

GAO Highlights

Highlights of [GAO-16-275](#), a report to the Ranking Member on the Committee on Homeland Security and Governmental Affairs, U.S. Senate

Why GAO Did This Study

The federal government has made progress addressing real property challenges within its owned portfolio, but agencies still face long-standing challenges that existed when GAO first designated real property management as a high-risk area in 2003. GAO was asked to examine the major federal civilian agencies' government-owned real property portfolio, including the progress made in addressing real property challenges. This report addresses (1) the steps taken to improve real property data, (2) the steps selected agencies have taken to address real property management challenges and the lessons learned, and (3) the extent to which the National Strategy and agencies' current capital planning practices address real property challenges. GAO analyzed fiscal year 2014 FRPP data, and government-wide guidance issued by OMB and GSA; visited 11 sites held by five civilian agencies with previously known challenges, 5 agency-identified, and 6 previously visited by GAO; and interviewed officials from these 5 agencies and OMB.

What GAO Recommends

GAO recommends that GSA, with OMB and federal agencies, assess, analyze, and identify any limitations in how agencies collect and report FRPP data and that OMB expand the *National Strategy* to include key characteristics. GSA partially concurred with GAO's first recommendation, and OMB partially concurred with both recommendations. GAO continues to believe these actions will improve FRPP and the *National Strategy* in addressing long-standing management challenges.

View [GAO-16-275](#). For more information, contact Dave Wise at (202) 512-2834 or WiseD@gao.gov

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FEDERAL REAL PROPERTY

Improving Data Transparency and Expanding the *National Strategy* Could Help Address Long-standing Challenges

What GAO Found

The Office of Management and Budget (OMB), the General Services Administration (GSA), and selected agencies have taken steps to improve the quality of data in the Federal Real Property Profile (FRPP)—the government-wide real property database. Those steps include issuing guidance and implementing various data validation procedures. Starting with fiscal year 2015 data, OMB and GSA are transitioning FRPP from a real property inventory to an analytical tool to guide real property management and to evaluate the performance of the government-wide portfolio. However, GSA has not analyzed agencies' collection or reporting practices or the limitations for using the data. GAO's review of FRPP shows that certain key FRPP data elements, such as utilization status, continue to be inconsistently collected and reported by agencies. An analysis could help OMB and GSA determine the extent to which efforts have improved data quality and identify the next steps. Outlining the limitations of the FRPP data, as suggested by GAO's data reliability standards, could improve transparency for decision-makers on how to properly use the data to, for example, identify underutilized properties for consolidation and colocation.

The five selected agencies GAO reviewed have taken steps to reduce agency-held space and increase utilization in response to government-wide initiatives. In addition, selected agencies have identified lessons learned from these efforts on leveraging statutory authorities and collaborating with stakeholders. For example:

- The Department of Veterans Affairs leveraged its enhanced-use leasing authority, allowing VA to partner with a non-profit organization to finance and successfully repair, operate, maintain, and utilize several underutilized buildings to house homeless veterans.
- GSA conveyed a historic post office in Portland, Oregon, to a city department; the building was then leased to and repaired by a college, thus avoiding federal holding and repair costs of about \$30 million.

Despite successes, the agencies continue to face long-standing challenges with excess and underutilized property and maintenance and repair backlogs due to a complex disposal process, competing stakeholder interests, and limited funding.

In March 2015, OMB issued government-wide guidance—the *National Strategy for the Efficient Use of Real Property*—providing a foundation to further help agencies strategically manage real property. The *National Strategy* aligns with many of the desirable characteristics of effective national strategies that GAO has identified, including describing the purpose, defining the problem, and outlining goals and objectives. OMB staff stated that the strategy is a living document that focuses on the most pressing needs. GAO believes the strategy is a major step forward. Moving forward, the strategy could incorporate additional characteristics, such as addressing maintenance and repair backlogs, a long-standing challenge, and addressing the underlying causes of real property challenges. OMB could also better link to agency performance measures to help determine the government-wide progress under the strategy. By incorporating additional characteristics, OMB could use the strategy to promote further improvements in real property management. Also, agency capital planning practices, which vary, are complementary to such government-wide initiatives.