capacity of their headquarters on average.

Estimated Weekly Averages of Utilization of Federal Headquarters Buildings across Three-Week Sample (One week in each of January, February, and March 2023), by Quartile



Source: GAO analysis of data from 24 federal agencies. | GAO-23-107060

Underutilized office space has financial and environmental costs. Federal agencies spend about \$2 billion a year to operate and maintain federal office buildings regardless of the buildings' utilization. In addition, agencies spend about \$5 billion annually to lease office buildings. Any reduction in office space could reduce these costs. Office buildings also have environmental costs that could be lowered with better utilization. For example, GSA renovated and reduced its current agency real estate footprint, which helped reduce energy consumption and costs.

Agency real property officials identified challenges to increasing their headquarters building utilization.

- **Funding.** Additional budget resources are needed to reconfigure existing space to increase utilization and support a hybrid work environment.
- **Potential policy changes.** Concerns about the future of in-office attendance policies and habits have caused a reluctance to reduce headquarters space.
- **Benchmarks.** There are no benchmarks for how federal agencies should measure utilization to guide agency efforts.
- **Culture.** Agency leaders can be reluctant to share headquarters space among agency components or with other agencies.