IMPLEMENTATION REVIEW OF CORRECTIVE ACTION PLAN

Audit of GSA’s Total Workplace Furniture and Information Technology Program
Report Number A170070/P/R/R20005
March 31, 2020

Assignment Number A210059
November 10, 2021
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**Introduction**

We have completed an implementation review of the management actions taken in response to the recommendations contained in our March 2020 audit report, *Audit of GSA’s Total Workplace Furniture and Information Technology Program*, Report Number A170070/P/R/R20005.

**Objective**

The objective of our review was to determine whether GSA’s Federal Acquisition Service (FAS) and Public Buildings Service (PBS) have taken the actions as outlined in the corrective action plan for *Audit of GSA’s Total Workplace Furniture and Information Technology Program* (see Appendix A). To accomplish our objective we:

- Met and corresponded with FAS and PBS management and services programs personnel;
- Examined documentation submitted by the Office of the Chief Financial Officer and the Center for Workplace Strategy to support that the corrective action plan steps were completed;
- Examined documentation contained in GSA’s Internal Controls Audit Tracking System; and
- Performed limited testing of the implementation of the guidance and procedures contained in these supporting documents.

**Background**

The Furniture and Information Technology (FIT) Program is one of the offerings within GSA’s Total Workplace Program. The FIT Program focuses on transforming the federal government to a twenty-first century workplace. The goal of the FIT Program is to help customer agencies with upfront funding for space reduction projects.

The FIT Program allows customer agencies to lease the furniture and IT equipment needed when moving into new space. GSA designed the program to allow customer agencies to free up funding for upfront move costs by deferring the costs of furniture and IT equipment through long-term lease agreements.

GSA operates the FIT Program as an FAS and PBS partnership. Under the program, FAS and PBS aim to work together to provide a solution to the customer agency that meets the customer’s needs and reduces the federal footprint. The PBS Total Workplace Program Management Office is responsible for the FIT Program overall and provides general project oversight and customer support. Working alongside the Program Management Office, the PBS regional project manager is responsible for a project’s scope of work. FAS contracts for the furniture and IT equipment
through its Acquisition Services Fund and PBS bills the customer agency through the monthly rent bill.

On March 31, 2020, we issued an audit report, *Audit of GSA’s Total Workplace Furniture and Information Technology Program* to FAS and PBS. The objectives of the audit were to determine if GSA: (1) administered the FIT Program in accordance with Agency guidance and policy and (2) billed FIT Program customer agencies in accordance with their lease agreements and prescribed rental fees.

Our audit found that:

- GSA does not apply the mandatory FIT Program requirements to projects consistently.
- GSA has not conducted payback analyses to support project approval decisions.
- GSA has not appointed tenant agency contracting officers’ representatives and in some cases, no one has responsibility for performing these duties.
- The roles and responsibilities for the IT aspects of FIT Program projects are unclear, undefined, and unassigned.
- The FIT Program does not have a standard billing methodology and its customer billings are significantly delayed.

To address the findings identified in our report, we recommended that the PBS Commissioner:

1. Work with the FAS Commissioner to establish formalized policy and guidelines that enables the Total Workplace Program Management Office to manage all aspects of the FIT Program.
2. Consolidate all guidance into one finalized FIT Program Administrative Guide that ensures roles and responsibilities are outlined for the project approval process, FIT Program IT projects, and billing.
3. Evaluate the mandatory FIT Program requirements to determine if revisions are necessary to meet customer agency needs, achieve cost savings, and reduce the federal footprint.

In addition, we recommended that the FAS Commissioner:

1. Ensure that FIT Program projects have qualified contracting officers’ representatives who are able to verify that projects are delivered according to the terms of the Supplemental Occupancy Agreements.
2. Implement controls to ensure that contractors are not accepting products and recommending payment on behalf of the government.
3. Resolve the outstanding billing dispute related to the Broadcasting Board of Governors FIT Program project.

The PBS Commissioner and FAS Commissioner agreed with our report recommendations.
Results

Our implementation review determined that PBS and FAS have taken appropriate corrective actions to address the recommendations. We determined that no further action is necessary.

Audit Team

This review was managed out of the Real Property and Finance Audit Office and conducted by the individuals listed below:

Byron G. Bustos  
Associate Deputy Assistant Inspector General for Auditing

Meseret Henriques  
Audit Manager

Nicole Day  
Auditor-In-Charge
### Appendix A – Corrective Action Plan for Report Number A170070/P/R/R20005

<table>
<thead>
<tr>
<th>Corrective Action Plan</th>
<th>Date</th>
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<tbody>
<tr>
<td>FIT General Services Administration</td>
<td>6/1/2020</td>
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<thead>
<tr>
<th>Audit Name</th>
<th>Audit of GSA’s Total Workplace Furniture and Information Technology Program</th>
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<thead>
<tr>
<th>Designated Responding Officials</th>
<th>Chuck Hardy, Acting Chief Architect / Total Workplace Program Manager and Kim Brown, GSA Region 5 Regional Commissioner / GSA IT Executive Sponsor</th>
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<tr>
<th>Audit Contact Persons</th>
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<tr>
<th>Recommendation Number (001)</th>
<th>Recommendation Name</th>
<th>Action to be Taken Step by Step</th>
<th>Supporting Documentation to be Sent to HLEB</th>
<th>Date Documentation is Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>001:</td>
<td>Work with the FAS Commissioner to establish a formalized policy and guidelines that enables the Total Workplace Program Management Office to manage all aspects of the FIT Program.</td>
<td>Document FAS/PBS established policies, guidelines, and guidelines that enable the Total Workplace Program Management Office to manage all aspects of the Furniture and Information Technology (FIT) Program.</td>
<td>FIT Administrative Guide</td>
<td>12/31/2020</td>
</tr>
</tbody>
</table>

| 002: | Establish and include a formalized exceptions process within the FIT Guide. | | FIT Administrative Guide | 12/31/2020 |

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<tr>
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<th>Recommendation Number (002)</th>
<th>Recommendation Name</th>
<th>Action to be Taken Step by Step</th>
<th>Supporting Documentation to be Sent to HLEB</th>
<th>Date Documentation is Due</th>
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</thead>
<tbody>
<tr>
<td>001:</td>
<td>Consolidate all guidance into one formalized FIT Program Administrative Guide that ensures roles and responsibilities are outlined for the correct approval process, FIT Program IT projects, and billing.</td>
<td>Finalize FIT Administrative Guide (it includes roles and responsibilities for project approval, IT projects, and billing).</td>
<td>FIT Administrative Guide</td>
<td>12/31/2020</td>
</tr>
</tbody>
</table>

| 002: | Establish and include a formalized exceptions process within the FIT Guide. | | FIT Administrative Guide | 12/31/2020 |
### Recommendation 001

**Action to be Taken Step by Step**
- Review and standardize FIT Requirements and Customer Sign-Off Acceptance to include the reduction of Federal footprint goal and projected cost savings

**Supporting Documentation to be Sent to HIIEB**
- Customer Acceptance Form

**Date Documentation is Due**
- 06/30/2020

**Action to be Taken Step by Step**
- Conduct messaging to provide regions with updates to the FIT Administrative Guide

**Supporting Documentation to be Sent to HIIEB**
- Announcement messaging and briefing materials

**Date Documentation is Due**
- 03/31/2021

### Recommendation 002

**Action to be Taken Step by Step**
- Establish procedures for client to identify and assign Contracting Officer’s Representative (COR) Level 1 (as part of action for recommendation #2)

**Supporting Documentation to be Sent to HIIEB**
- CDR Process for FIT Project - outlined in FIT Administrative Guide

**Date Documentation is Due**
- 12/31/2020

**Action to be Taken Step by Step**
- Update Supplemental Occupancy Agreement (SOA)

**Supporting Documentation to be Sent to HIIEB**
- Updated SOA

**Date Documentation is Due**
- 9/30/2020
### A170570/P/R/R20005

**Audit Name**: Audit of GSA’s Total Workplace Furniture and Information Technology Program  
**Designated/Responding Official**: Kim Brown, FAS Region 5 Regional Commissioner / FAS FIT Executive Sponsor  
**Audit Contact Person**  
**Contact Email**  
**Recommendation Number (005)**  
**Recommendation Name**: FAS: Implement controls to ensure that contractors are not accepting products and recommending payment on behalf of the government.  
**Action to be Taken Step by Step**  
**Supporting Documentation to be Sent to HIEB**  
**Date Documentation is Due**  

<table>
<thead>
<tr>
<th>Action to be Taken Step by Step</th>
<th>Supporting Documentation to be Sent to HIEB</th>
<th>Date Documentation is Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>001: Develop and document processes that mandate Federal employees (not contractors) are involved in acceptance of products and recommendations of payment</td>
<td>Process for FIT Project - outlined in FIT Administrative Guide</td>
<td>12/31/2020</td>
</tr>
<tr>
<td>002: Update Supplemental Occupancy Agreement (SOA)</td>
<td>Updated SOA</td>
<td>9/30/2020</td>
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</tbody>
</table>

### A170570/P/R/R20005

**Audit Name**: Audit of GSA’s Total Workplace Furniture and Information Technology Program  
**Designated/Responding Official**: Kim Brown, FAS Region 5 Regional Commissioner / FAS FIT Executive Sponsor  
**Audit Contact Person**  
**Contact Email**  
**Recommendation Number (006)**  
**Recommendation Name**: FAS: Resolve the outstanding billing dispute related to the Broadcasting Board of Governors FIT Program project.  
**Action to be Taken Step by Step**  
**Supporting Documentation to be Sent to HIEB**  
**Date Documentation is Due**  

<table>
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<th>Supporting Documentation to be Sent to HIEB</th>
<th>Date Documentation is Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>001: PBS/ITAS/OFO/R4 will collaborate internally to determine a path forward to resolve this billing dispute</td>
<td>Meeting Minutes</td>
<td>06/30/2020</td>
</tr>
<tr>
<td>002: Add language in the FIT Administrative Guide to alleviate any further billing disputes/issues (as part of action for recommendation #2)</td>
<td>FIT Administrative Guide</td>
<td>12/31/2020</td>
</tr>
<tr>
<td>003: Collaborate with Broadcasting Board of Governors and GSA</td>
<td>Resolution Documentation</td>
<td>9/30/2020</td>
</tr>
</tbody>
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Appendix B – Report Distribution

GSA Administrator (A)
GSA Deputy Administrator (AD)
Commissioner (P)
Commissioner (Q)
Acting Deputy Commissioner (P)
Deputy Commissioner (Q1)
Acting Chief of Staff (PB)
Chief of Staff (Q0A)
Deputy Chief of Staff (PB)
Acting Chief Architect (PCA)
Chief Administrative Services Officer (H)
Office of Audit Management and Accountability (BA)
Assistant Inspector General for Auditing (JA)
Director, Audit Planning, Policy, and Operations Staff (JAO)