STATEMENT OF
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BEFORE THE
COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
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Chairman Carper, Dr. Coburn, and Members of the Committee, thank you for the opportunity to appear before you today.

First, let me express my appreciation for the honor of sharing this panel with two individuals who both have done so much work to address the important issues we are discussing today: Beth Cobert, with whom I have worked closely since her confirmation as Deputy Director for Management at the Office of Management and Budget (OMB), and Gene Dodaro, whose work and oversight at the U.S. Government Accountability Office (GAO) continues to identify challenges and critical areas for improvement across the Federal government.

This Administration is committed to providing the American people with a government ready to meet the challenges of the 21st century. During the last five years, the Federal government has made great progress toward meeting that goal, but there is still more to do. The President's Management Agenda looks to continue this progress with a focus on four key areas: effectiveness, efficiency, economic growth, and people and culture.

As a provider of real estate, acquisition, and technology services to the Federal government, the U.S. General Services Administration (GSA) is uniquely positioned to help agencies in all four of these areas. Today, I will discuss GSA's common sense solutions in support of the management agenda, outline our work on Cross-Agency Priority Goals under the Government Performance and Results Modernization Act (GPRAMA) that further support these efforts, and highlight initiatives within GSA's FY 2015 budget that will help us accomplish these important goals.

Efficiency –

GSA encourages efficiency across government through a variety of common sense initiatives, and particularly by helping agencies buy smarter and reduce their real estate footprint.

The Federal Strategic Sourcing Initiative (FSSI) is integral to this effort. This program is a structured and collaborative process of critically analyzing an organization's spending patterns to better leverage its purchasing power, reduce cost and improve overall performance. By going out to the market as one large buyer, an approach common to the private sector, the Federal government is enhancing buying power, streamlining acquisition operations, improving

service, and creating significant savings. Since we began using this program to make purchases in 2010, we have saved more than $300 million for Federal agencies while increasing the participation of small businesses and reducing duplication across government.

When I last testified on strategic sourcing solutions before this Committee, we had in place four strategic sourcing vehicles.[1] Since that time, GSA has awarded the next generation of Print Management services; put in place strategic sourcing vehicles for Maintenance, Repairs, and Operations (MRO) contracts; and issued a Request for Proposals on the third generation of strategically sourced Office Supplies (OS3). With MRO alone, we expect agencies to save $16 million in the first year, rising to more than $30 million annually with increased use. Through better pricing and reduced administrative costs, GSA expects OS3 to save agencies millions annually. Additionally, utilizing strategic sourcing principles, we have also awarded contracts under the One Acquisition Solution for Integrated Services (OASIS) – Small Business. This program aims to ensure that agencies receive the best value for complex professional service requirements while providing transparency into spending around these contracts to drive better pricing moving forward.

At GSA, we also offer innovative technologies and digital services to agencies across government that reduce duplication, improving efficiency. One example is the Federal Risk and Authorization Management Program (FedRAMP), a government-wide program that accelerates adoption of cloud computing across government by providing a standardized approach to security assessment, authorization, and continuous monitoring for cloud products and services. This mandatory approach, which uses a "do once, use many times" framework, is saving cost, time, and staff required to conduct redundant agency security assessments.

As part of the President's management agenda, GSA is also encouraging efficiency by helping agencies to reduce their real estate footprint. We are doing this in a variety of ways: encouraging better utilization of existing space; helping agencies dispose of unneeded properties; and assisting agencies to measure real estate performance as part of the Administration's Freeze the Footprint initiative.

GSA follows the model we applied in our own Headquarters facility when working with agencies to utilize their space more efficiently. At 1800 F, we have transformed our space into a modern, mobile, open work environment. Maximizing the benefits of desk sharing, mobile IT technologies and telework allowed GSA to eliminate six leases and consolidate these operations into a single building, resulting in millions in annual savings through lease cost avoidance.

GSA's FY 2015 budget request includes a number of projects like this one that will reduce real estate costs for partner Federal agencies and the Federal government overall. For instance, in Detroit, GSA plans to exercise an option to purchase a building currently occupied by the Internal Revenue Service for $1, and then proposes to renovate the facility, allowing other

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[1] Express and Ground Domestic Delivery Services; Office Supplies; Print Management; and Wireless.

agencies to move from leased locations into the Federal building. This project eliminates leased space, saves $11 million per year in potential rental payments, and allows GSA to get the most from its Federally-owned real estate portfolio. Projects like this one in Detroit are the type of common-sense investments that the government needs to do more of, and supporting GSA's budget request for the Federal Buildings Fund will allow us to continue to make these cost-saving investments.

When property either cannot be better utilized, or it is not cost-effective to do so, GSA consistently helps agencies dispose of their excess property. In FY 2013, GSA disposed of 213 Federal properties, generating $98 million in proceeds.[2] We will continue to work with our partner landholding agencies to remove more properties from the federal inventory.

Finally, GSA worked in tandem with OMB on the Freeze the Footprint initiative. The Freeze the Footprint policy requires agencies to establish a baseline square footage and offset any proposed increase in space with a commensurate reduction elsewhere in the agencies' inventories. Additionally, agencies must identify projects that will help them to reduce their footprints. As indicated in OMB's statement, this information will soon be available to the public for tracking on performance.gov.

These initiatives, as well as others, are crucial in encouraging efficiency across government. GSA is committed to driving down prices, delivering better value, and helping reduce costs so that partner agencies can focus their resources on their core missions.

Effectiveness –

The American people expect and deserve a government that effectively meets the needs of its citizens. At GSA, we offer innovative technologies and digital services to agencies across government that reduce duplication, deliver more effective services, and create a more transparent government.

One way we can accomplish this important goal is smarter IT delivery. GSA is on the leading edge of these efforts. In collaboration with White House Office of Science and Technology Policy, GSA manages the Presidential Innovation Fellows (PIF) program. The PIF program hires and assigns some of our nation's brightest individuals to specific agencies and challenges them to implement projects that save money and make the Federal government work better for the American people. The program is set up to deliver results in months, not years, and has already demonstrated its value. One example is FBOpen. This open source search tool makes it easier for small businesses and less traditional federal contractors to better find and bid on government opportunities, while increasing competition and delivering a simpler way to find all of the opportunities the federal government makes available. This project did not go through years of requirements development and contracting. It was developed in-house with existing

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[2] Of these, 8 were GSA-controlled properties.

government data and was completed in less than six months. This expedited approach is one that GSA is using in support of additional projects, and we anticipate expanding its use moving forward.

GSA's FY 2015 budget request supports these efforts with increased funding for the Office of Citizen Services and Innovative Technologies (OCSIT).

GSA's Office of Government-Wide Policy also works toward improving the effectiveness of government by developing evidence-based policies that are designed to lead to better Federal mission delivery. GSA's FY 2015 budget request will enhance, data, analysis, and policy efforts to drive progress in right-sizing the Federal fleet; developing the civilian acquisition workforce; and enhancing cybersecurity efforts, among others.

GSA is also making investments in our real estate inventory to create a 21st century workplace that saves money and increases productivity. With investments in GSA's FY 2015 request, we will help agencies to reduce their office space and foster collaboration, improving effectiveness.

Economic Growth –

GSA also is leading efforts to provide government-generated data to entrepreneurs and other innovators to fuel development of products and services that drive economic growth.

GSA operates Data.gov, the flagship open government portal, which enables easy access to and use of more than 90,000 data collections from over 180 government agencies. By facilitating information transparency and access, GSA allows anyone, whether an individual or a business, to take public information and apply it in new and useful ways.

Additionally, GSA maintains the Prices Paid Portal. This proof of concept tool is intended to provide greater visibility into the prices paid by government agencies for commonly purchased goods and services. Currently, the system is being populated with initial data on simple commodities such as office supplies, with data on more complex items to follow. Allowing the federal acquisition community to see and analyze the cost of these good and services is intended to drive better pricing for all future federal procurements.

GSA also drives economic growth through smart investments in the Federal government's real estate. In FY 2015, GSA has proposed $420 million to modernize and expand three border crossing and inspection projects in San Ysidro, CA; Alexandria Bay, NY; and Calexico, CA. These modernizations will promote economic growth, national security, and improve conditions for both vehicular and pedestrian traffic.

Through transparency and investments, GSA is doing its part to encourage economic growth.

People and Culture –

GSA supports the goals of the management agenda in providing the talent, training, and resources to deliver the results the American people expect.

GSA is committed to ensuring that we have the most capable individuals supporting government efforts. As outlined above, the PIF program provides a new avenue to attract exceptional talent and dedicate that talent to solving tough Government challenges. This program has already delivered results, and we believe it is a promising approach to solving other long-standing Government challenges. On March 6th, the White House Office of Science and Technology Policy and GSA announced that we are now accepting applications for the third round of Fellows. This round is anticipated to work on projects in three national priority initiatives: building a 21st century veterans experience by unifying disparate services into a single "one-stop shop" for accessing Veterans Affairs services and benefits; unleashing the power of data resources to change American lives; and experiments in crowdsourcing government.

GSA maintains training programs that help ensure professionals have the skills they need to manage programs effectively. For instance, GSA's FY 2015 budget request includes, among other items, funding in support of acquisition training through the Federal Acquisition Institute, as well as training in support of building managers to ensure we meet the goals and savings anticipated in the Federal Buildings Personnel Training Act. This modest investment in training can help to ensure that there are not bigger, and far more costly, challenges down the line in improperly conducted procurements, or lost potential savings in inefficiently run buildings.

Additionally, GSA helps to ensure that we have tools that allow the Government to access the ingenuity of the American people to help solve Government's challenges. GSA manages Challenge.gov, an award-winning platform to promote and conduct challenge and prize competitions government-wide. Challenge.gov seeks to involve more Americans in the work of government. Eighty contests were hosted in FY 2013, covering a wide range of technical and creative challenges. For instance, the Federal Trade Commission (FTC) hosted a robocall challenge, which asked innovators to create solutions to block illegal robocalls on landline or mobile phones. The FTC received nearly 800 entries and selected two winners in a tie for the best overall solution. One winning solution, Nomorobo, went to market on September 30, 2013, and has blocked nearly 1.3 million calls for consumers.

Cross-Agency Priority Goals –

Finally, GSA is also doing its part under GPRAMA to assist agencies in achieving Cross-Agency Priority Goals. These efforts range from Cybersecurity to Sustainability to Data Center Consolidation, among others.

One particularly crucial priority that Beth and I are leading together focuses on Benchmarking Mission-Support Functions. This effort looks to establish common metrics around administrative functions all agencies share: Financial Management, Human Capital, Real Property, Acquisition, and IT Management. By establishing benchmarks, the Federal government will be able to assess the effectiveness and cost of common functions across government. This effort will allow for identification of best practices and services to improve administrate efficiency and reduce costs.

As a former CFO of the Treasury Department, City Administrator of Washington, D.C., and OMB budget examiner, this work is especially important to me because I know how useful and transformative having comparative data can be. With a common way to measure and compare agency core administrative functions we can transform the way we deliver services internally that will in turn allow us to transform how we deliver services externally.

Conclusion –

The Administration is committed to delivering an efficient and effective government, and the President's Management Agenda continues to drive agencies to achieve that. At GSA, we are working to use the size and scope of the Federal government to drive down costs and increase efficiency in support of these efforts; we are also leading Cross-Agency Priority Goals that will accomplish these goals. Our FY 2015 budget request will help us to further these efforts.

I appreciate the opportunity to be here today and I am happy to answer any questions you have. Thank you.