

PBS Southeast Sunbelt Region's Lack of Planning Has Resulted in Chillers That Are Outdated, Inadequately Maintained, and Lack Redundancy - GSA Office of Inspector General

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Why We Performed This Audit

In May 2022, we issued an audit report on GSA's approval process for minor repair and alteration projects. During that audit, officials in the GSA Public Buildings Service's Southeast Sunbelt Region (PBS Region 4) raised concerns over the condition of chillers in their region. As a result, we included this audit in our [Fiscal Year 2021 Audit Plan](#).

What We Found

PBS Region 4 does not have a plan to identify and prioritize chillers for repair and replacement. As a result, many of PBS Region 4's chillers are outdated, inadequately maintained, and lack redundancy. We found that 33 percent of the chillers in PBS Region 4's owned buildings are beyond their useful lives—a figure that will increase to 48 percent by 2025. We also found that PBS Region 4 did not perform the manufacturer-recommended overhauls for chillers at any of the seven buildings we tested. Finally, we found that 33 percent of the chillers in PBS Region 4's owned buildings lack the required redundancy to ensure continuous operation in the event of equipment failure. Taken together, these deficiencies resulted in actual cooling loss in 27 buildings over the 1-year period ended November 2021 and increased the risk of cooling loss in others.

What We Recommend

We recommend that the PBS Region 4 Commissioner:

1. Assess the condition of all chillers within PBS Region 4 to identify those that:
 - a. Have, or will soon, exceed their useful lives;
 - b. Are due for or behind on manufacturer-recommended overhauls and are not nearing or beyond their useful lives; or
 - c. Lack required redundancy.
2. Develop and implement a plan to:
 - a. Replace the chillers that have exceeded, or will soon exceed, their useful lives;
 - b. Perform the identified manufacturer-recommended overhauls, as well as ensure future overhauls are performed in a timely manner; and
 - c. Prioritize redundancy in accordance with GSA's *Facilities Standards for the Public Buildings Service*.

Additionally, the PBS Commissioner should:

3. Perform a similar assessment of the condition of all chillers across PBS's nationwide portfolio.
4. Develop and implement a plan to address the results of the assessment.

The PBS Commissioner agreed with our finding and recommendations. PBS's written comments are included as **Appendix C**.

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[Report- PBS Southeast Sunbelt Region's Chillers Audit](#)