



At a Glance

Why We Did This Review

We sought to determine to what extent the U.S. Environmental Protection Agency's (EPA's) efforts to reduce under-utilized or unneeded property resulted in cost savings. The February 2004 Executive Order 13327, *Federal Real Property Asset Management*, promotes efficient and economical use of federal real property assets and assures management accountability for implementing federal real property management reforms such as the development and implementation of agency asset management plans. Federal real property is defined as any real property owned, leased, or otherwise managed by the federal government. The June 2010 Presidential Memorandum, *Disposing of Unneeded Federal Real Estate*, requires federal agencies to eliminate excess properties and lease arrangements that are not cost effective.

This report addresses the following EPA Goal or Cross-Cutting Strategy:

- *Strengthening EPA's Workforce and Capabilities*

For further information, contact our Office of Congressional and Public Affairs at (202) 566-2391.

The full report is at:

www.epa.gov/oig/reports/2013/20130220-13-P-0162.pdf

EPA Can Further Reduce Space in Under-Utilized Facilities

What We Found

Although EPA has been releasing unneeded space since 2007, it continues to have under-utilized space. The U.S. General Services Administration (GSA) owns or leases facilities for EPA use. At 13 of the 16 facilities reviewed, we estimated that EPA had 433,336 square feet of under-utilized space as of February 2012. EPA is limited in what type of space it can release back to GSA before a lease expires. Space can only be released if it is marketable; configuration issues and the cost to relocate employees can pose problems. If all under-utilized space in our sample was marketable, we estimate EPA could save up to \$21.6 million annually by releasing under-utilized space. Also, EPA does not have a policy for determining when it should be housing contractors on-site in its facilities. Contractors occupied an estimated 197,000 square feet in the sampled facilities. We estimated that EPA spent up to \$9.9 million annually in housing contractors on-site at the sampled facilities.

EPA lacks accurate, current, and complete information on the number of personnel and usable square feet (USF) in its Strategic Lease and Asset Tracking Enterprise (SLATE) system for its GSA-owned/leased offices. As of April 2012, SLATE had incorrect personnel information for 13 of the 16 facilities sampled (81 percent), and 5 of 16 facilities sampled (31 percent) had incorrect information on USF. SLATE recorded a net 548 more personnel than what EPA facility managers had provided for the sampled facilities and a net 235,918 less USF than the sampled facilities had. Additionally, the entire USF of 325,128 for the Region 5 Ralph H. Metcalfe building was not reported in SLATE. This occurred because updates to SLATE are sporadic and inconsistent. Inaccurate data in SLATE hamper EPA's ability to make informed decisions about managing its facilities.

Recommendations and Planned Agency Corrective Actions

We recommend that the Assistant Administrator for Administration and Resources Management assess utilization of space and relocate staff where warranted. We also recommend that the Assistant Administrator develop and enforce a policy that requires contracting staff ensure that approval for on-site contractor performance is obtained from the responsible office, and require that personnel information for each facility be consistently tracked and updated in the appropriate EPA systems. The Agency concurred with all of the recommendations and proposed revised language, which we incorporated where appropriate.

Noteworthy Achievements

Since fiscal year 2007, EPA has saved nearly \$12.9 million by reducing space and plans to save an additional \$1.8 million by fiscal year 2014, for a total of \$14.7 million in savings.