



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

**Follow-up Audit of GSA's Acquisition of
Services for the International Trade Center
at the Ronald Reagan Building:
PBS's Oversight of Contract Requirements**

*Report Number A110217/P/R/R13001
December 17, 2012*



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

REPORT ABSTRACT

OBJECTIVE

Our objective was to determine if the Public Buildings Service (PBS) performed effective oversight of the requirements related to minimum revenue guarantees and deliverables in the contract for management and operation of the International Trade Center at the Ronald Reagan Building, Contract Number GS-11P-09-ZGD-0064.

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Follow-up Audit of GSA's Acquisition of Services for the International Trade Center at the Ronald Reagan Building: PBS's Oversight of Contract Requirements

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WHAT WE FOUND

We identified the following during our audit:

Finding 1 – PBS did not ensure that all deliverables were provided in accordance with contract requirements, compromising PBS's oversight.

Finding 2 – By not verifying monthly reported revenue, PBS could be losing revenues and paying inflated award fees.

Finding 3 – PBS is not collecting sufficient data to determine fair and reasonable pricing for future contracting actions.

Finding 4 – The contractor may owe PBS \$2.8 million for failure to meet original minimum revenue guarantees.

WHAT WE RECOMMEND

Based on our audit findings, we recommend that the Acting Regional Commissioner, Public Buildings Service, National Capital Region:

1. Improve the processes for reviewing deliverables.
2. Develop revenue verification processes to ensure that revenue amounts remitted by the contractor are complete, accurate, and attributed to the correct minimum revenue guarantee category.
3. Act in accordance with PBS's plan to address preaward competition concerns.
4. Modify the contract to integrate a decision and/or settlement agreement of the issue before the Civilian Board of Contract Appeals.

MANAGEMENT COMMENTS

In its comments, management agreed with the audit findings and concurred with the recommendations (See **Appendix C**).



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

DATE: December 17, 2012

TO: William G. Dowd
Acting Regional Commissioner
Public Buildings Service
National Capital Region (WP)

FROM: 
Marisa A. Roinestad
Audit Manager, Real Property Audit Office (JA-R)

SUBJECT: Follow-up Audit of GSA's Acquisition of Services for the International Trade Center at the Ronald Reagan Building:
PBS's Oversight of Contract Requirements
Report Number A110217/P/R/13001

This report presents the results of our audit of PBS's oversight of the requirements related to minimum revenue guarantees and deliverables in the contract for management and operation of the International Trade Center at the Ronald Reagan Building. Our findings and recommendations are summarized in the Report Abstract. Instructions regarding the audit resolution process can be found in the email that transmitted this report.

Your written comments to the draft report are included in **Appendix C** of this report.

If you have any questions regarding this report, please contact me or any member of the audit team at the following:

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On behalf of the audit team, I would like to thank you and your staff for your assistance during this audit.

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Introduction

In December 2008, the Public Buildings Service (PBS) awarded Contract Number GS-11P-09-ZGD-0064 to Trade Center Management Associates, LLC (TCMA) for the management and operation of the International Trade Center (ITC) at the Ronald Reagan Building. The contract, valued at over \$220 million, covered one base year, nine option years, and transition and close out periods.¹

The contract requires that services be provided in 14 key program areas:

Figure 1 – Key program areas under the trade center management contract

Key Program Areas	
General	Marketing Program
International Trade Program	Security Related Services
ITC Conference Center	Information Technology and Electronic Systems
Parking Garage Operation	Construction Management Operation
Budget and Finance	Complete Facilities Maintenance Type Services
Licensing Activity	Miscellaneous Performance Items
License Administration ²	Activation Performance Items

The contract also says that TCMA must meet minimum revenue guarantees in six business areas and remit a specified percentage of that revenue to GSA's treasury account (see **Figure 2** below). If TCMA fails to meet the minimum revenue guarantees, it must make up any shortfall on a dollar for dollar basis. TCMA can earn award fees based on its performance. A portion of the award fees (35 percent) is contingent on exceeding the minimum revenue guarantees.

Figure 2 – Business areas producing revenue streams and the percentage remitted

Business Area	Percentage of Revenue Remitted to GSA ³
Parking Garage Operations	100%
Conference Room Rental	100%
License for Tenant Office Space	100%
License for Retail/Food Tenant Space	100%
Food and Beverage Service	7%
Ancillary Services	50%

¹ Transition and close out periods occur when a subsequent contract is awarded. If the award is to a different contractor, TCMA would facilitate setting up the new trade center manager's operations and report to PBS on activities related to closing its operations during the transition and close out periods.

² In the base period, there was only one key program area for licensing called Licensing of ITC Space.

³ All revenue percentages are gross revenue except parking garage operations and ancillary services, which are net revenue.

Our objective was to determine if PBS performed effective oversight of the requirements related to minimum revenue guarantees and deliverables in the contract for management and operation of the International Trade Center at the Ronald Reagan Building, Contract Number GS-11P-09-ZGD-0064. Our audit efforts are ongoing and we may produce additional audit work products.

See **Appendix A** – Purpose, Scope, and Methodology for additional details.

Results

Finding 1 – PBS did not ensure that all deliverables were provided in accordance with contract requirements, compromising PBS’s oversight.

PBS did not ensure that deliverables paid for under the contract were provided in accordance with contract requirements. This occurred because PBS did not fully understand the requirements, had weak control processes, and experienced a high turnover in personnel.

TCMA is expected to produce specific deliverables during the base and option periods to report on its management and operation of key program areas. Part of PBS’s oversight responsibility is to review and accept the deliverables. If the deliverables are not submitted, are submitted late, or are incomplete, PBS’s oversight activities are compromised.

We reviewed 20 deliverables (3 from the base period and 17 from the option periods representing 23 percent⁴ of all deliverables) covering each of the key program areas. We found that 10 deliverables did not meet contract requirements in 9 of the 14 key program areas (see **Appendix B** for further details).

Two of these deliverables were not submitted as called for by the contract. The Quarterly Contract Management Reviews Meeting Notes, a General contract deliverable, was not submitted in the option period because PBS did not understand that General contract deliverables were required in both the base period and option years 1 through 9.⁵ The annual Activation Plan was not submitted for option year 2 because, according to PBS, activation activities remain stable each year and therefore the plan was not needed. However, the contract does not waive this annual deliverable even if activation activities are static.

The remaining eight deliverables lacked essential information or were not completed at the required intervals. For example, the Quality Control Plan did not address hood ventilation and the Human Resource Performance deliverable did not include position descriptions. Another example is the Inventory Tracking deliverable, which was completed annually, but not quarterly as required. Also, two Licensing Activity deliverables, Leasing Summary and License Records, for both a recent lease and an older lease could not be located. In addition, PBS did not retain copies of all deliverables. PBS had to ask TCMA to provide some of the deliverables we requested.

Largely, these problems occurred because PBS did not have written procedures explaining how to ensure the deliverables are properly received, reviewed, approved,

⁴ Although the Invoice deliverable for Construction Management Operations was not included in contract section F (where most deliverables are listed), it was listed in contract section C.4.5.3. Therefore, we included this in our count of deliverables and believe it is a contract requirement.

⁵ Contract section C.4.1 notes that deliverables 1 through 3 from the base period will also apply to option periods 1 through 9. These General deliverables are: Weekly Meeting Notes, Monthly Progress Reports, and Quarterly Contract Management Reviews Meeting Notes.

and used. Documenting these processes would provide a degree of consistency despite the personnel turnover in PBS staff managing the contract. During the course of our audit, the building director, the contracting officer, and the contract specialist were all replaced.

Also, there is little evidence that PBS reviewed these deliverables. The contract calls for the contracting officer to send TCMA a Contract Discrepancy Report when differences between actual and expected performance are noted. Although many deliverables did not meet requirements, current PBS staff did not know of any discrepancy reports that were issued to TCMA.

Finally, it is unclear that PBS used information from the deliverables in its oversight efforts. For example, although the retail audit deliverable met contract requirements, PBS did not systematically monitor TCMA's corrective actions for the retailers that failed the audit.

Recommendation 1

We recommend that the Acting Regional Commissioner, Public Buildings Service, National Capital Region, improve the processes for reviewing deliverables, to include:

- a. Reviewing the contract to ensure an understanding of the deliverable requirements and referring questions to legal counsel if appropriate.
- b. Documenting deliverables processes.
- c. Reviewing all deliverables to ensure that contractual requirements are met.
- d. Modifying the contract with any changes to the deliverables and deletions of deliverables that are no longer needed.
- e. Using the Contract Discrepancy Report to communicate performance problems to TCMA and following through to ensure performance gaps are closed.
- f. Retaining copies of deliverables, both to show that contract terms were met and for PBS to use for their intended purpose.

Management Comments

In its comments, management agreed with the audit finding and concurred with the recommendations (See **Appendix C**).

Finding 2 – By not verifying monthly reported revenue, PBS could be losing revenues and paying inflated award fees.

PBS cannot be assured it has received all the revenues it is due and may pay TCMA an award fee in error because it does not verify the monthly revenue reported by TCMA. Instead, PBS merely credits any revenue received to the six minimum revenue guarantees and ensures that the revenue reported by TCMA is remitted to GSA's treasury account.

Each month TCMA submits a minimum revenue guarantee spreadsheet summarizing remitted revenues to PBS. PBS ensures that it has received the revenue by comparing the dollar amounts reported by TCMA to the amounts in the automated clearing house⁶ and GSA's Financial Management Information System. If discrepancies are found, PBS works with TCMA to correct them. However, PBS does not verify how much revenue was actually earned or if it is properly classified. Except for intermittent verifications of ancillary and license revenue, PBS does not trace the reported revenue back to supporting documentation such as receipts, checks, invoices, and accounting entries.

These issues are especially notable in the parking operations and ancillary services business areas.

Parking Vouchers

The Aria restaurant⁷ license⁸, executed on June 3, 2004, allows the restaurant to issue vouchers for an hour of free parking to patrons who make a minimum \$15 purchase. Contract modification PS12, dated July 23, 2009, let TCMA credit these vouchers against the parking garage minimum revenue guarantee⁹. PBS stated that "this modification is to allow TCMA to incentivize customers to patronize the Aria restaurant." However, since the voucher program was already in place, the modification did not help generate additional revenue for the restaurant. All the modification accomplished was to effectively lower the minimum revenue guarantee with no additional benefit to the Government.

Interagency Parking

The monthly parking revenue includes an estimate of the subsidies paid by other federal agencies whose employees park at the ITC. While these agencies pay the subsidies directly to PBS, TCMA is allowed to count them towards its minimum revenue guarantee for parking.

However, TCMA claims more for this interagency parking than PBS actually receives. Although TCMA does not handle the subsidy payment, TCMA currently estimates the amount of subsidy funds that PBS receives. TCMA's estimate is consistently higher

⁶ The automated clearing house system, commonly referred to as ACH, is the electronic funds transfer system used by agencies to collect funds.

⁷ Aria Management, LLC, which is owned and operated by the same individuals that own TCMA, operates the Aria restaurant in the Ronald Reagan Building.

⁸ The license between TCMA and Aria Management, LLC for use of space in the Ronald Reagan Building was executed before the current TCMA contract, the subject of this audit. The Aria license term extends to June 2014. If there is a change in the trade center management contractor, TCMA will facilitate the transfer of all licenses to the subsequent contractor. If the licenses are not transferred to the subsequent contractor, GSA will become the licensor. The Aria license will be analyzed in detail in future audit products.

⁹ TCMA is required to submit proof that the vouchers were used; however, PBS does not enforce this requirement. PBS simply receives a listing summarizing the dollar value of the parking vouchers and accepts it without reviewing any supporting documentation. Accordingly, PBS does not know if the total credits are accurate.

than the actual subsidy amount that PBS receives. For example, in the March 2012 minimum revenue guarantee spreadsheet, TCMA estimated interagency parking to be \$217,385, but PBS received only \$205,942 in subsidies.

From October 2009 to April 2012, PBS credited TCMA for subsidies that were \$357,182, or 5.67 percent, greater than PBS actually received from other agencies. Projected over the life of the contract, this could result in over-reporting revenues by approximately \$1.26 million, which in turn could result in an excessive award fee for TCMA.

Ancillary Services

PBS does not know if the net revenues reported for ancillary services are accurate because it accepts TCMA's estimates of ancillary expenses without review.

Ancillary services are all conference center services other than food/beverage and room rental services. They include, but are not limited to, audiovisual services, ushers, cashiers, flower arrangements, electrical services, and signage. Expenses related to ancillary services are offset against the ancillary revenue reported by TCMA (PBS receives 50 percent of net ancillary revenue).

Ancillary expenses are established as preset ratios or amounts for the specific ancillary services provided. For example, audiovisual services have a corresponding expense of 57 percent of income. These preset ratios were previously agreed to by TCMA and PBS, but have not been reviewed by PBS since the original agreement. TCMA evaluates the expense amounts annually.¹⁰ However, it does not discuss these evaluations with PBS, and PBS is not independently reviewing ancillary expenses. In the month we tested, ancillary expenses totaled \$182,682 and they could reach \$19.7 million over the life of the contract.¹¹

Recommendation 2

We recommend that the Acting Regional Commissioner, Public Buildings Service, National Capital Region, develop revenue verification processes to ensure that revenue amounts remitted by TCMA are complete, accurate, and attributed to the correct minimum revenue guarantee category. These processes should include:

- a. Applying the actual amount received in parking subsidies from other agencies towards the parking minimum revenue guarantee.
- b. Eliminating the parking vouchers credit towards minimum revenue guarantees.
- c. Reviewing TCMA's ancillary expenses ratios annually to determine if they are reasonable.

¹⁰ The scope of our audit did not include a review of TCMA's evaluations of ancillary expenses.

¹¹ Assuming the sample month is representative of normal contract activity.

Management Comments

In its comments, management agreed with the audit finding and concurred with the recommendations (See **Appendix C**).

Finding 3 – PBS is not collecting data to determine fair and reasonable pricing for future contracting actions.

PBS's failure to collect historical program information and to perform market analyses may hinder its ability to adequately evaluate contract options and future procurements. As the incumbent, TCMA was the sole bidder for the current contract, and PBS has made no efforts to increase competition by gathering information related to contract operations and the market, due in part to PBS's resource constraints.

During the solicitation phase of the current contract, a potential offeror requested historical data related to prior trade center management activity. The potential offeror said it needed the data in order to determine if it would be able to meet the minimum revenue guarantees. Potential offerors, other than TCMA, would have needed such information to make informed decisions regarding risk. This may, in part, explain why only TCMA, the incumbent, bid on the current contract.

Prior to contract award, the then Acting Regional Administrator of the National Capital Region informed the agency's Senior Procurement Advisor that the PBS National Capital Region would perform a post award evaluation of the contract and contractor performance to provide assurance that the pricing was fair and reasonable.¹² PBS was to use the results of this evaluation in future contract options. However other than performance evaluations used to determine award fees, PBS is not collecting or examining data for this purpose.

Recommendation 3

We recommend that the Acting Regional Commissioner, Public Buildings Service, National Capital Region, act in accordance with PBS's plan to address preaward competition concerns by:

- a. Reviewing the requirements for this contract.
- b. Evaluating the business model used to develop the request for proposal.
- c. Conducting market research and assessing market conditions.
- d. Generally evaluating the best course for the long run.

Management Comments

In its comments, management agreed with the audit finding and concurred with the recommendations (See **Appendix C**).

¹² In a November 25, 2008, memorandum to the Senior Procurement Advisor, the then Acting Regional Administrator outlined a plan of actions that the PBS National Capital Region would take after contract award.

Finding 4 – The contractor may owe PBS \$2.8 million for failure to meet original minimum revenue guarantees.

TCMA may owe PBS \$2,780,956 for not meeting the original minimum revenue guarantees in option periods 1 and 2.

The minimum revenue guarantees were improperly lowered by a PBS contracting officer as follows:

- On February 20, 2009, via contract modification PS05, minimum revenue guarantees for option period 1 were reduced for parking garage operations, tenant office space licensing, and retail/food tenant space licensing; and
- On March 2, 2010, via contract modification PS28, minimum revenue guarantees for option period 2 were reduced for parking garage operations, tenant office space licensing, and retail/food tenant space licensing.

On December 30, 2010, another PBS contracting officer determined that the contract should be modified to restore the minimum revenue guarantees to their original levels. The contracting officer's final decision found TCMA liable for refunding award fees and paying the dollar for dollar shortfall for failing to reach the original minimum revenue guarantees. The contracting officer calculated that TCMA owed PBS \$799,318 for the minimum revenue guarantee disincentive for three categories. It was also determined that TCMA should repay the award fee for option year 1.

The final decision discusses the modification of minimum revenue guarantees for option period 2, but does not calculate an amount owed. This omission may be due to the decision being rendered in the midst of option period 2 and prior to TCMA receiving award fees for that period. We calculate that in option period 2, TCMA fell short of the original minimum revenue guarantees by \$1,981,638.¹³ TCMA may also be required to repay this shortfall from option period 2.

TCMA disagreed with the final decision and took the matter to the Civilian Board of Contract Appeals. As of December 10, 2012, no final decision has been made.

Recommendation 4

We recommend that the Acting Regional Commissioner, Public Buildings Service, National Capital Region, modify the contract in accordance with the Civilian Board of Contract Appeals decision and/or a settlement agreement.

¹³ In keeping with the contracting officer's methodology in the final decision, we would have included any award fee awarded for revenue generation in option period 2. However, there was no award fee for revenue generation for option year 2.

Management Comments

In its comments, management agreed with the audit finding and concurred with the recommendations (See **Appendix C**).

Conclusion

PBS's oversight of the contract deliverables, revenue collection, and data collection needs to be improved. In strengthening deliverables processes, PBS can ensure that deliverables are provided in accordance with contract requirements. By taking additional revenue verification steps, PBS can ensure that revenue remitted by TCMA is accurate and complete, particularly with regard to parking operations and ancillary services. PBS's analysis of existing program data and acquisition of relevant market data could improve planning for future procurements. After the issue before the Civilian Board of Contract Appeals is settled, a contract modification should resolve the issues related to the lowering of the minimum revenue guarantees in option periods 1 and 2.

PBS has made changes in deliverables processes during option year 4. We have not audited these new processes; therefore, we cannot offer an opinion on their adequacy. PBS also noted plans to address interagency parking, parking vouchers, ancillary expenses, and collection of historical data.

Appendix A – Purpose, Scope, and Methodology

Purpose

This audit was included in the Office of Inspector General's Audit Plan for fiscal year 2012. It is a follow-up audit to our *Audit of GSA's Acquisition of Services for the International Trade Center at the Ronald Reagan Building* (Report Number A080106/P/W/R10004, dated May 3, 2010). Our audit efforts are ongoing and we may produce additional audit work products.

Scope

This audit covered PBS's oversight of contract requirements for trade center management services under Contract Number GS-11P-09-ZGD-0064. For each of the six minimum revenue guarantee categories, the scope included revenues from a month between March 2009 and November 2011. The scope of the deliverables reviewed was the base period through option year 3, covering each of the 14 key program areas.

Methodology

To accomplish our objectives, we:

- Researched the history of the current procurement;
- Met with PBS contract and program personnel;
- Met with TCMA's finance office personnel and coordinated requests through the TCMA GSA Liaison;
- Reviewed the contract to understand the minimum review guarantees and deliverable requirements;
- Analyzed a judgmental sample of 20 deliverables from the base period and option years 1 through 3;
- Verified a judgmental sample of monthly revenue for the six revenue streams to checks, receipts, journal entries, invoices, and other supporting documentation;
- Reviewed controls in place for parking vouchers for the Aria restaurant; and
- Discussed the pending Civilian Board of Contract Appeals issue with contract and legal personnel.

We conducted the audit between December 2011 and July 2012 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 objective.

Appendix A – Purpose, Scope, and Methodology (cont.)

Internal Controls

We reviewed the internal controls of TCMA's accounting system. We also reviewed PBS's internal controls for deliverables and minimum revenue guarantees.

Appendix B – Sampled Deliverables Not Meeting Requirements

Key Program Area	Deliverable	Sample Period	Requirement	Exception Category	Exception
General	Quarterly Contract Management Review	Option Year 2	Meeting notes of high-level summary briefing of monthly reports. Due date: 10 days after quarter is completed.	Not submitted to IG upon request	Meeting was not held by PBS.
International Trade Program	Trade Events	Option Year 3	Summary list of all trade events for prior year, a brief description of the contractor's direct involvement (not exclusively including event services provided), with a minimum of 150 events (involving international policy, global business development, and foreign affairs). Due date: Submit monthly updates by the 5th business day of the following month.	Insufficient	Did not describe the involvement of the contractor.
ITC Conference Center	Inventory Tracking	Option Year 1	Detailed inventory including: (1) List of items in the inventory, (2) Item type, (3) Item description, (4) Item quantity, (5) Indicate if item was a replacement purchase by the contractor, (6) Indicate items purchased by the contractor for the ITC (that are charged and belong to GSA). Due date: Submit quarterly in June, September, December, and March.	Insufficient	Does not indicate whether items are bought by the contractor. Not completed quarterly.
ITC Conference Center	Revenue Collected: Monthly Report	Option Year 3	Submit a monthly revenue report that details ancillary revenue, expense, and income and identify associated banquet event orders. Submit an annual report to identify the percentage of federal to non-federal event revenue. Due date: By the 14th day of each month (or next business day thereafter).	Insufficient	Not tied to a specific banquet event order. Does not include the ratio of federal to non-federal events.

Appendix B – Sampled Deliverables Not Meeting Requirements (cont.)

Key Program Area	Deliverable	Sample Period	Requirement	Exception Category	Exception
Construction Management Operation	Weekly Project Report	Option Year 1	<p>The contractor shall provide GSA with a weekly project status report (listing the project, project description and timeline status as well as current budget status) relating to all construction or repair projects.</p> <p>Due date: Weekly.</p>	Insufficient	Did not include a timeline or budget status.
Licensing Activity	Leasing Summary	Option Year 2	<p>The contractor shall ensure that GSA has continuous access to LEO (TCMA's lease database), and shall keep the information contained in LEO current.</p> <p>Due date: Monthly, before the 14th.</p>	Insufficient	There were missing lease documents in the LEO system. PBS does not check to see how often LEO is updated.
Licensing Activity	License Records	Option Year 3	<p>The contractor shall provide an original of all signed license agreements, amendments, and/or any other agreements signed. Copies of correspondence shall also be submitted.</p> <p>Due date: Immediately after negotiating any tenant license or receiving and submitting correspondence relating to license activity.</p>	Insufficient	Documents for a recent lease were not found in the system.
Complete Facilities Maintenance Type Services	Quality Control Plan	Option Year 1	<p>The contractor shall submit a detailed quality control plan to ensure all Complete Facilities Maintenance type activities are performed to meet the requirements in this scope of work.</p> <p>Due date: Submitted yearly within one week after notice to proceed.</p>	Insufficient	Did not address hood ventilation.

Appendix B – Sampled Deliverables Not Meeting Requirements (cont.)

Key Program Area	Deliverable	Sample Period	Requirement	Exception Category	Exception
Miscellaneous Performance Items	Human Resource Performance	Option Year 1	The contractor shall submit, by program area, a list of position descriptions and number of positions for each labor classification for all employees. Due date: Within 30 days after the option modification is issued.	Insufficient	Did not include position descriptions.
Activation Performance Items	Activation Plan for year	Option Year 2	The TCM shall submit an activation plan that details the list of activities, schedules, events, and event coordination information, set-up activities, marketing activities, participants, and event layout plans for the year. The plan will detail the cost of conducting the activities, events or entertainment. Due date: Draft - 90 days after receipt of contract notice to proceed. Final - 3 days after GSA feedback.	Not submitted to IG upon request	Per PBS, TCMA did not submit the activation plan to PBS.
Parking Garage Operation	Cash Receipt Audits ¹⁴	Option Year 2	The contractor shall conduct ticket audits on a daily basis using a random sample method and shall compare revenue gate activities with money collected. Audit shall be performed daily by a management employee other than a cashier. The audit results shall be recorded, dated, and signed by the employee. Due date: Subject to GSA review, no less than annually. Additional review may be required by GSA.	Insufficient	Parking manager was not signing and dating the audits.

¹⁴ This deliverable was not part of the 20 deliverables sampled, but this issue came to our attention during the course of the audit.

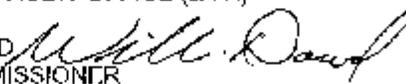
Appendix C – Management Comments



GSA National Capital Region

DEC 06 2012

MEMORANDUM FOR R. NICHOLAS GOCCO
DEPUTY ASSISTANT INSPECTOR GENERAL FOR
AUDITING
REAL PROPERTY AUDIT OFFICE (JA-R)

FROM: WILLIAM G. DOWD 
REGIONAL COMMISSIONER
PUBLIC BUILDINGS SERVICE (W/P)

SUBJECT: Response to Draft Audit
Follow-up Audit of GSA's Acquisition of Services for the
International Trade Center at the Ronald Reagan Building;
PBS's Oversight of Contract Requirements
Report No. A110217/P/R

We have reviewed the draft report on the subject audit and agree with the findings. We concur with all of the recommendations and look forward to the final report. We continue to develop our Corrective Action Plan in anticipation of the final report.

If you have any questions or need additional information, please feel free to contact me or my Deputy, Thomas James, at (202) 708-5691.

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Appendix D – Report Distribution

Commissioner, PBS (P)

Deputy Commissioner, PBS (PD)

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Acting Director, PBS Executive Response (PBA)

Regional Administrator, National Capital Region (WA)

Acting Regional Commissioner, PBS, National Capital Region (WP)

Regional Counsel, National Capital Region (LDW)

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