



Report in Brief

September 27, 2017

Background

Management of federal real property has been an area of increased focus for the Office of Management and Budget (OMB) and the Government Accountability Office (GAO) in recent years. OMB memorandums have communicated challenges and required specific actions by all executive branch departments and agencies. GAO has placed federal real property management on its High Risk List since 2003 and has reported on federal real property issues numerous times since.

The Department of Commerce's official database for real property data is the Federal Real Property Management System (FRPM). The Department's Office of Real Property Programs annually inputs FRPM data directly into the Federal Real Property Profile (FRPP) maintained by GSA. Operating units are required to identify underutilized assets in the FRPM. The FRPP also requires the input of facility deficiency estimates under "Repair Needs."

The National Oceanic and Atmospheric Administration maintains custody of approximately 99 percent of real property owned or leased throughout the Department.

Why We Did This Review

The objective of this audit was to assess whether NOAA is effectively managing real property, specifically whether NOAA has an adequate understanding of its repair needs, and is monitoring real property utilization.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

NOAA: Repair Needs Data Not Accurate, and Real Property Utilization Not Monitored Adequately

OIG-17-032-A

WHAT WE FOUND

NOAA does not have current, accurate, and complete repair needs data needed to effectively manage its portfolio of real property and is not monitoring utilization.

- *NOAA Does Not Have Current, Accurate, and Complete Repair Needs Data to Effectively Manage Real Property.* NOAA is required to verify and maintain the accuracy of its data reported in FRPM. We found that NOAA could not substantiate the amounts that were reported in FRPM for all 18 properties reviewed. This occurred because insufficient controls were in place to ensure that (a) the reviewed facilities were adequately documenting facility deficiencies, and (b) the amounts reported in FRPM were periodically updated as more accurate data became available.
- *NOAA Does Not Adequately Monitor Office Space Utilization.* The Department requires operating units to perform an analysis of their real property assets at least every 5 years. We found that no formal NOAA-wide analysis or monitoring of utilization occurred for existing facilities, and facility specific utilization goals were not created when the standard utilization rate was not reasonable. All NOAA line offices also indicated that they do not have a formal review process for assessing utilization of existing facilities, and that they perform an analysis only when acquiring new office or warehouse space or with a renovation of space within an existing facility. Due to the lack of monitoring, NOAA cannot determine whether all facilities are being used as efficiently as possible.

WHAT WE RECOMMEND

We recommend that NOAA's Chief Administrative Officer

1. implement a process to track and segregate repair needs and deferred maintenance (deficiency lists should be complete and prioritized, and include ongoing monitoring by facility management and the results of periodic facility condition assessments);
2. continue NOAA's process to ensure necessary real property assets have current facility condition assessments, and that the assessments are periodically updated or reassessed;
3. establish controls to verify the accuracy and completeness of existing data in FRPM and to update FRPM as necessary;
4. periodically monitor facility condition index levels for compliance with departmental goals and take corrective action when necessary; and
5. establish controls to periodically monitor the utilization of existing real property assets categorized as office space for progress toward the standard utilization rate, or facility specific goal when facilities are not able to achieve the standard utilization rate goal due to mission or facility constraints (controls should ensure compliance with the requirements of DAO 217-21).