

## Why GAO Did This Study

The federal government owns a massive portfolio of civilian buildings and structures (roads, bridges, dams, and monuments). DM&R on these assets can affect agencies' abilities to support their missions.

GAO was asked to review selected federal agencies' management of their DM&R. This report examines: (1) how the agencies' DM&R estimates changed from fiscal years 2017 through 2022, and reasons for changes; (2) the extent to which the agencies communicated DM&R needs to Congress and the public; and (3) the extent to which the agencies' prioritization policies align with leading practices for managing DM&R. GAO selected four agencies—DOE, HHS, DOI, and GSA—based on reported DM&R amounts, among other factors. GAO analyzed these agencies' DM&R and funding data for fiscal years 2017-2022. GAO reviewed the agencies' budget and financial materials to determine what DM&R information they communicated. GAO reviewed the agencies' policies on prioritizing DM&R and compared them to leading practices. In addition, GAO interviewed agency officials and conducted site visits at selected agency locations.

## What GAO Recommends

GAO is making 12 recommendations, including 11 to DOE, DOI, HHS, and GSA that they provide more information on their DM&R estimates and fully follow leading practices. GAO is also recommending that OMB instruct federal agencies on communicating DM&R needs. DOI, HHS, and GSA concurred with GAO's recommendations. DOE and OMB neither agreed nor disagreed.

View [GAO-24-105485](#). For more information, contact Andrew Von Ah at (202) 512-2834 or [vonaha@gao.gov](mailto:vonaha@gao.gov).

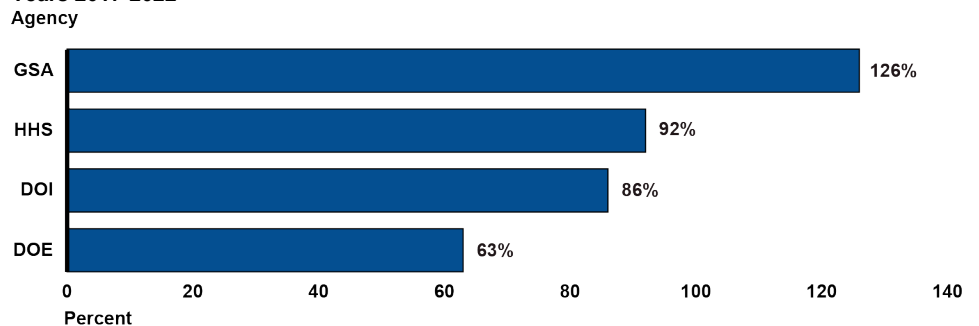
## FEDERAL REAL PROPERTY

### Agencies Should Provide More Information about Increases in Deferred Maintenance and Repair

## What GAO Found

Estimates for deferred maintenance and repair (DM&R) increased about \$22 billion (83 percent) from fiscal years 2017 through 2022 for selected agencies—Department of Energy (DOE), Department of Health and Human Services (HHS), Department of the Interior (DOI), and General Services Administration (GSA). Agency officials attributed these increases—which ranged from 63 to 126 percent—to factors including funding constraints, labor and material cost increases, and the size and age of agencies' real property portfolios.

**Percent Changes in Agencies' Estimated Deferred Maintenance and Repair Backlogs, Fiscal Years 2017-2022**



Source: GAO analysis of Department of Energy (DOE), Department of the Interior (DOI), General Services Administration (GSA), and Department of Health and Human Services (HHS) Annual Financial Reports. | [GAO-24-105485](#)

The selected agencies communicate DM&R needs, along with some contextual information, to Congress and public in their budget materials and other documents. However, GAO found that the agencies could provide more information in three areas: (1) reasons for changes in DM&R estimates, (2) categories of assets included in and excluded from backlog estimates, and (3) extent of DM&R needed to support agencies' missions. For example, HHS, GSA, and DOI did not explain that the methodologies they used to estimate DM&R—or changes to those methodologies—had contributed to annual increases of up to 40 percent. Providing such information could help Congress and the public better assess the costs and funding needs associated with agencies' DM&R backlogs.

GAO found that the agencies' policies for prioritizing DM&R followed most—but not all—of five leading practices for managing DM&R. Specifically, the policies followed practices on (1) establishing maintenance and repair objectives and prioritizing outcomes, (2) identifying types of facilities that support missions, and (3) aligning portfolios with mission needs. For the practice of identifying funding in budget materials, GAO found that the agencies' materials provided information on funding for planned maintenance but not on funding or timeframes for addressing the backlog of deferred maintenance and repair. Providing such information could help decision makers better evaluate agencies' budget requests. For the practice of using models to predict investment outcomes, analyze tradeoffs, and optimize among competing investments, GAO found that agencies employed such models to varying extents. Agencies raised some concerns with the use of certain models. However, assessing the potential benefits of using models could better position them to identify investment options that would provide the greatest return on investment given budget constraints.