OMB Report to Congress on Telework and Real Property Utilization



August 2024

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Introduction

The Federal government is the nation's largest employer, with over 4 million employees, including more than 2 million Federal civilian employees working across a wide range of activities and job functions to advance critical missions in support of the American people. During the height of the COVID-19 pandemic, over half of these employees continued working in-person for the entire duration due to their job function, providing vital services that the nation relies on, often at risk to their own health. In April 2023, with the end of the public health emergency, OMB released additional guidance through Memorandum M-23-15: *Measuring, Monitoring, and Improving Organizational Health and Organizational Performance in the Context of Evolving Agency Work Environments*. This OMB memorandum directed agencies to "substantially increase meaningful in-person work at Federal offices, particularly at headquarters and equivalents" where hybrid work is mostly concentrated. Agencies were directed to consider how best to accomplish this given the unique circumstances, missions, and customers of each agency.

Over the past several years, employers across sectors have gained valuable insights into managing flexible work arrangements out of necessity—and the Federal government is no exception. During the pandemic, many agencies expanded their use of telework for the first time since the bipartisan Telework Enhancement Act of 2010. Other agencies have long had more flexible work arrangements, even prior to the COVID-19 pandemic.

As the nation emerged from the COVID-19 pandemic, these flexibilities have been incorporated into American work culture in all sectors and regions. Emerging research continues to demonstrate the value of in-person work to organizational health and organizational performance, at employers in all sectors but with benefits varying by role and team. For example, a recent Gallup study, found that declines in employee engagement were most pronounced among three groups: employees who work exclusively from home, employees who could work virtually but work exclusively on-site, and employees under 35. Organizations with intentionally-designed hybrid work environments did not experience the same declines.

This Administration's north star is ensuring that Federal agencies are centering organizational and operational decisions on delivering results for the American people. With the end of the public health emergency in early 2023, OMB has worked closely with Federal agencies to drive implementation of increased in-person office presence for the approximately half of the Federal workforce eligible to telework. Federal agencies are moving towards a posture where, on average, telework-eligible teams are working in-person at the office at least half of the time—in addition to the roughly half of federal employees that work entirely in person already. This enables agencies to tailor approaches based on their diverse operational needs while ensuring agencies achieve the benefits of meaningful in-person work for strong teams and organizations. This approach aligns the federal government's posture to industry while allowing agencies to remaining competitive in the marketplace for talent. Agencies with a balanced posture can invest

 $^1\ https://www.gallup.com/workplace/643286/engagement-hits-11-year-low.aspx$

time and attention in the collaboration, mentorship, and face-to-face engagement necessary to build an organizationally-healthy, resilient workforce.

As of May 2024, approximately 50 percent of federal workers worked every day in **roles that** are not eligible for telework, including those who work onsite providing healthcare to our veterans, inspecting our food supply, and managing Federal natural resources. At the same time, telework-eligible personnel spent approximately 60 percent of regular, working hours inperson, at agency-assigned job sites. As CBO noted in a recent report, these numbers indicate that the Federal workforce has telework rates generally in line with the private sector.²

Despite progress, the work continues to ensure Federal agencies have the right operating posture. A key tenet of M-23-15 is continuous evaluation, and OMB expects that agencies will continue to optimize their work environment and telework posture with mission delivery as their north star, even if they have completed initial implementation efforts. Agencies are also expected to ensure employees are complying with telework and performance management policies and to take action in places where individual or work unit performance is negatively impacted. Enclosed in this report are detailed, agency-by-agency rates of in-person work as well as copies of relevant agency telework and work environment policies as of June 2024 to provide additional context on individual agency practices.

While agencies reach more durable, long-term decisions about their telework and work environment posture, they are also considering the impacts of these changes on their real property portfolios. Agencies have undertaken considerable work to dispose of unneeded property, reduce costs, and improve overall utilization of real estate. Federal agencies are required to develop and maintain Real Property Capital Plans, consistent with guidance included in the OMB Circular A-11 Capital Programming Guide, and OMB Memoranda M-20-03 and M-22-14. However, OMB recognized more work needed to be done and also instructed agencies to align these Real Property Capital Plans with enacted funding levels and make appropriate requests in the President's Budget. It is important to note that the average age of Federal facilities is more than 50 years and older buildings are not efficient or optimally configured for modern work and often require significant modification. Many agencies recognized that they had more office space than needed prior to the pandemic and face continued challenges in rightsizing their real property portfolio, including specifically lack of funding from Congress to both reconfigure and consolidate office space to support mission needs. For example, through the appropriations process over the past decade, more than \$13 billion in agency rent payments to the GSA Federal Buildings Fund intended predominately for capital construction and repair and alterations, have been redirected thereby limiting resources available to the GSA and its customer agency partners to execute major changes. The President's 2025 Budget proposes funding to optimize the GSA portfolio which would allow GSA to work with agencies to both dispose of unneeded buildings and consolidate into smaller space. Beyond proposals already included in the President's budget awaiting Congressional action, OMB is currently developing

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² https://www.cbo.gov/system/files/2024-04/59970-Compensation.pdf

occupancy metrics that will require the calculation of average occupancy in federal buildings in the near term.

It is OMB's expectation that all agencies will arrive at intentional, competitive, and durable work environments that set agencies up for success in both the short and long-term, and that they appropriately manage their real property portfolio to support those decisions. It is also OMB's expectation that agencies will continue to prioritize mission delivery as their north star in all decisions they make to best deliver on agencies' vital missions and achieve results for the American people. OMB looks forward to continued collaboration with agencies and Congress in pursuit of this goal and welcomes further engagement on the topics discussed in this report.

Report Structure

Consistent with a joint explanatory statement accompanying the Further Consolidated Appropriations Act of 2024, OMB has prepared this report outlining agency in-person presence, agency telework policies, and real property portfolio management activities. OMB has coordinated with each of the 24 CFO Act agencies to prepare this report and their detailed responses to OMB are enclosed.

To provide the Committee with the requested detail on agency work environments, performance management practices, and real property portfolio management activity, OMB has compiled this report with three sections:

- 1. **Narrative Summary Report** Summarized agency responses and overall government-wide posture on telework, employee performance management, and real property management practices.
- 2. **Detailed Agency Responses (Appendix 1)** Narrative statements on employee performance management (1A) and real property management practices (1B) from each agency.
- 3. **Agency Policies & Documents (Appendix 2)** Full and excerpted documents for each agency, including agency submissions to OMB in January 2024, agency telework policies, and collective bargaining agreements related to telework.

Scope, Definitions, & Key Terms

This document will reference several key terms that may have different meanings to different readers. For the purposes of this document, OMB uses the following definitions:

- Work Environment Refers to the combination of physical, social, technological, and other factors that govern how and where employees accomplish their work.
- Telework Refers to a work flexibility arrangement under which an employee performs the duties and responsibilities of such employee's position, and other authorized

- activities, from an approved worksite other than the location from which the employee would otherwise work.³
- Telework-Eligible Refers to a position that an agency has determined to be eligible for participation in its telework program, generally meaning that an incumbent could complete some or all of their regular job functions from an alternative worksite other than their assigned duty station.⁴
- Remote Work Refers to a work flexibility arrangement under which an employee performs the duties and responsibilities of such employee's position, and other authorized activities, from an approved worksite other than the location from which the employee would otherwise work and where there is no expectation that they report to a government facility on a regular or recurring basis, meaning that they work from the alternative work site (usually their house) on a full-time basis.
- Regular Hours Refers to regular (nonovertime) hours that were actually worked during the biweekly pay period, excluding paid leave hours and all other hours within the regular tour during which the employee was excused from duty. Exclude hours paid at an overtime rate.⁵
- In-Person Work Refers to time during a regular work day spent at an employee's regular work site or at other locations as needed throughout the day (e.g., meeting with stakeholders at other locations, engaging in field work, etc.). For the purposes of this report, this is defined as time spent *not teleworking*.

Additionally, OMB notes that the scope of this report is limited to only civilian employees and focuses primarily on the 24 CFO Act agencies, which collectively employ approximately 98% of federal civilian personnel.

³ 5 USC § 6501

 $^{^4\} https://dw.opm.gov/datastandards/dataStandard/2272$

⁵ https://dw.opm.gov/datastandards/dataStandard/1746

Narrative Summary Report

The Federal Government as our Nation's Largest Employer

The Federal government is our nation's largest employer with over 2 million civilian employees spread across every county, deployed around the globe, and working a variety of arrangements every day to deliver for the American people. Virtually every occupation across the economy is represented in the federal workforce—doctors, police officers, machinists, data scientists, customer service representatives, and other common occupations—as well as many that are unique to the federal government like patent examiners and air traffic controllers. There is no 'typical' day for a federal employee and no one-size-fits-all snapshot that captures every particular case.

To maintain this workforce with the critical skills required to support agency missions, the Federal government hires approximately 200,000-300,000 new employees *every year*. Today, over a quarter of Federal employees have started their roles since the COVID-19 pandemic began in 2020. Our ability to attract and retain top talent on an ongoing basis is essential to the federal government's ability to serve the American people. To accomplish this, like all employers, the Federal government works to be competitive in the marketplace for talent. Agencies have a wide variety of personnel systems, hiring and workplace flexibilities, pay schemes, and other tools to ensure that they are able to staff the right personnel for the right roles, at the right time.

This diversity extends to work environment, where agencies maintain many different postures to best accomplish their work, ranging from situating roving mobile workers in the field to employees working 100% of the time in-person at a secure facility and every conceivable arrangement in between. Agency real estate portfolios follow from these decisions and are similarly composed of many different types of owned and leased facilities in communities all over the country, employed for different uses from manufacturing to scientific research to traditional office work. Even prior to the pandemic, agencies have also long offered telework flexibilities to the approximately half of federal employees that are eligible to telework to improve agency operations and align the federal workplace to market norms across the economy.

Emerging from a Pandemic Posture

Prior to the COVID-19 pandemic, telework and remote work had been slowly growing across government since the passage of the bipartisan Telework Enhancement Act in 2010. Many agencies had telework programs in place prior to 2019 that allowed for both regular telework as well as situational telework in the event of inclement weather or other emergency conditions that made travel to an agency worksite too risky or problematic.

In 2020, the COVID-19 pandemic necessitated the swift move of the Federal workforce to a more hybrid work environment virtually overnight as agencies activated many of these procedures to move their telework-eligible workforce to a maximum telework status. However, approximately half of Federal employees remained at their posts, subject to emerging public

health guidance and often at great personal risk to their health, to serve the American people. Like all employers, the Federal government worked to navigate the nexus of evolving public health guidance, employee expectations, mission needs, and other factors while working to ensure seamless service delivery.

In 2021, Executive Order 13991 established the Safer Federal Workforce Task Force to coordinate the Federal government's internal policy in an effort to keep employees safe and their agencies operating during the COVID-19 pandemic. Later that year, this group coordinated to issue OMB Memorandum 21-25, *Integrating Planning for A Safe Increased Return of Federal Employees and Contractors to Physical Workplaces with Post-Reentry Personnel Policies and Work Environment*, to direct and support agencies as they planned for the reentry of teleworking employees into agency workplaces. Over the course of 2022, most agencies completed initial reentry for these employees and began increasing their in-person presence, consistent with timely safety guidance and local conditions.

With the conclusion of the Public Health Emergency in 2023, OMB took further action directing agencies to "substantially increase meaningful in-person work at Federal offices, particularly at headquarters and equivalents, while still using flexible operational policies as an important tool in talent recruitment and retention" with the issuance of OMB Memorandum 23-15, *Measuring, Monitoring, and Improving Organizational Health and Organizational Performance in the Context of Evolving Agency Work Environments.* This memo directed agencies to adopt a thoughtful, performance-focused approach to increase in-person presence that balanced the demonstrated value of in-person work with economy-wide changes in work environment after the pandemic. The memo also emphasized that agencies should focus these efforts on optimizing for mission delivery to the American people.

Each agency head has authority to set its own work environment policies, and agencies have made adjustments in response to this guidance. In the months following the release of this memo, OMB worked closely with agencies to monitor implementation and provide support to agencies on areas of common challenge. For example, over the course of 2023, OMB hosted a bi-weekly working group for senior agency leaders tasked with implementation to work through areas of common concern. Topics included managing reenrollment in WMATA commuter benefits, reopening cafeterias, modernizing workspaces, best practices for tracking implementation of workplace postures, and human capital data standards. OMB has committed to helping agencies make the necessary changes to strike the right balance and providing support where needed to remove barriers to implementation.

All 24 CFO Act agencies updated their policies relating to their in-person work requirements and have worked to execute these policy changes. For additional detail on the policies that agencies have communicated to OMB as well as their workforces, please refer to **Appendix 2 – Agency Telework Policies & Documents.**

Benchmarking Post-Pandemic Work Arrangements

As agencies have worked to adopt policies that best supported their missions, OMB has closely monitored both agency policies as well as what peer employers are doing across the economy to set reasonable goals for agencies that balance flexibility and in-person work. While no-one-size-fits-all policy can apply universally across the government, Federal agencies are moving towards a posture where telework-eligible teams are working in-person at the office at least half of the time, on average.

OMB believes that this target allows agencies to continue to be competitive employers while also making a significant investment in the organizational health of our workforce by enabling collaboration, promoting mentorship and learning, and helping teams to innovate as they tackle problems of ever-increasing complexity. It also mirrors many of the trends we see in the private sector as other employers arrive at a similar posture. For example, as of May 2024, data from the Bureau of Labor Statistics (BLS) Current Population Survey (CPS) found that, among 'persons who teleworked or worked at home for pay,' workers in the private sector and federal government spent a similar percentage of their work week working in person as they did teleworking.⁶ This was further validated by a recent Congressional Budget Office report that found that, while telework by Federal employees spiked to rates nearly identical to the private sector in 2021, Federal employees returned to in-person work at rates comparable to the private sector by 2022.⁷

Additional academic research has further validated this view. As of June 2024, a monthly survey conducted by the University of Chicago, Instituto Tecnológico Autónomo de México, Massachusetts Institute of Technology, and Stanford University on post-pandemic work arrangements found that, on average, employers planned for approximately 2.2 days per week of telework for their employees⁸—which translates to approximately 56% of time spent in-person, consistent with OMB's expectation that agencies achieve *at least* 50% of time in-person for teleworking teams.

In-Person Work Today across the Federal Government

All 24 CFO Act agencies shared time and attendance data with OMB for two two-week pay periods in May 2024: the period that ended on May 4th and the period that ended on May 18th. Because payroll data can fluctuate period-to-period based on exogenous factors that affect employee schedules (e.g., holidays, inclement weather, leave schedules, etc.), OMB has averaged these two pay periods to provide an overview of in-person work across government.

Among the 24 CFO Act agencies, during May 2024:

⁶ U.S. Department of Labor, Bureau of Labor Statistics, June 2024. Current Population Survey. https://www.bls.gov/cps/

⁷ https://www.cbo.gov/system/files/2024-04/59970-Compensation.pdf

⁸ Barrero, Jose Maria, Nicholas Bloom, and Steven J. Davis, 2021. "Why working from home will stick," National Bureau of Economic Research Working Paper 28731. https://wfhresearch.com/data/

- The federal government employed 2.28 million civilian personnel.
- Of these 2.28 million personnel, the majority 1.2 million or 54% worked fully on-site, as their jobs require them to be physically present during all working hours.
- The remaining 1.1 million or 46.4% of civilian personnel were telework-eligible.
- Of the total 2.28 million personnel, **228 thousand or 10% of civilian personnel were in remote positions** where there was no expectation that they worked in-person on any regular or recurring basis.
- Among all federal employees, excluding remote workers that do not have a work-site to report to, 79.4% of regular, working hours were spent in-person.
- Among the subset of **federal workers that are telework-eligible**, excluding remote workers, **61.2% of regular, working hours were spent in-person.**

While these averages represent a government-wide snapshot of time spent in-person as opposed to telework, there is significant variation agency-to-agency in their progress towards OMB's goal of 50% of time spent in-person among teleworkers.

For a detailed snapshot of agency status, please refer to the **Table 1** on the next page.

Table 1. Agency Rates of In-Person Work – May 2024¹

| | W | orkforce Compositio | n | | lar Working Hours -Person ² |
|---|-----------------|---|----------------------------------|---------------------------------------|---|
| Agency | Total Employees | Telework-Eligible Employees ³ | Remote Employees ⁴ | All Employees (Remote Excluded) | Telework-Eligible Employees (Remote Excluded) |
| Department of Agriculture | 112,630 | 83,090 | 18,529 | 84.7% | 81.0% |
| Department of Commerce | 47,743 | 35,003 | 13,793 | 64.2% | 42.3% |
| Department of Defense | 783,081 | 241,222 | 61,549 | 78.7% | 63.8% |
| Department of Education | 4,245 | 4,163 | 2,341 | 43.4% | 38.8% |
| Department of Energy | 15,365 | 14,511 | 3,171 | 60.0% | 57.1% |
| Department of Health and Human Services | 91,845 | 71,145 | 26,849 | 65.8% | 60.8% |
| Department of Homeland Security | 224,522 | 118,781 | 15,445 | 85.0% | 73.5% |
| Department of Housing and Urban Development | 8,818 | 8,714 | 828 | 37.1% | 36.4% |
| Department of Justice | 116,649 | 23,724 | 1,653 | 91.4% | 56.8% |
| Department of Labor | 14,692 | 14,657 | 4,840 | 46.6% | 46.6% |
| Department of State | 18,302 | 16,712 | 1,091 | 79.4% | 79.8% |
| Department of the Interior | 65,409 | 49,878 | 8,190 | 81.2% | 74.5% |
| Department of the Treasury | 109,268 | 89,733 | 10,067 | 47.1% | 35.7% |
| Department of Transportation | 56,224 | 37,675 | 5,353 | 73.7% | 60.4% |
| Department of Veterans Affairs | 485,139 | 128,019 | 36,630 | 93.7% | 68.0% |
| Environmental Protection Agency | 16,040 | 15,643 | 2,397 | 37.9% | 35.8% |
| General Services Administration | 12,795 | 12,511 | 6,374 | 41.3% | 41.6% |
| National Aeronautics and Space Administration | 18,371 | 17,723 | 2,226 | 61.4% | 60.2% |
| National Science Foundation | 1,677 | 1,677 | 412 | 42.1% | 42.1% |
| Nuclear Regulatory Commission | 2,847 | 2,847 | 251 | 48.9% | 49.0% |
| Office of Personnel Management | 2,753 | 2,433 | 1,115 | 53.3% | 52.9% |
| Small Business Administration | 6,390 | 6,418 | 3,099 | 51.3% | 52.8% |
| Social Security Administration | 58,875 | 57,887 | 791 | 47.8% | 46.9% |
| U.S. Agency for International Development | 3,085 | 2,849 | 575 | 56.5% | 55.6% |
| All CFO Act Agencies | 2,276,760 | 1,057,008 | 227,564 | 79.4% | 61.2% |

Notes:

- 1. The data presented represents averages from two pay periods in April/May, 2024 ending on May 4th and May 18th collected from agency time and attendance systems.
- 2. Rates of in-person work are calculated by calculating the portion of the total number of regular hours (excluding leave, overtime, and other premium and non-pay hours) that are performed via telework (both situational and recurring) versus those not performed via telework.
- 3. Due to the need for agencies to combine datasets between HR and Payroll data and different update cycles for those systems, some agencies have slight rounding discrepancies (<0.5%)—for example, the SBA has a discrepancy of approx. 28 FTE between its overall headcount and telework-eligible headcount.
- 4. Remote employees are a subset of telework-eligible employees and may include employees working under reasonable accommodations, military spouses, domestic employees teleworking overseas, and some number of employees better classified as mobile workers. Some agencies also have large numbers of short-term or surge personnel in remote roles based on unique mission needs (e.g., most of SBA's remote workers are in temporary disaster roles, NSF's intermittent experts and consultants (<130 work days/yr.) are remote).

Managing a Hybrid Workforce for Productivity & Performance

Following the passage of the Telework Enhancement Act in 2010 (P.L.111-292), each agency head was directed to establish a telework program, policy framework, and related training program for eligible employees and managers. As part of this statute, Congress also specifically stipulated in 5 U.S.C. 6503 that agencies must treat teleworkers and non-teleworkers the same for the purposes of "periodic appraisals of job performance of employees; training, rewarding, reassigning, promoting, reducing in grade, retaining, and removing employees; work requirements; or other acts involving managerial discretion."

Today, in accordance with this statute, agencies have written policies, including legally binding collective bargaining agreements, in place to govern their telework program and ensure high levels of employee performance. Typically, these agency policies require all teleworking employees to enter into a mutually agreed-upon written telework agreement with their supervisor, on behalf of the agency, that defines baseline expectations for participation in the telework program as well as any regular schedule for telework if applicable. In general, these agreements are re-negotiated or re-evaluated at least annually by supervisors and employees to ensure continued mutual agreement and achievement of program goals. Agencies also have policies governing the frequency and character of mandatory training requirements for employees participating in or managing employees participating in their telework program. In cases where employees violate the terms of their telework agreement or have their agreement otherwise terminated for misconduct or performance issues, agencies are expected to follow internal processes for taking corrective action. For further information about government-wide telework policy as well as OPM's annual report to Congress on the Status of Telework in the Federal Government, please see https://www.opm.gov/telework/.

In addition to their agency-specific telework program, agencies also maintain employee performance management programs in alignment with Title 5 requirements, other applicable authorities, and merit system principles. These programs apply to all employees and are designed to encourage high levels of individual and organizational performance in pursuit of mission goals. Notably, because agencies are specifically prohibited from treating teleworking and non-teleworking employees differently for this purpose, ¹⁰ these programs do not distinguish between the two groups. In general, these programs establish an annual performance management cycle based on a performance plan that defines an employee's goals, key success metrics, and other criteria. These plans are agreed to between supervisors and employees and form the basis of periodic appraisals (e.g., year-end, mid-year) to evaluate performance and provide feedback to employees for the purposes of development. For further information about government-wide performance management practices, please see https://www.opm.gov/policy-data-oversight/performance-management/.

In addition to this summary, OMB collected narrative statements from each of the 24 CFO Act agencies on their approach to managing employee performance and productivity in a hybrid

⁹ 5 U.S.C. 6502

¹⁰ See 5 U.S.C. 6503(a).

environment that are captured in **Appendix 1A - Detailed Agency Responses on Employee Productivity and Performance Management.**

Approaches to Real Property Portfolio Management

OMB requested that each CFO Act agency provide a description of its efforts to reduce its office portfolio and to discuss its utilization rate. The responses that the agencies submitted are provided below with light editing to enable the agencies to speak directly to their work in these areas.

With regard to the cost of the government's office portfolio, data in the Federal Real Property Profile (FRPP) show that annual operations and maintenance cost at owned office buildings is \$1.993 billion. The annual operations and maintenance cost at leased office buildings is \$1.342 billion and annual office lease cost is \$4.751 billion. The total annual cost of the owned and leased office portfolio is \$8.086 billion.

Data is not currently collected to calculate an average office space utilization rate, but OMB is developing occupancy metrics that will require the calculation of annual average occupancy in the near term.

Office space designated as "underutilized" in the FRPP includes both owned and leased office space. There is 23.280 million square feet of underutilized owned office space with annual operation and maintenance cost of \$67.169 million. The portfolio contains .766 million square feet of underutilized leased space with an annual operation and maintenance cost of \$.481 million and an annual lease cost of \$13.696 million. The total cost of owned and leased office space designated as "underutilized "in FRPP is therefore \$81.346 million, approximately one-percent of the total cost of owned and leased office space.

It is important to note that "underutilized" office space is often a required asset in a specific location by one or more agencies. The cost of maintaining an owned asset that has become underutilized due to staff reduction, for example, may be a more cost-effective solution than constructing a smaller building that would be fully utilized or leasing commercial office space (if commercial space available in the required location).

For detailed agency responses on their approach to managing agency real property portfolios, please refer to Appendix 1B - Detailed Agency Responses on Real Property Portfolio Management

Appendix 1 – Detailed Agency Responses

Appendix 1A – Detailed Agency Responses on Employee Productivity and Performance Management

For reference, please find agency responses below, outlining how each agency approaches management for a high-performing hybrid workforce.

Table 1A. Agency Approaches to Performance Management

| Agency | Description |
|------------------------------|---|
| Department of Agriculture | At USDA, performance is not a program or an initiative, but the qualitative and quantitative delivery, by organizations and individuals, of the USDA mission to the public and other stakeholders. Setting clear expectations is the foundation for effective performance management. The USDA performance management program ensures that there is alignment with USDA strategic performance goals and results, cascading from the most senior levels down to individual employees by clearly defining outcome-based performance standards and measures in plans, having accountability at all levels thru timely and ongoing feedback and learning and differentiating between acceptable and unacceptable performance while creating a culture of engagement and recognition for work done well. In accordance with 5 United States Code (U.S.C.) 4302, Establishment of Performance Appraisal Systems, 5 Code of Federal Regulations (CFR) Part 430, Performance Management, and OPM's approval of the Performance Appraisal System (System), USDA's Non-Executive Performance Management Program (Program) provides for: 1. Establishing employee performance plans, including elements and performance standards; 2. Communicating performance plans to employees at the beginning of an appraisal period; 3. Evaluating each employee during the appraisal period on the employee's elements and standards; 4. Recognizing and rewarding employees whose performance so warrants; 5. Assisting employees in improving unacceptable performance; and 6. Reassigning, reducing in grade, or removing employees who continue to have unacceptable performance, but only after an opportunity to demonstrate acceptable performance. The approach to employee performance management does not make any distinction between teleworkers and remote workers. |
| Department of Commerce | The Department operates several employee performance management systems, including the General Schedule (GS) pay system and two pay-for-performance alternative personnel management systems. Under these performance management systems, managers and organizational leaders are responsible for setting and monitoring performance standards for their assigned employees. Due |

to the diverse nature of the Department's mission – from examining patent applications to monitoring hurricanes and space weather – managers have flexibility to set and evaluate appropriate metrics for each employee and associated responsibilities.

As outlined in the Department's telework and remote work plan, performance standards for telework-ready employees and remote employees must be the same as performance standards for employees with traditional work arrangements. Expectations for performance, including results for which an employee will be held accountable, are to be clearly addressed in each employee's performance plan. In addition, the Department provides managers with several tools to assess an employee's readiness for telework or remote work and each Servicing HR Office employees both a Telework Coordinator or Telework Program Manager and Employee Relations specialists available to assist managers in addressing individual concerns regarding telework, remote work, and performance management.

An employee will not be authorized to telework if their performance does not comply with the terms of their telework agreement (5 U.S.C. § 6502(b)(3)). Per the Department telework and remote work plan, employees will not be authorized to work remotely if their performance does not comply with the terms of their remote work agreement.

The majority of civilian employees in the Department of Defense are covered by the Defense Civilian Performance Management and Appraisal Program (DPMAP), which is outlined by DoD Instruction 1400.25, Volume 431. This program falls under the approved performance appraisal system that is covered in DoDI 1400.25, DoD Civilian Personnel Management System: Performance Management, Vol 430. DPMAP is composed of a process of planning work and setting expectations, continually monitoring performance, evaluating performance in a summary fashion, and finally recognizing and rewarding good performance. This performance management process applies to all covered employees, regardless of whether the employee is physically present in a government office or working in a telework or remote status.

Department of Defense

The DPMAP process is flexible and dependent on continuous communication between the supervisor and employee via numerous means/modes of communication (e.g., email, telephone, in-person, MS Teams, etc.). The supervisor and employee are vital to the process of planning and monitoring performance management within the DoD to ensure mission accomplishment. Each step of the DPMAP process represents a continuum of events that must occur at certain points within the cycle. For example, performance plans that set expectations are generally created within the first thirty days of a new performance cycle, progress reviews are required mid cycle, but are encouraged to occur multiple times throughout the cycle.

All three mandatory steps of the DPMAP appraisal cycle are easily monitored (which includes appraisals at the end of the performance cycle) through a reporting system imbedded into the MyPerformance Appraisal Tool.

MyPerformance Appraisal Tool allows DoD Components to track each mandatory step of the appraisal cycle to ensure compliance with the established policy and guidance. From the policy perspective, there is no difference in monitoring performance in employees completing work in person versus employees performing work remotely on an approved telework agreement. It is ED's policy to manage employee performance by aligning performance elements to the strategic and organizational plans of ED and each respective Principal Office (PO), focusing on the critical elements/results of the employee's official work duties, which may be found in source documents such as position descriptions or other written work assignments, communicating clear expectations, providing constructive feedback, and objectively assessing performance against established metrics. The overall goal of the performance management system is to foster a transparent and high-performing workforce geared toward achieving ED's mission. The performance elements in employee plans cascade from the Senior Executive plans which in turn link to the organizational goals and metrics. Teleworkers and non-teleworkers are treated the same for purposes of: 1) periodic appraisals of job performance of employees; 2) training, rewarding, reassigning promoting, reducing in grade, retaining, and removing employees; 3) work requirements. Management expectations for performance are addressed in an employee's performance plan, regardless of whether the employee is a teleworker. When an employee participates in telework, expectations related to accountability do not Department of differ by virtue of the telework arrangement. Following clear and Education consistent performance management principles and techniques results in equitable assessment of performance for all employees. The Deputy Secretary and Performance Improvement Office (PIO) facilitate strategic planning, goal setting, reporting, and monitoring to improve operations and achieve the agency's mission. To this end, ED measures its organizational performance through a framework that includes planning; internal analysis and review; and reporting. In accordance with Circular A-11 and the framework described above, the Deputy Secretary and PIO hold quarterly data-driven performance review meetings with agency leaders focused on key priorities to drive progress toward achieving their goals. The results of the organization's annual efforts are found in the FY 2023 Annual Performance Report (APR) and FY 2025 Annual Performance Plan (APP). The APR provides narrative and data on the ED's progress toward the strategic goals and objectives outlined in its Fiscal Years [FYs] 2022-2026 Strategic Plan, and the APP details the Department's planned strategies and activities to achieve those strategic goals and objectives. The Department has a robust performance management process that is applied Department of equally to non-teleworkers and teleworkers or remote employees. In alignment Energy with the 2010 Telework Enhancement Act, DOE employees—regardless of telework, remote work, or onsite reporting status—are held to the same

performance standards and expectations tied to organizational performance. Each Departmental Element (DE) is required to develop strong metrics for organizational performance annually.

Aligned with each fiscal year, performance plans are required for every DOE employee. All employees must have at least three Critical Elements focused on intended results and provide credible measures to assess whether the intended results were successfully achieved. These Critical Elements must be aligned with their DE's strategic goals that are set annually to accomplish DOE's overall mission. During the evaluation process, Rating Officials must hold telework/remote employees to the same performance and assessment standards as non-teleworking employees. All DOE employees, regardless of where they work, are accountable for the results they produce during the performance year, including the quality of the work produced and the timeliness of the work products submitted. Rating Officials are required to accurately assess individual employee performance toward the work unit's overall performance in achieving organizational goals.

DOE has separate telework and remote work agreements each employee and their supervisor must sign before starting. The telework and remote work agreements outline specific employee responsibilities while working at home as well as work expectations and performance. Supervisors can add specific work expectations personalized for each employee if not already outlined in the agreement. Employee participation in either telework or remote work is subject to management approval; management has the discretion to suspend or cancel telework or remote work agreements when doing so is in the best interest of the Department (e.g., employee performance drops below the successful level, adverse impact on the organization's operation). Upon signing a remote work agreement, the employee's ability to work remotely becomes a condition of employment. Failing to maintain any condition of employment, including the ability to work remotely, may result in administrative action including removal from Federal service. If management needs to terminate a remote work agreement to address an employee's performance or conduct issue, any associated expenses to relocate back to an official DOE site are the responsibility of the employee and are not funded by DOE.

Department of Health and Human Services

The Department of Health and Human Services (HHS or Department) takes the performance of its employees seriously. The Department holds all employees accountable for their performance based on a comprehensive and inclusive approach to employee performance management. The same standards apply to all employees regardless of position, including those who work onsite, participate in telework, or work remotely.

All employees are held accountable for their performance through well-structured performance management plans and established performance expectations under the Department's Performance Management Policy, which align with the Department's strategic priorities. The Department's Performance Management Policy requires supervisors to include "critical elements" in their employees' Performance Management Appraisal Plan (PMAP) to ensure employees are focused on delivering results within their organizations and for the American people, irrespective of worksite. As an example, one of the critical

elements is customer experience, assessed based on feedback received from internal and external customers indicating general satisfaction. Senior executive performance plans are also written and assessed based on OPM standards and competencies that advance a results-driven environment.

The performance management cycle includes supervisors and employees collaborating to establish performance expectations, conduct at least one progress review, and participate in an end-of-year assessment. If there are performance issues – regardless of work status – supervisors are expected to address them in accordance with applicable laws, regulations, policies, and bargaining agreements.

The Department is committed to continuous improvement and accountability of individual and organizational performance and our performance management system. In fiscal year 2025, HHS plans to utilize and implement OPM's Performance Appraisal Assessment Tool (PAAT) as one of several tools to ensure the effectiveness of our employee performance management program. The PAAT is an evaluation process conducted by OPM, that assesses the effectiveness of a Department's Performance Management Program, including areas of strength and opportunities for improvement. Based on the results, the Department will develop and implement an action plan to leverage the strengths identified and address opportunities for improvement. The Department also implements various performance management and employee engagement activities. Annually, the Department provides a training series for "Performance Management Month." In fiscal year 2024, the Department will provide three trainings to strengthen manager's and employees' implementation of the performance management process. These trainings include;

- Fostering a Results-Focused and Measurable Performance Culture
- Tracking Results that Drive Powerful and Effective Feedback
- Emotional Intelligence (EI) for Federal Excellence

The Department's performance management program aligns individual performance requirements and goals with the supervisor, Component, and Departmental strategic priorities to ensure that DHS is positioned to meets its mission requirements and help each employee accomplish goals identified in his or her individual performance plan. Additionally, supervisors and employees are provided guidance to ensure performance plan goals are SMART—specific, measurable, achievable, realistic and timely.

Department of Homeland Security

For teleworkers and remote workers alike, a signed telework/remote work agreement and completion of mandatory training are required to take place before an employee is allowed to work from home (5 U.S.C. § 6502 (b)(2) and 5 U.S.C. § 6503). The DHS performance management program promotes continuous performance conversations, engagement activities, and regular coaching and feedback between supervisors and employees throughout the performance period.

The Department's mobility program supports employee productivity by enabling seamless access to necessary resources and the ability to conduct business from a variety of devices. Employees can utilize mobile phones,

| Department of Housing and Urban Development | tablets, and virtual desktops to access work applications, communicate with colleagues, and perform their duties effectively, regardless of their physical location. This flexibility ensures that teleworkers and remote workers remain connected and productive, aligning with the Department's mission and strategic goals. Additionally, the Department has the ability to monitor how often and how long employees access their computers. Overall, the performance management approach for teleworkers and remote workers is integrated with the same principles applied to in-person employees, ensuring consistency and alignment with Departmental goals. employees, supervisory employees, and Senior Level and Senior Executive Service staff all require that critical elements and performance standards have clearly defined performance requirements that are quantifiable, measurable, results-oriented, and tied to the Department's strategic plan. The non-supervisory and supervisory employee performance systems also require several performance elements to reference other agency strategic planning documents, such as organizational operating plans, annual organizational/agency performance plan goals and metrics, and/or budgetary priorities. Performance goals are required to cascade down from the SES executive's plan to their subordinate staff. All HUD performance management systems require annual performance plans with annual ratings and at least one formal mid-cycle progress review in addition to continuous performance monitoring. In accordance with HUD's Flexiplace (Telework/Remote Work) Policy, the performance of telework/remote work participants is evaluated consistent with the applicable HUD performance management system, such that telework/remote work participants are treated the same as non-participants regarding performance management. The primary criteria for telework/remote work approval decisions are the portability of the existing duties of the position and the frequency that the position requires performance of duties in the |
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| Department of Justice | The Department of Justice's existing overall approach to employee performance management is the same for those who are in-person, telework, and/or remote. DOJ requires on-going engagement and commitment to each phase of the performance management process from individuals at all levels of an agency. Non-supervisory employees, supervisors, and leadership work collectively throughout various phases of the performance management cycle ensuring the successful execution of each step in the performance planning and evaluation process. In addition, DOJ fully utilizes technology to collect performance management data, facilitate effective communication, and collaborate between employees and supervisors who may not be occupying the same physical location. |
| Department of Labor | In the Department of Labor (DOL), performance assessments are carefully grounded in the clear, measurable expectations outlined in each employee's |

individual performance management plan, rather than the nature of their work arrangement, whether remote or onsite.

DOL managers are required to communicate performance expectations on a regular and frequent basis. This approach ensures that employees are always aware of what is expected from them, aligning their daily work with broader organizational goals. Individual performance plans outline the specific levels of required performance. These plans are designed to reflect each employee's role in achieving the DOL's strategic priorities, with clear benchmarks for success at all levels of performance.

Given the dynamic nature of work, DOL managers are adept at revising performance expectations in response to changing priorities. This adaptability ensures that employees remain focused and aligned with the Department's current needs. Our technological infrastructure facilitates efficient communication and the effective monitoring of performance in DOL. This encompasses expanded access to government-furnished equipment (GFE), the Microsoft Office Suite, with a heavy emphasis on the requirement to use MS Teams for in-duty status communications, and robust IT support for remote access, thus facilitating an extremely efficient and secure teleworking environment. Fundamentally, this platform fosters an environment where DOL can confidently assert that exceptional performance outcomes and workforce management practices are not only achievable but expected.

DOL continues to offer comprehensive trainings focused on telework best practices and managing remote and hybrid teams. Examples of available training include sessions for supervisors on performance management success skills, offers on-demand eLearning performance-related series, including addressing poor performance; and distributes monthly newsletters to the supervisory and non-supervisory workforce to underscore the importance of everyone's role in the performance management process. These communications cover a range of topics, such as performance planning, feedback, accountability, and managing the performance of teleworkers. DOL emphasizes regular communication and engagement in its performance management guidance to agencies, highlighting its commitment to maintaining high performance accountability standards. Other live trainings include a supervisory series that aims to address employee misconduct or to provide leave category refreshers. From robust live events to state-of-the-art on-demand eLearning lectures and microlearning content, DOL's supervisory and non-supervisory employees have access to resources that enable them to thrive and surpass their individual performance expectations, regardless of their onsite or telework work arrangements.

EMPLOYEE LEVEL:

Department of State

All employees, whether teleworking or reporting onsite full time, are held to the same performance measures. Per the Department's telework policy codified in 3 FAM 2360: All employees, whether working onsite, teleworking, or remote must be treated equally for purposes of periodic appraisals of job performance, training, rewarding, reassigning, promoting, reducing in grade, work requirements, removing employees, and other acts involving managerial discretion.

Supervisors also retain the discretion to cancel, suspend, or modify an employee's telework arrangement due to employee performance.

ENTERPRISE LEVEL:

The Department collects enterprise-level key performance indicator (KPI) achievement data from bureaus which self-report progress. Aligned to Strategic Objectives in the Joint Strategic Plan, from 2018-2021 the Department tracked approximately 130 KPIs yearly.

Available KPIs data suggest that State and USAID improved their performance by 15% from 2018-2021, based on the number of KPIs that were met or exceeded in each of those years (see table below), with a highest level of reporting at the end of JSP cycle in 2021 (88% of all indicators submitted results).

FY 2022 is the first year of reporting on the current 2022-2026 JSP. As data on these KPI's is reported annually in late spring/early summer, we will be able to compare progress on the Department's current Strategic Objectives (FY 2022 to FY 2023), beginning in summer of 2024.

Telework may be authorized only to the extent that an approved telework arrangement does not diminish employee or organizational performance, and any agreement must be reviewed by the employee's first-line supervisor to determine whether the proposed agreement is in the best interest of the Department's mission. The Department continues to refine the telework program by implementing government-wide best practices, providing training to supervisors and employees, and improving our information technology infrastructure. The Department's current telework policy, Personnel Bulletin 21-07, establishes criteria and procedures under which eligible employees may be authorized to telework and emphasizes that approved telework arrangements cannot diminish employee or organizational performance or impede mission delivery, consistent with the Telework Enhancement Act of 2010 and OPM Guidelines. DOI recognizes that our current hybrid workforce model may need periodic course adjustments and the Department is committed to finding effective ways to enhance our ability to continually monitor, measure, and evaluate agency performance.

Department of the Interior

The Department establishes the policy, authority, and responsibilities for performance management in 370 Department Manual 430, Performance Management System – the objectives of which is to articulate the expectations of individual and organizational performance, to provide a meaningful process by which employees, including telework and remote work employees, can be recognized for noteworthy contributions to the organization and its mission, and to provide a mechanism to improve performance as necessary. In accomplishing these objectives, individual and organizational goals will be communicated to employees, such that the individual understands how his/her job responsibilities and requirements support the overall strategic mission and goals of DOI, the Bureau/Office, and/or work unit. The individual's responsibility for accomplishing organizational goals will be identified; performance will be monitored and evaluated; and the rating of record will be used as a basis for

appropriate personnel actions, including rewarding noteworthy performance and taking action to address unacceptable performance. Performance standards and management expectations for teleworking employees must be the same as the performance standards for non-teleworking employees. Like non-teleworking employees, teleworkers are held accountable for the results they produce. Decisions to deny or terminate a telework agreement must be based on mission-related reasons and what is in the best interest of the agency (e.g., telework arrangement fails to meet organizational needs; employee's performance does not comply with terms of telework agreement; staffing issues lead to inadequate office coverage)—and not for personal reasons. Performance standards for teleworking employees must be the same as performance standards for non-teleworking employees. Management expectations for performance should be clearly addressed in the employee's performance plan, and the performance plan should be reviewed to ensure the standards do not create inequities or inconsistencies between teleworking and non-teleworking employees. Like non-teleworking employees, teleworkers are held accountable for the results they produce. Each employee is appraised against their performance standards, regardless of location. The Department of the Treasury employs a uniform approach to employee performance management without distinguishing between workers whose reporting cadence is entirely onsite, remote workers, or workers who participate Department of the in the Department's telework program. The Department provides specific **Treasury** training for teleworkers on how to contribute as a member of a hybrid team and for supervisors on successfully managing teleworkers. The USDOT's overall approach to employee performance management for teleworkers and remote workers is the same as employees who work in-person. The supervisor evaluates the employee's performance by assessing performance metrics against the pre-established elements and standards in the employee's performance plan. The supervisor assigns a performance rating based on the work performed during the appraisal period. The telework and remote work employees must achieve "Fully Successful" or equivalent to maintain eligibility to telework or work remotely. In FY2023, two DOT employees had there telework arrangement rescinded as a result of poor performance. **Department of Transportation** Concerning achieving results, telework and remote work employees are treated no differently than employees working in-person. The performance elements and standards for teleworkers and remote workers shall remain the same as other workers performing the same or similar duties. In accordance with the FY 2001 DOT Appropriations Act, P.L. 106-346 § 359, 5 U.S.C. § 650 and the Telework Enhancement Act of 2010 (Public Law 111-292), 5 U.S.C. Chapter 65, the USDOT has established USDOT policies and bulletins that address managing telework and remote work with appropriate controls for performance accountability. Department of Every employee at the Department of Veterans Affairs (VA) including those **Veterans Affairs** who work every day in-person and those who telework and work remotely is

focused on serving Veterans, their families, caregivers, and survivors. Employee productively and performance has improved substantially, enabling VA to deliver more benefits to more Veterans than ever before. Employee performance management routines are focused on metrics the measure how we are serving Veterans and meeting our mission.

For example, on March 19, 2024 VA reported it has processed its one millionth Veteran benefits claim in fiscal year 2024. VA reached this milestone March 4—the earliest in VA history and nearly six weeks faster than the previous all-time record (from fiscal year 2023). VA has completed almost 35% more claims than at this point last year. On May 21, 2024 VA announced that Veteran claims pending over 125 days – known as the backlog – has decreased by more than 100,000 claims since December.

For Veteran healthcare on May 24, VA released data showing that VA improved wait times for new patient appointments in primary care and mental health care across the VA health care system. For new patients in April 2024, there was an 11% decrease in average wait times for VA primary care and a 7% decrease in average mental health wait times compared to same time last year. These improved wait times come at a time when VA is delivering more care to more Veterans than ever before. Compared to the same time period last year (which was a record-breaking year for appointments), VA completed 11% more new patient appointments – including nearly 13% more new patient mental health appointments.

Additionally, more than 400,000 Veterans have enrolled in VA health care over the past year, a 30% increase year-over-year. This is critical because Veterans who come to VA are proven to have better or equal health outcomes, higher satisfaction scores, and trust VA outpatient care at 91.8%. More than 5.4 million Veterans have been screened by VA for toxic exposures: These screenings are a critical step to detecting, understanding, and treating potentially life-threatening health conditions. Of the 5.4 million Veterans who have received the screening, 44% reported at least one potential exposure.

Environmental Protection Agency

Performance management processes are guided by Agency policy and collective bargaining agreements, and are identical for teleworkers, remote workers and those working entirely-in person. EPA has an established, comprehensive system in place to exercise the necessary oversight on performance and progress towards achieving priority programmatic goals. Individual organizations' performance measures cascade from externally reported long-term and annual performance goals in the Strategic and Annual Performance Plan and are supported by internal measures on regional and headquarters office bowling charts. Headquarters programs and regions engage together each year in establishing regional measures towards achieving programmatic goals.

Every regional and headquarters office reports progress on bowling chart measures and conducts business reviews at least quarterly to assess results to date and discuss ways to make continuous improvements. EPA's senior career leadership conduct quarterly performance reviews regarding overall progress towards long-term performance goals, topics identified as enterprise risks, and

deep-dive topics. EPA also sustains a culture of continuous improvement with activities underway within the regions and programs.

Priority goals are cascaded to individual employee performance metrics. The metrics are developed collaboratively by the employee and their immediate supervisor at the beginning of the performance cycle. Rating officials meet with their staff on an ongoing basis to discuss progress towards meeting performance goals with a mandatory mid-year performance discussion and both a discussion and a rating at the end of the performance cycle. All employees are expected to maintain at least a level of Effective performance based on the major duties of their positions and commensurate with grade level.

For more than two decades – across multiple administrations – GSA has promoted workplace flexibility as a tool for enhancing mission delivery. Just prior to the pandemic, nearly 40 percent of GSA's total work hours were performed through telework or remote work. And, even as workplace flexibility has steadily increased over the past decade, GSA has continued to deliver on its mission – increasing the agency's output of overall work performed and improving customer satisfaction scores year after year. Indeed, GSA's two largest service areas (acquisition and real estate) have steadily improved in performance and customer satisfaction over the past decade.

And looking at the past four-year period (2019 to 2023), as workforce flexibility increased, many of those metrics are currently at or near an all-time high. Examples include:

- The Federal Acquisition Service's (FAS) Total Acquisition Business
 Volume increased from \$65 billion in FY19 to \$102 billion in FY23 a jump of 57 percent.
- From 2019 to 2023, FAS's **Supplier Satisfaction** Scores rose from 3.65 to 3.87 (out of 5).
- The share of Multiple Award Schedule spending awarded to **small business** climbed from 34.2% in FY19 to 37.1% in FY23.
- The Public Buildings Service (PBS) Total Contract Awards and Modifications increased from \$3.3 billion in FY19 to \$3.6 billion in FY23.
- Customer Satisfaction with PBS projects (leases and reimbursable work authorizations) reached an all-time high of 88 percent by the end of FY23.

In other words, GSA's organizational metrics reflect the agency's continued and current success in mission delivery – with high customer satisfaction scores and sustained performance across priority initiatives – while creating additional opportunities for taxpayer savings. And in accordance with OMB M-23-15, GSA Leadership reviews these metrics on a quarterly basis and identifies opportunities for improvement if measures do not meet intended targets.

General Services Administration

As GSA's customer satisfaction scores have remained strong through the past several years, our work environment metrics, particularly for the agency's workforce have continued to grow as we have adapted to deliver for partner federal agencies.

Highlights include:

- Enterprise **employee engagement** scores surged to 85% on the Federal Employee Viewpoint Survey in 2023, earning GSA 2nd out of 26 midsize Federal Agencies on the Best Places to Work Rankings (Partnership for Public Service).
- **Employee satisfaction** scores eclipsed 89% on quarterly workforce pulse surveys when employees were asked about working in GSA's current hybrid environment.
- **Retention rates** have remained well above 90% for the last several years, consistent with GSA's pre-pandemic levels and stronger than baseline levels across federal government and the private sector.

All of this while GSA has consistently applied performance management principles across our workforce guided by GSA's Associate Performance Plan Appraisal System (APPAS) and Associate Performance Recognition System (APRS), which link individual performance to organizational performance. For all employees, including those who engage in telework or remote work, GSA follows OPM guidance on performance management to set expectations for employees, monitor performance in regular check-ins and mid-year reviews, provide development opportunities, and rate performance. This ensures that employees are meeting individual goals and contributing to organizational performance, meeting customer needs, and driving our mission forward.

National Aeronautics and Space Administration

NASA's long-standing telework and remote work policies and processes continue to enable a high-performing workforce that delivers the mission of the Agency every day to benefit the Nation. These workforce flexibilities are an important tool for NASA to remain competitive in the modern job market, in a number of areas: 1) Both new hires and current employees, especially our highly skilled, sought-after technical workforce, are increasingly asking for more permanent telework capabilities and other virtual collaboration tools: 2) A hybrid environment increases talent-sharing among NASA Centers and maximizes cross-Center career opportunities without employees having to physically move; and 3) A telework/remote work-enabled workforce allows us to access a greater, more diverse talent pool across the country, including to areas where people previously could not work as a NASA civil servant if there was not a NASA facility nearby. In the same vein, having a geographically dispersed, telework-ready workforce helps maintain readiness and continuity of operations during emergent conditions, such as a regionalized weather emergency or a pandemic, for example.

NASA's Employee Performance Communication System (EPCS) – which covers all employees other than SES, ST, and SL – establishes a systematic

process for planning, monitoring, developing, assessing, and rewarding performance that contributes to the achievement of the agency's vision, mission, and goals; creates a strategically linked set of performance expectations for employees; and promotes a performance culture that focuses on two-way communication between employee and supervisor, and holds employees accountable for results. EPCS stresses the continuous nature of performance management (PM), reinforcing to supervisors and employees that PM continues beyond the dedicated activity timelines for performance plans, reviews, and annual ratings.

This focus on performance expectations at all levels of the agency applies to employees onsite, teleworking, or fully remote and uses the same performance metrics. During telework and remote work, supervisors are required to ensure their employees are reporting for duty virtually and completing their assigned work on a timely basis. In terms of individual employee performance, NASA does not differentiate performance of employees by whether they are on-site or off-site. Under NASA's performance management policies, poor performance for any employee, whether on-site, telework or remote, is addressed using the authorities and procedures prescribed by 5 U.S.C. §§ 4301-4315 and OPM's implementing regulations. Supervisors also are expected to check in with their employees frequently, whether on-site or off-site, to ensure that mission goals and requirements are being met in an accurate and timely manner. Conversations should occur throughout the year to identify opportunities for growth, improvement, and development. If performance issues exist, managers are expected to utilize performance tools and counseling to address those issues as they arise, allowing employees the opportunity to improve performance shortfalls. Supervisors are also encouraged to use feedback during mid-term performance evaluations and year-end performance evaluations to identify opportunities to maximize performance as well as to address any performance shortfalls, to include potentially putting lower-performing employees –regardless of their location – on performance improvement plans.

NASA recognizes that we may need periodic course adjustments in this new era of a hybrid work environment. NASA's senior leaders remain committed to developing new ways to measure and evaluate Agency performance in concert with our new hybrid workforce environment.

National Science Foundation

The National Science Foundation (NSF) uses USA Performance®, a web-based application and automated performance appraisal process, throughout the entire performance rating cycle. This includes developing performance plans, tracking and monitoring employees' performance, providing feedback and ratings, and electronically signing performance plans, progress reviews, and ratings.

The performance management practices and transparency provide a solid foundation for effective telework or remote work. The performance standards apply to all employees regardless of their telework or remote work status. Supervisors manage the workforce by focusing on goals and outcomes rather than physical presence, and they must treat employees consistently regardless of location. Supervisors maintain open lines of communication and provide all employees with objective feedback regarding performance expectations. Any management decision regarding telework and remote work eligibility and

| | participation focuses on results-oriented performance management and accountability measurement principles addressed in the employee's performance plan. Employees working remotely or in the office are held accountable for their performance and conduct. Employees adhere to workplace policies and performance expectations regardless of their telework, remote, or onsite work status. |
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| Nuclear Regulatory Commission | Employee performance management requirements for teleworkers and remote workers are the same as those for non-teleworking employees. When an employee participates in telework, performance expectations and accountability do not differ by virtue of the telework arrangement. All employees, teleworkers and non-teleworkers, are expected to comply with MD 10.67, "General Grade Performance Management System"; MD 10.166, "Telework"; and the Collective Bargaining Agreement. Employees are formally evaluated annually based on their individual performance plans which are comprised of elements and standards. Supervisors held required performance meetings throughout the year (start of year midwern) |
| | hold required performance meetings throughout the year (start of year, midyear, end of year) as well as informal meetings in between. The NRC uses the following to track performance across its enterprise: NRC Strategic Plan for FY 2022-2026; Internal Control Plans; the Quarterly Performance Review; and the Annual Performance Plan and Report. |
| Office of Personnel Management | Our work arrangement efforts have led to continued significant improvements in both organizational health and performance. OPM continues to deliver for the federal workforce while using telework and our operational outcomes show we are improving in critical service delivery areas. For example, in the last two years, we have reduced retirement inventories from 35,000 to 16,000, decreased processing times for retirement claims 87 days to 61 days, and reduced average wait times at the call center by almost 50 percent. OPM went from being ranked sixth (among 24 CFO Act agencies) on GSA's Mission Support Satisfaction survey results in 2021 to being ranked first in 2023. We have developed and issued a number of policies and regulations, and are implementing programs to further support agencies and the workforce. This includes: • Issuing a final regulation that prohibits the use of previous non-federal salary history in setting pay for federal employment offers. • Issuing a final rule to strengthen the merit-based civil services by implementing strong protections for the nonpartisan civil service. • Issuing a final rule to significantly expand federal opportunities for early career talent and recruit the next generation of government leaders through the Pathways Programs and release guidance to agencies increasing opportunities for internships, fellowships, apprenticeships, and other student and early career programs in the federal government. • Partnering with OMB to release the first ever government-wide Military-Connected Strategic Plan to support agencies in their efforts to recruit, hire, and retain military-connected spouses, caregivers, and survivors within the federal government. • Delivering to Congress a proposal that addresses agencies need for more flexibility in recruiting and retaining cyber talent into the federal government, as well as 13 additional legislative proposals aimed at improving OPM's ability to deliver services to agencies and employees |

- as well as establishing processes to enable agencies to better recruit and retain a highly skilled federal workforce.
- Building more efficiency into the hiring process by expanding support
 for governmentwide hiring actions. This includes launching six multiagency recruitment portals on USAJOBS to support government-wide
 recruitment and hiring initiatives and establishing a new Hiring
 Experience (HX) group to drive innovations in hiring and improve the
 hiring experience for applicants, hiring managers, and HR practitioners.
 These efforts are already seeing positive outcomes through shared
 certificate and pooled hiring efforts.
- Completing multiple critical milestones and we work towards launching the new Postal Service Health Benefits Program for 1.9 million postal employees and their families in 2025.
- Continuing to build on work we have undertaken over the last four years to improve FEHB program integrity, including completion of a Master Enrollment Index to support data queries that will help identify enrollment irregularities in the FEHB and our recently released Benefits Administration Letter requiring that agencies verify a meaningful sample (not less than 10 percent) of family members included in Open Season elections from the prior year, while laying the foundation to modernize the FEHB program to better address some of the root causes of ineligible enrollments.

We are proud of the gains we continue to make within our agency, while recruiting, retaining, and developing the workforce we need to deliver on our mission efficiently and effectively. This includes the following:

- Our workforce is more engaged. When comparing our 2023 and 2021
 OPM Federal Employee Viewpoint Survey results, OPM's overall
 Employee Engagement score increased by three percentage points. Other
 employee experience and customer-facing measures also increased,
 including question 37: My organization is successful at accomplishing
 its mission (+ three percentage points).
- The proportion of Millennials in our workforce has risen from 29 percent in 2019 to 35 percent today—this is critical for workforce planning—bringing in early career talent is a priority for any organization not only for longevity planning, but also as a way to bring in fresh perspectives and ideas to the organization.
- OPM has seen a significant growth in Pathways Program participation— From FY 2022-FY2023, we saw our intern count nearly doubled (23 to 42 students) and we are steadily increasing the number of Presidential Management Fellows in our organization.
- We have also increased the number of military spouses in our organization by 300 percent from FY 2022- FY 2023 (3 people to 12 people).
- Partnering with the Workforce Recruitment Program, a referral program
 that connects federal and private-sector employers with highly motivated
 college students and recent graduates with disabilities, we have
 increased the number of hires for Schedule A employees by nearly 40
 percent between FY 2021-FY 2023.

• A decrease in attrition rates from 12.5% in FY 2021, to 10.5% in FY 2022, and further to 10% in FY2023, indicates that OPM has effectively utilized telework as one factor to bolster its employee retention efforts.

OPM's overall approach to performance management is applied consistently amongst all agency workers, regardless of telework or remote work status. More specifically, work performed by agency employees, regardless of telework or remote work status, is measurable by results and outcomes in relation to the expectations set forth in their annual performance plan elements and standards.

Employee performance is one of the criteria for determining eligibility for telework and remote work.

- In accordance with OPM's Telework policy (HR Handbook Chapter 368), employees must be performing at the Fully Successful level or above to be eligible for telework. Therefore, if an employee's performance falls below the Fully Successful level, they maybe temporarily ineligible for telework (routine and unscheduled) and will be provided a timeframe when telework eligibility will be re-evaluated.
- In accordance with OPM's Remote Worker policy (HR Handbook Chapter 369), "if a remote worker's performance level falls below Fully Successful, improvement efforts will first take place at the remote work location or, if available, at an OPM office location within 50 miles of the remote work site. If efforts to improve performance are unsuccessful the employee may be reassigned to an OPM brick and mortar site."

The SBA's Performance Management Program is designed to improve the Agency's ability to build and sustain a results-oriented performance culture. Performance expectations are the same regardless of the employee's location. Work performed by onsite employees, teleworkers, and remote workers is equally measurable in terms of results and outcomes.

SBA has two standardized performance plans for General Schedule (GS) and equivalent employees:

• Employee/Team Leader Performance Plan. Non-supervisory employees are rated on two common performance elements — Customer Satisfaction and Written Material, when these elements are critical to the position and there is no duplication of any other element. There is also at least one additional job-specific element such as "project management" or "technical expertise." Team Leader plans may have job-specific critical elements such as "organizational representation" or "people management."

• Supervisor/Manager Performance Plan – Supervisors are rated on their responsibilities to recruit, hire, develop, promote, support, reward, recognize, and retain highly-qualified employees through compliant, efficient and effective human capital management practices; ensure merit system principles prevail in the management of human resources; make assignments in a fair, consistent, and equitable manner; and align and manage work processes, available resources, and technology to meet SBA or organizational strategic goals and objectives.

Small Business Administration

| | The Office of Human Resources Solutions tracks performance management task completion rates for each program office and reports to senior leadership on a biweekly basis. Each program office is also assigned a performance management liaison to facilitate the timely completion of performance management tasks. Supervisors and employees receive training on strategies to maximize productivity in a hybrid environment. Additionally, Teleworkers and Remote Workers must complete telework training, and submit an approved agreement which outlines the expectations and terms associated with the respective work arrangement. |
|---|--|
| Social Security Administration | Accountability and productivity starts with leaders and managers, whose job it is to manage employee performance regardless of work location. Managers are held accountable for their employees' performance and use performance tools and counseling to address issues—regardless of where the employee works. Employees are held to the same performance standards whether they are teleworking or working in the office. Managers assign work, use workload reports, case clearances, and project deliverables—the same methods for tracking work onsite—when monitoring employees during telework. For some operating units, specific output-based performance indices are monitored routinely via electronic systems to evaluate employee and/or organizational performance. Performance planning and evaluation involves annual expectation discussions, mid-cycle reviews, and end-of-year performance appraisals; all of which involves ongoing communication between supervisors and employees—tying individual performance to the achievement of agency goals—regardless of work location. |
| U.S. Agency for International Development | USAID's policies and procedures for measuring employee performance are clearly laid out in Automated Directives System (ADS) chapters on performance management: • 423 Senior Executive Service; • 425 Senior Level and Scientific Technical Professional Positions Performance Management System; • 461 Foreign Service and Senior Foreign Service Performance Management & Development Programs; • 462 Employee Evaluation Program, Civil Service; • 463 Foreign Service and Senior Foreign Service Promotion Eligibility Requirements and Procedures; and • 464 Foreign Service Performance-Based Actions and 489 Performance Based Actions - Civil Service, which establish clear guidelines and policy for performance-based actions to be taken when employees fail to achieve a satisfactory level of performance. These chapters involve employees in improving organizational effectiveness in the accomplishment of the Agency's mission and goals and apply to employees regardless of whether they are in office, have a hybrid work schedule, or work remotely. |

Performance management is a core component of USAID's work environment and organizational health and performance efforts in alignment with OMB M-23-15. USAID's telework, remote work, training, and hours of duty policies and practices integrate with the Agency's performance management efforts. Accordingly, over the past year USAID accomplished the following:

- Published updates to its Telework and Remote Work Program policy in <u>ADS 405</u> on July 25, 2023 - which outlines the rules and responsibilities of supervisors and employees who participate in the telework and remote work program;
- Required members of its Washington, D.C., direct hire and U.S. Personal Services Contractor (USPSC) workforce to submit new telework agreements by August 18, 2023;
- Increased the in-person presence of its workforce in Washington, D.C., to three days per week, on average, by September 24, 2023; and

Published minor updates to its Hours of Duty Policy in <u>ADS 479</u> to support work-life balance by establishing the "<u>Maxiflex</u>" schedule as USAID's primary flexible work schedule option. This flexibility helps employees balance work-life obligations and accommodate customer service delivery to USAID Missions that operate in different time zones.

Appendix 1B – Detailed Agency Responses on Real Property Portfolio Management

For reference, please find agency responses below, outlining how each agency approaches real property portfolio management.

Table 1B. Agency Approaches to Real Property Portfolio Management

| Effective real property management is critical to making USDA one of the most efficient Departments in the government. USDA strives to ensure the space we maintain is used to fulfill the Department's mission. USDA balances many priorities in its real property management process. The Department seeks to maintain an affordable portfolio in support of USDA's strategic goals and its desire to have a modern workplace environment. USDA's vision for the workplace is one that enables effective mission achievement and quality employee experience that promotes flexibility, sustainability, and safety. The overall goal of space management and utilization is to create a modern workplace, retain and recruit workers, be cost-efficient, and deliver programs and services. To that end, we continue to regularly review our real property assets, |
|--|
| utilization rates, and mission requirements and actively seek opportunities for consolidation, co-location, and footprint reduction when and where feasible. A modernized and optimized real property portfolio enables USDA to recruit and retain a diverse workforce. |
| The office remains a critical place to collaborate, maintain connections, access secure resources, perform specialized work that is impractical to be conducted at home, and serves as a place for those who cannot or do not want to work from home. Distributing work nationwide has the potential to advance equity and inclusion allowing USDA to recruit from a larger talent pool reflecting the talents of individuals across America and allowing employees to live where it best suits them. USDA is evaluating its office footprint at priority locations. This analysis includes the following: • Number of employees assigned to each facility • Daily occupancy rate • Telework data • Own vs. lease assets |
| t t t |

- Cost to reduce footprint or dispose of the asset
- Lease conditions (termination rights, etc.)
- Impact to local economy

USDA has engaged in space optimization efforts beginning with the "Freeze the Footprint" directive and increased with "Reduce the Footprint" (RTF) government policy. Since the 2015 RTF baseline, USDA reduced the targeted footprint from 32,623,506 SF to 30,975,179 SF at the end of fiscal year 2022. USDA is accelerating its space optimization efforts to right-size its real property portfolio as a result of its workplace flexibilities. During FY 2023, USDA reduced the RTF by 915,559 SF. Since the beginning of FY 2024, USDA has already reduced its footprint by over 500,000 SF and identified an additional 1,000,000 SF for reduction over the next several years. Almost 700,000 square feet of the planned reductions are space controlled by GSA. The remaining 300,000 square feet are USDA delegated lease spaces.

The Department of Commerce's land-holding bureaus conduct master planning to identify mission requirements for real property and opportunities for consolidation and disposal. Bureaus with leases or GSA occupancy agreements conduct space studies prior to lease renewal or acquisition to ensure the lease is right-sized to meet current and future mission needs. For office spaces, bureaus have begun to assess and include teleworking patterns when identifying space requirements.

Department of Commerce

The Department's owned real property portfolio is comprised of significant mission essential facilities such as laboratories, industrial applications, and other institutional asset types. Thirty-one percent of the owned space portfolio is categorized as office. Commerce has effectively disposed of 1.0M square feet (SF) of underutilized space in the past decade and is on target to reduce its overall owned portfolio by an additional 335K SF with 61 assets in the disposal pipeline.

GSA occupancy agreement space has significantly reduced from 8.65M SF in 2021 to 7.46M SF in 2023 reflecting a decline of 13.75% overall and 15.10% in office-specific space. Over 1.06M SF of additional GSA occupancy agreement space (office and warehouse) is targeted for disposal in the next several years, the largest of which is a portion of the U.S. Patent and Trademark Office Alexandria, VA campus at 764K SF.

Department of Defense

The Department of Defense (DoD) real property strategy ensures that its Components consistently execute sound capital planning practices. DoD seeks to optimize its real property portfolio with a focus on meeting operational mission requirements and effectively implementing the National Defense Strategy. DoD's extensive portfolio of over 667,000 assets requires deliberate and disciplined capital planning that balances

acquisition of new assets against maintenance of existing assets and managing risk across the real property life cycle – acquisition, management, and disposal. DoD's capital planning process comprehensively integrates these life cycle phases, assessing resource requirements and prioritizing to best support operational missions.

DoD uses master planning guidance in accordance with UFC 2-100-01 to assist asset management. Master planning requires assessment over a five-year period to properly identify capital asset acquisitions that meet mission requirements. It is DoD policy that real property with no foreseeable military use or that is not economically feasible to repair will be disposed of in accordance with applicable law, policies, guidance, and procedure. For instance, DoD periodically identifies unneeded assets and screens them for other uses within and external to DoD pursuant to 41 CFR 102-75. These efforts permit effective management in terms of asset transfer, and they permit disposal determinations that eliminates excess facilities.

DoD has made significant strides to strategically eliminate excess facilities from its property portfolio. Military Departments have implemented various initiatives, such as, a "1 to 1" policy that requires disposal quantity equal to new construction, space reduction goals, and lease terminations. These and other efforts cumulatively allow DoD to properly match resources to facilities that meet mission requirements and promote productivity and cost savings.

The vast majority of Department facilities are owned and located on military installations. However, Washington Headquarters Services (WHS) manages the GSA Lease portfolio for the Department within the National Capital Region. Within the last 5 years WHS has terminated 561K square feet of leases and returned 275K square feet of space to GSA to be used by other federal tenants. Within the next five years, WHS plans to further reduce the leased space portfolio by 512K square feet occupied under GSA agreements.

Department of Education

The Department of Education (ED) manages the real estate portfolio through the Facilities and Logistics Services Division (FLSD). FLSD plans and manages the real estate portfolio in accordance with ED policy for space management (Departmental Directive ACSD-OFO-041).

Principal Offices (PO) within ED request and justify their space needs to FLSD. All space designs will utilize the open plan concept to the maximum extent possible. The intent of the open plan concept is to maximize workspace effectiveness and promote a collaborative, fair, safe, transparent work environment, efficiently utilize space, improve air quality and illumination, maximize the occupants' exposure to natural light and promote energy savings. The desired maximum utilization rate is

150 USF per person, as designed and measured for each respective PO in each building. Any exceptions that exceed 150 USF per person must be approved in writing by the Assistant Secretary for the Office of Finance and Operations, or appropriate designee.

ED keeps records of the number of individuals with ED issued HSPD-12 badges who enter most ED occupied spaces each day. This information is used by FLSD when validating space requests from POs. This data is also used to determine the population density of ED space which is an input into planning for future space needs including additional space and space reduction opportunities.

Space reduction is achieved in collaboration with the U.S. General Services Administration. All space occupied by ED is GSA space that is occupied under and occupancy agreement. In most cases, ED may release space to GSA as excess with a 120-day notice. When managing the cost of space reductions ED prioritizes space reductions that can achieve the greatest net financial savings. Other considerations include the time to achieve the cost savings and whether the space reduction will reduce commercially leased space in favor of government owned space.

The Department has taken a deliberate approach to evaluate its space needs to maximize the efficient use of space. Each DOE Departmental Element (DE) with real property assets develops projections for real property acquisition, sustainment, and disposition activities using a long-term mission needs planning process (e.g., NNSA Deep Dives, Office of Science lab planning process). All DOE sites must identify the estimated disposition year of real property assets in DOE's Facilities Information Management System (FIMS) database. Using this information, the Department assesses if any other DE might have a use for the property before declaring it as excess and disposing of it.

Department of Energy

For example, to maximize the efficient use of space, the Department has increased the density of its government-owned facilities by terminating leases for private office space in the NCR. The Department set expectations for the use of hoteling spaces for employees with flexible schedules to improve efficiency.

As part of the evaluation of space needs, the Department has made significant improvements to its Headquarters facilities to accommodate its needs. Some examples include:

- Evaluated and modified existing footprint to create additional SCIF space to support expanded requirements;
- Added a walk-up "Genius Bar" (i.e., technology lab) to resolve Laptop and Device problems;
- Repurposed existing office footprint to support new DEs focused on BIL/IRA implementation;

- Modified existing footprint to install multiple Collaboration Centers with conversational seating, device charging, TV feeds, and options for hybrid meetings; and
- Fully implemented an online hoteling space and conference room reservation system.

In spring 2023, DOE moved out of 193,000 square feet of leased space, an action which will save the Department \$9 million annually. As a result of these actions, the Department has been able to improve its space utilization, save taxpayer dollars, and accommodate the space needs associated with the significant expansion in the Department's mission. Currently, DOE has approximately three million square feet of buildings it expects to dispose of within the next three years (through 2027). Of those three million square feet, approximately 96,000 square feet are occupancy agreements with GSA.

The Department is committed to using our space efficiently and adhering to government-wide policies, including OMB M-20-03, M-21-25, M-22-14, and M-23-15, regarding capital planning and space utilization. The Department has a diverse real property footprint, including office space and space for health care delivery, research and development, and industrial purposes. We also have policies that govern space planning requirements and procedures for making decisions on property planning across our real property footprint. Since 2015, in accordance with OMB M-12-12 Section 3, Reduce the Footprint, HHS has worked to increase the efficient use of our space while reducing its footprint and associated rent and rent-related costs where feasible.

Department of Health and Human Services

The Department's 21st Century Workplace Space Planning Policy, issued in February 2022, considers the frequency of on-site presence and telework when planning space, and assigns space based on seat counts instead of people counts. The policy assigns a dedicated seat for employees with on-site presence over six days per a two-calendar-week pay period, and assigns a shared seat between two people otherwise, while fully remote employees are excluded from seat counts.

Consistent with this policy, the Department is also working on executing projects over the next several fiscal years that will result in reductions in the real estate footprint for the National Capital Region by disposing of and consolidating small and dispersed footprints.

The Department develops, maintains, and provides tools and services (e.g., Housing Plan, Space Planning Tool, GSA Workplace Engagements, among others) to internal stakeholders to facilitate footprint analyses, identify underutilized spaces, and capitalize on opportunities to consolidate space. As part of these processes, HHS Divisions must consider expiring leases, employee presence and relocations, occupancy

rates, space utilization efficiency, and opportunities to optimize footprints based on their respective mission requirements.

The Department acquires property through GSA Occupancy Agreements and direct leasing and acquisition/ownership by land-holding Divisions. Most of the space targeted for disposal across all Divisions is GSA-controlled space; land-holding Divisions also prioritize the disposition of GSA space and consolidating it into owned space optimizing its usage.

The Department acknowledges the necessity to reimagine the workplace, enhance utilization, and ensure capital planning transforms facilities in a way that meets the mission, while reducing sustainment costs.

The DHS Secretary has identified facilities and workplace improvements, including reduction to the office footprint, as a strategic Department-wide priority. The DHS Secretary has tasked the DHS Senior Real Property Officer (SRPO) to lead a Department-wide Facilities Transformation initiative.

The Department's organizational structure and real property portfolio is large and complex. The responsibilities of DHS's SRPO are designated to DHS's Chief Readiness Support Officer (CRSO). The Office of the Chief Readiness Support Officer (OCRSO) is responsible for providing Departmental strategy, policy, oversight, and coordination of the DHS Components with delegated real property operating authority. There are 12 DHS Components with delegated real property operating authority, all of which have their own SRPO, funding structures, maturities, means, and strategies to deliver their real property programs in line with Departmental policies, which also include the disposition of space.

Department of Homeland Security

The DHS real property portfolio is spread over 6,000 different locations and consists of more than 55,000 individual property records. It is comprised of more than 100 million square feet of building space, 40,000 structures, and 80,000 acres of land. The portfolio has a variety of mission use types to support the diverse missions of the Department. These include traditional office uses with administrative spaces, but mostly asset predominate uses are mission specific such as port of entry, warehouse, family housing, laboratory, shore facilities, hangers, and many other mission specific uses. Within DHS's building portfolio, leases through the U.S. General Services Administration (GSA) account for almost half of the Department's square footage, direct-leased space accounts for about one-tenth of the space, and DHS-owned space accounts for the remaining square footage. Real property is a major cost driver for DHS, at more than \$4 billion per year. Of this amount, the average annual allocated resources for acquisitions or improvements are about \$1 billion, rental payments are \$2 billion, and the remaining fund operations and maintenance activities.

The DHS backlog of repair and recapitalization needs is in excess of \$5 billion and growing annually.

The Department is aggressively pursuing the optimization of its space and the release of underutilized property, while ensuring its mission needs are met. Considerable progress has been made toward the production of mature, actionable, enterprise-level data to support evidence-based policy and resource decision-making. This includes a focus on existing and new data on telework, costs, utilization, and workforce location (e.g., data from IT network access, physical access, and self-reported locations). Recent progress includes the DHS Workplace Strategy that OCRSO completed in 2023. This strategy was developed to achieve the strategic objectives outlined by the DHS Secretary and by the DHS Deputy Secretary in the DHS Future of Work (FoW) Strategic Framework. Key criteria considered during the facility review and investment prioritization process included space utilization, mission dependence, lease expirations, and potential lifecycle cost avoided. The DHS Workplace Strategy initiative identified DHS-wide policy updates needed to deliver the strategy. As a result, DHS recently updated its DHS Workplace Standard policy which will further increase utilization and efficiencies. The DHS Workplace Strategy identifies lease efficiency and optimization opportunities that exist across the portfolio but are not delivered due to a lack of upfront capital funding. Capital investments through a new transformation fund are needed in order to reduce leasehold costs and colocate Components while optimizing space utilization and to deliver more sustainable and resilient facility capacity in support of our mission.

Another example of progress is the DHS National Capital Region (NCR) Real Property Strategy. OCRSO focused attention on the largest major market in the country. DHS has the largest federal real estate footprint in the NCR, with a large and complex portfolio. OCRSO performed a real estate portfolio diagnostic to identify all the real property in the NCR to establish a baseline. Working with DHS Components and GSA, the Department established a consolidation plan that improves operational and cultural synergies while reducing the overall footprint and efficiently using the Department's resources, which has resulted in an action plan which will reduce the DHS HQ DMO's administrative workspace footprint by 25 percent by 2027, based on a 2020 baseline. This plan demonstrates how the footprint will be reduced each year through changes in workforce resources and implementation of capital projects that meet the Office of Management and Budget's M-22-14 requirements and Executive Order 14057 environmental metrics targets. The outcome is a DHS Headquarters-approved plan that centralizes leadership in and around the St. Elizabeths Campus providing high-quality and efficiently planned space. Even though the Department has developed an associated NCR Consolidation Plan, the lack of consistent funding in DHS and

GSA's appropriations has greatly impacted consolidation projects around the NCR and specifically at St. Elizabeths throughout its development.

GSA, in coordination with DHS, controls the disposition strategy and process for buildings and leases under its control. Attached is a list, provided by GSA, of GSA-controlled facilities and land that are currently on the GSA disposal list in which DHS has equities.

DHS has leadership commitment, a clear strategy, appropriate policy requirements and is continuing to mature utilization data capabilities to account for telework and provide compliance monitoring. Significant portfolio optimization and mission unification opportunities have been identified, however, access to upfront investment funding is required to deliver the transformation. A return on investment cannot be achieved unless the upfront investment is made. This includes investment funding for both DHS and GSA.

We lease all of our facilities from the General Services Administration. Over the last few years, we have worked closely with them to aggressively consolidate space across our portfolio through a combination of relocations and in-place space consolidations. Between fiscal years (FY) 2012 and 2023, we reduced our footprint by **699,863** square feet. In FY 2024, we are projected to reduce space by an additional 15,527 square-feet.

Department of Housing and Urban Development

Our Capital Planning process includes an annual review of all 70 headquarters and field operating sites. Staffing, attendance, space utilization rate, work schedules, rental costs, design, construction and furnishing and early lease termination costs are assessed during the review to better inform our project short and long-term strategic planning. We're working closely with GSA to move our offices from private leased space into government owned space. We are also working closely with GSA as we review our headquarters facilities and develop a new Program of Requirements (POR). Our intent is to consolidate all four headquarters satellite offices into the Weaver Building.

Our FY 2025-FY2029 Capital Plan focuses on optimizing our space utilization while promoting a healthy working environment, enhancing sustainability, and being good stewards of taxpayer dollars. We anticipate up to a 60 percent reduction in our footprint by 2038. The plan includes Field Office reductions as well as collapsing four Washington D.C. satellite offices into the Weaver Building. The reductions will achieve a more efficient utilization rate and reduce real estate spending, allowing us to redeploy funds to other higher impact needs.

The Department of Justice (DOJ) owns or leases approximately 124 million square feet (SF) of real estate: 57% owned, 1% direct leased, 42% GSA Occupancy Agreement (GSA OA). The portfolio is comprised of a diverse and highly specialized inventory of assets. Over half the Department's portfolio consists of Bureau of Prisons (BOP) correctional facilities. Approximately 34 percent consists of law enforcement facilities, which house operational and special use spaces, such as vaults, laboratories, evidence processing areas, training campuses, and intelligence centers. Approximately 52 million SF of the DOJ inventory is within GSA owned or leased space, of which about 35 million SF is categorized as "office."

The Department's distributed organizational structure dictates the way its real property management activities are organized and carried out; relying on its components with policy leadership, direction and oversight provided by JMD. The broad nature of DOJ's mission requires assets to be strategically located and operationally ready. Each DOJ component engages in the capital planning process to ensure that its real property inventory is appropriate to its unique mission needs and operations, with particular focus on promoting space efficiency. Assets are evaluated on the ability to efficiently house personnel and operational requirements without excess. The Department requires space and facility efficiency across components by setting an overarching utilization rate (UR) maximum for office space of 100 square feet (SF) per person for law enforcement bureaus and 130 SF per person for other components. Additionally, the Department promotes opportunities for integrated/flexible workspace strategies (e.g., teleworking, hoteling, and shared support spaces). Collocation and sharing of assets are encouraged where appropriate (e.g., training and firearms facilities).

Department of Justice

For GSA-leased facilities, real property planning processes are typically triggered by approaching lease expiration dates, whereas for owned assets components perform continuous building evaluations and assess new mission requirements to identify needs. Three recent GSA-leased prospectus-level projects in the National Capital Region (NCR) managed by JMD were awarded that reduced the Department's square footage by approximately 385,000 usable square feet (USF) which will result in an annual rent savings of approximately \$25 million. Additionally, over the past five years, the Federal Bureau of Investigation (FBI) has consolidated ten leases in the NCR, totaling approximately 502,000 SF and \$23.6 million in annual rent savings. The Office of Justice Programs (OJP) is reducing their footprint by approximately 90,000 SF in their NCR prospectus-level consolidation (GSA OA) this year. The pending prospectus for the Department's 2 Constitution Square (2CON) facility, which houses JMD offices in the NCR, will result in further footprint reduction of 386,000 USF (GSA OA).

Currently the Department does not have any owned space targeted for disposal. The Department has the following planned GSA-leased office spaces disposals without succeeding space to replace them in these locations: ATF 10,000 SF in Columbia, SC; FBI 91,000 SF in Kansas City, MO. The United States Trustee Program (USTP) plans to dispose of 190,000 SF of GSA-leased office space over FY 2024 and 2025 in multiple locations across the country. DOL submits an annual Real Property Capital Plan to the Office of Management and Budget and Federal Real Property Council which outlines DOL's approach to real property portfolio planning. This includes identifying underutilized office space for consolidation and disposal. DOL uses an evidence-based approach to the strategic management of our owned and leased assets in accordance with the governing guidance. Over the course of the past year, DOL leadership at the National and Regional levels has been working to identify, prioritize Department of and execute projects aimed at reducing our reliance on leased property in Labor favor of federally owned property. DOL partners with GSA to use Portfolio Consolidation Funds to minimize the upfront costs of space projects; prioritize federal space to reduce moving costs; and provide accurate project cost estimates to support agency budget forecasts. Also important to this initiative is DOL's FY 2025 proposal for a modernized space project funding model. This new model will provide the flexibility needed for multiagency space consolidation and reliable, multiyear funding to initiate and maintain cost-effective office space project progress from planning and design to agency occupancy. The Department of State developed the Enterprise Location Framework (ELF) to respond to emerging workforce demands and federal mandates to improve domestic space utilization, densification, and the reduction of the agency's domestic footprint. Even though the Department of State's building utilization rates are higher compared to other federal agencies (2023 GAO report, Federal Real Property: Agencies Need New Benchmarks to Measure and Shed Underutilized Space (GAO-24-107006), the agency continues to employ strategies to optimize its space use in the domestic footprint. Notably, under the ELF, the Department Department of plans to capitalize on three commercial lease expirations in Washington, State D.C. and Northern Virginia and will densify staff from these locations into leased or federally owned facilities that are already within the Department's domestic portfolio. Returning these three expensive, expiring leased locations will bring the Department an annual financial cost avoidance of \$10.8 million and shrink the domestic portfolio by 771,566 rentable square feet. The locations the Department plans to return are all commercial, leased properties; none are under the full custody and control of the government.

In 2023, the Department updated its space allocation standards to better utilize agency space in a flexible and hybrid environment and to further shrink the overall domestic footprint. The revised standards aim to reduce square footage per person as well as per workstation while increasing mobility and flexibility, leveraging multi-use space and space for collaboration and community, and driving adoption of unassigned, reservable seating to take advantage of workstations that are available due to use of leave, travel, training, or other reasons.

For more than a decade, the Department has partnered with the General Services Administration (GSA) to maximize the efficient use of Department-owned, commercially leased, and GSA-provided space. The Department is also taking proactive steps to modernize space requirements as the agency considers Office of Management and Budget policy and guidance. In November of 2022, the Department developed an Enterprise Space Strategy (ESS) and, in partnership with GSA, chartered multiple implementation teams at high-priority locations that are tasked with multiple objectives, including identifying space reduction targets in administrative facilities.

The priority locations referenced represent areas with concentrations of administrative functions for multiple bureaus/offices at commercially leased or GSA-Provided office space, such as headquarters or regional/state locations. For each location, the ESS is evaluating opportunities and establishing space reduction targets that align with the bureau mission requirements, workforce management decisions, and broader departmental space management policy. In addition to the focus on priority locations above, DOI requires bureaus to annually revisit overall Reduce the Footprint (RtF) targets, and to reflect these new reduction targets in Five-Year Space Management Plans.

Department of the Interior

Unlike many other Federal agencies, DOI owns most of its real property portfolio of buildings and infrastructure. Many of DOI's facilities are mixed use and operational in nature and directly support the delivery DOI's diverse and public facing missions. The teams are focused on consolidating administrative (office) facilities which are primarily provided by GSA or commercial leases. Approximately 65% of DOI's administrative space fall in these categories. A summary of the Department's space reduction targets for FY 2024-28 is provided below.

| | FY | FY 2025 | FY | FY 2027 | FY |
|---------------------|---------|---------|--------|------------|--------|
| | 2024 | 2025 | 2026 | 2027 | 2028 |
| Office Targets | 247,000 | 130,000 | 14,500 | 80,000 | 11,000 |
| (majority is Leased | | | | | |
| or GSA-Provided) | | | | | |
| (Net SF Reduction) | | | | | |

It is the policy of the Department of the Treasury that real property holdings under Treasury control are fully utilized and put to optimum use. Systematic thorough reviews of real property holdings are conducted at least annually to categorize and identify property, which is not needed, is underutilized, or is not being put to its optimal use. Real property identified as not needed is reported and released in accordance with the policies established by the Office of Management and Budget (OMB), the General Services Administration (GSA), and Department of the Treasury regulations.

The Department has established the Treasury Operations Executive Council (TOEC) which is chaired by the Department's Senior Real Property Officer (SRPO) and supported by senior level staff subject matter experts from each bureau. The TOEC provides general guidance for efficient space utilization, needs assessments, forecasting and portfolio management and works across organizational lines to increase portfolio efficiency. The TOEC focus areas include review of design standards, best practices, coordination of portfolio changes, evaluating workforce changes and collocation opportunities.

Department of the Treasury

Real property needs are evaluated and documented using a Program of Requirements (POR). The POR combines customer preferences such as work patterns, quality levels, with mission requirements such as staff numbers, flexibility and expandability, adjacencies, special equipment, and systems. Treasury has department-wide workspace standards to assist with developing PORs and establishing a more efficient use of real property assets while also providing a work environment that promotes a productive atmosphere for Treasury employees to successfully fulfill their work missions. The workspace standards are a broad policy outlining guidelines consistent with overall Treasury real property objectives while permitting bureaus within Treasury to develop and implement more detailed space applications that best meet their unique needs. The workspace standards establish guidance for office workspace design processes to optimize efficient and effective space utilization without detriment to business functionality. This process considers shared workstations that ensure the optimum amount of dedicated and assigned employee workstations, effective collaborative workspace, telework, and optimizing space utilization. The standards also provide guidance for space allocations, workspace sharing ratios, and support for changing work patterns.

Treasury has targeted expiring space assignments in metropolitan areas with multiple posts of duty sites for opportunities to pursue consolidation opportunities where it makes business and financial sense. Treasury's strategy has utilized space data such as square feet per person, telework participation, hotel workstation seating capacity, and the percentage of

workstations utilized to identify potential reduction projects, consistent with business operations requirements. Financial analysis is recommended for any expiring lease action when contemplating a replacement, or succeeding lease. A Return on Investment (ROI) assessment is recommended to assist in evaluating different housing and project scenarios from a cost/savings perspective. If the ROI payback period for costs required to reduce space is less than the proposed new lease term, it is recommended that a space reduction project should be proposed for funding consideration coincident with the expiring space requirement.

The ideal state for Treasury real estate portfolio is under review as we continue to evaluate new work patterns and practices in the post-pandemic environment. Treasury currently occupies 31.5M square feet (sf), of that 5.7M sf is Treasury-controlled and 25.8M sf is GSA-controlled space. The Department's Treasury-controlled inventory is fully utilized, and there are currently no planned disposals or space reductions for any Treasury-controlled facilities. Treasury is projecting by the end of FY2027 to relinquish over 800,000 rentable square feet of office space from our GSA-controlled inventory to optimally right size the portfolio consistent with the Department's mission and essential program needs.

Department of Transportation

The U.S. Department of Transportation (DOT) is the federal government's principal agency for protecting and the development of national transportation policies and programs, that will deliver the world's leading transportation system, serving the American people and economy through safe, efficient, sustainable, and equitable movement of people and goods. To support the mission of DOT and the lives of all Americans, the department employs a workforce of over 55,000 staff across the Office of Secretary of Transportation (OST), Office of the Inspector General (OIG), and the nine (9) Operating Administrations (OAs) (Federal Aviation Administration (FAA), Federal Highway Administration (FHWA), Federal Motor Carrier Safety Administration (FMCSA), Federal Railroad Administration (FRA), Federal Transit Administration (FTA), Great Lakes St. Lawrence Seaway Development Corporation (GLS), Maritime Administration (MARAD), National Highway Traffic Safety Administration (NHTSA), Pipeline and Hazardous Materials Safety Administration (PHMSA)). DOT's real property portfolio consists of different types of real property types (e.g. Land, Building, Structure) and use (office, warehouse, communication systems, navigation/traffic aids, laboratories, etc...). DOT's staff is predominantly housed in office space throughout the U.S. but is concentrated in the National Capital Region (NCR) in GSA owned buildings. DOT is currently in the middle of a space utilization study for the DOT Coleman-Mineta Headquarters Buildings that will be completed in FY24. Based on its results, the department will pursue strategic consolidations of other DOT occupied leases in the NCR in the coming year. This consolidation effort will need

to be implemented over multiple fiscal years as GSA is able to terminate supporting leases for space that DOT occupies in the NCR.

The space study being conducted at the DOT Coleman-Mineta headquarters buildings will incorporate the department's improved office space policy. DOT along with other federal agencies have recognized that ongoing operations and mission support can be performed through a hybrid work environment. Effective April 2024, the department updated its office space design policy for the first time in nearly a decade. The updated space policy calls for a reduction of approximately 21% of usable square feet (USF) per person compared to the previous policy and eliminates the traditional practice of dedicated assigned space for employees who report to the office. The updated space policy will allow DOT the opportunity to further reduce its footprint and significantly reduce rent and rent related costs, as it incorporates modern changes to the workplace. The updated office space design policy will be applicable to domestic office space for DOT HQ buildings, regional, and satellite offices, with a goal to achieve a reduced utilization rate and occupy space in an efficient manner. DOT also utilizes current management tools to support property portfolio planning and identifying underutilized office space. The tools used at the Operating Administration (OA) Level and Department level include: (1) DOT Strategic Plan; (2) OA master plans; (3) Real Property Inventory System (FRAMES); (4) OA Annual Utilization Review; (5) Building Space Utilization Report (BSUR); (6) DOT Five-Year Timelines of Real Property Assets; (7) DOT Real Property Capital Plan; (8) DOT annual budget and performance guidance.

DOT incorporates the updated space policy and portfolio management tools to evaluate properties that can be disposed and/or consolidated on an annual basis. The department was recently involved in a property disposal exchange with GSA and the Massachusetts Institute of Technology (MIT). This exchange transaction was property held in the control and custody of DOT and resulted in the design and construction of a new facility and a ~\$200M cash equalization payment to the US Treasury. The new facility is now under the control and custody of GSA as other federal agencies occupy space at the new DOT Volpe facility. Alongside with identifying property disposal actions, DOT explores lease and space consolidations. DOT is currently supporting GSA for a prospectus action (PMO-03-KC24), which will allow for a lease extension. This lease extension will allow adequate time for DOT to relocate to another leased location procured by DOT through 49 U.S.C. §106. The lease procured by DOT will result in ~44% reduction in space and a reduction to the usable square feet/person by ~37%. DOT anticipates relocating to the new location upon substantial completion, which is expected by Q1-FY2025.

In May 2024, Congress passed and the President signed into law a new five-year reauthorization of the Federal Aviation Administration (H.R. 3935). Section 222 of the "Securing Growth and Robust Leadership in American Aviation Act" directs the Secretary to conduct an inventory and review of DOT's domestic office footprint and provide a report to Congress that proposes opportunities to optimize it by identifying available, unused, or underutilized space. This review of our domestic office footprint will analyze all office space for all operating administrations nationwide, except for the FAA's operational facilities. As part of this study, DOT will look for ways to optimize our office footprint, including consolidating offices within a reasonable distance and collocating regional or field offices of Operating Administrations. Among other factors, the study will consider current lease arrangements for offices, space adequacy related to the Architectural Barriers and Americans with Disability Acts, and current and projected employee headcount.

The department explores these types of opportunities for space reduction on an annual basis utilizing the above referenced office space policy and management tools for property portfolio planning. DOT's portfolio has seen a reduction in office and warehouse space. Consistent with MPM (Management Procedures Memorandum) 2015-01, DOT has decreased its overall footprint by 11% when compared to the RTF (Reduce the Footprint) baseline.

The Department of Veterans Affairs (VA) has a robust real planning process.

Department of Veterans Affairs

For the headquarters locations in National Capital Region (NCR), VA space optimization strategies have reduced office space by 16% (~270,000 sf) from 2020 to 2022, which resulted in annual cost savings of \$15 million. There are currently seven VACO headquarters locations totaling 1.4 million square feet under GSA Occupancy Agreements. VA is updating strategies and requirements for office space requirements in the NCR to include OMB guidance and VA policies on office presence.

Similar space review efforts are taking place nationally, although clinical space still requires a physical presence and in some cases is growing to meet the demands of Veterans. Disposal opportunities are identified at the local level and can be disposed of as contract vehicles allow. Generally VA relies on GSA for office space, and therefore a vast majority of disposals are GSA occupancy agreements.

Environmental Protection Agency

EPA conducts a rigorous master planning process across all EPA-owned facilities to assess real property funding requirements and solicits all National Programs and Regional Offices regularly to determine their facility priorities on a five-year basis. Space consolidation and reduction

is an agency priority and all real property assets are regularly assessed for utilization and capacity. EPA laboratories are evaluated through a master planning process that occurs approximately every five years. Office spaces are continuously assessed for excess space and for opportunities to release underutilized space. The agency's uniform office space guidelines, which applied to all new and renovated office space, reflect new technologies and aim to reduce space.

EPA has developed a space needs analysis to meet the requirements of the Office of Management and Budget's memorandum M-22-14 and M-21-25 in cooperation with the agency's Chief Human Capital Officer, Senior Real Property Officer, Chief Information Officer, Chief Financial Officer, and EPA Senior Leadership. EPA's large scale office portfolio includes its Agency headquarters buildings in Washington, DC and the ten regional offices, totaling 3,182,598 usable square feet, with approximately \$180 million in annual lease costs (FY 2025 GSA Base Rent Estimates). EPA proposes to release approximately 20 percent of these leased spaces over the FY 2025-2029 timeline if appropriation levels allow the agency to fund the necessary renovations and relocations.

Over the last 10-15 years, EPA has prudently sought opportunities to release or consolidate office space at the end of an occupancy agreement at either GSA-leased or GSA-owned space. For example, in FY 2021, EPA successfully released the 264,935 square foot Potomac Yards facility in Alexandria, VA, resulting in avoidance of over \$12 million in annual lease costs.

The U.S. General Services Administration's (GSA) unique role as both a provider and consumer of real estate services and solutions has helped guide the transformation of its workplaces over the last decade, and will continue to do so moving forward.

General Services Administration

GSA's real estate services cover the full range of activities involved in managing a portfolio of approximately 8,400 owned or leased facilities. As champions and innovators of federal work experiences and environments, we are passionate about ensuring our federal colleagues have facilities that allow them to deliver mission critical services to the American people. In FY23, GSA rolled out a Portfolio Optimization Strategy which involves:

- Reducing leased real estate costs
- Developing work environments to meet today's workplace requirements
- Divesting of underperforming assets no longer meeting today's workplace requirements
- Reallocating resources to assets that generate higher returns for customers

As a consumer of GSA owned and leased space, GSA has reduced its footprint by more than 2 million square feet over the past 10 years, avoiding more than \$300 million in costs to taxpayers—an achievement that would not have been possible without leveraging workplace flexibility. Within the Washington, DC area specifically, GSA has consolidated all of the agency's operations into its headquarters building, which has yielded significant operational benefits to the agency—including reducing energy consumption by 50 percent and saving \$24 million in rent payments annually.

In 2024 and in future years, GSA's internal real estate portfolio will focus on right-sizing its workplaces. This year the agency plans to vacate leased space, transform, restack, and/or backfill owned space in at least six regional office buildings and its Washington, DC Headquarters. GSA will continue to focus on reinvesting rent savings into improvements to modernize its office space throughout the country.

NASA continues to evaluate our Federal footprint as part of our Agency Master Plan efforts. NASA's footprint encompasses 20 centers and facilities across the country. While NASA has not closed any Government-owned facilities as a direct result of telework, some Centers are exploring ways to better utilize their buildings or to capture utility savings when fewer personnel are on-site.

National Aeronautics and Space Administration

NASA's real property capital planning approach starts with strategic-level planning and guidance. The most recent NASA Strategic Plan and the Agency Mission Planning Manifest (AMPM), combined with guidance provided via Agency initiatives and other Federal agencies (e.g., the Department of Energy's guidance on Federal energy requirements and OMB's Reduce the Footprint program) were key in the development of NASA's Agency Master Plan (AMP) for real property facilities and physical infrastructure. Through the AMP each real property asset's mission and condition data is assessed to identify an appropriate future state (sustain, invest, divest (disposal), or outgrant/repurpose). Underutilized low-mission assets are identified for disposal, consolidation, repurposing, or outgranting. The Agency is currently assessing administrative and storage spaces at each center to identify additional consolidation opportunities. The effort aims to optimize administrative space agency-wide to provide the best work environment possible for employees while meeting the Agency's rightsizing goals and evolving mission needs.

Unlike most Federal agencies, NASA owns most of its real property facilities and infrastructure as they are integral to the NASA mission. Currently, all assets that have been identified for divestment/disposal are

NASA-owned. NASA will continue to interface with GSA as appropriate given the ownership of various facilities; for example, it will coordinate with GSA regarding the future of the NASA Headquarters building in Washington DC, which is GSA-managed. The NASA Headquarters lease expires in August 2028, and the Agency is evaluating the options for its next headquarters building, including leasing, purchasing, and building.

Additionally, NASA also is analyzing ways to capture cost savings associated with telework such as decreased utility costs, reduced transit/commuting payments to employees and less travel due to the increase of virtual opportunities for conferences and training. These cost savings, however, have not been fully quantified. One challenge will be developing metrics that can be captured by all agencies in a standardized manner while also recognizing each agency's unique missions and workforces.

NSF's HQ building in Alexandria, VA accommodates the agency's employees and contractor staff as well as visitors requiring access to the HQ facility. NSF also maintains a small shipping and receiving warehouse in Springfield, VA. Both spaces are under Occupancy Agreements with the General Services Administration.

National Science Foundation

In September of 2023, NSF implemented a new Workspace Management Policy that requires individuals to be on-site at NSF headquarters in Alexandria 5 days per pay period to maintain a permanent assigned workspace. Individuals not assigned a permanent workspace will utilize hoteling or workspace share. In addition, NSF initiated a comprehensive plan to Reimagine the Future of Space. Phase 1 of this process consists of gathering space requirements based on current and projected staffing and realigning space for each directorate and office. This phase will ensure that NSF is utilizing existing space as efficiently as possible while working in a hybrid environment. Phase 2, which begins immediately after a directorate or office has completed Phase 1, consists of working with space specialists and other federal agencies to benchmark and gather data, understand work needs, study staff work habits, validate currentstate space use, and discuss future space concepts. Phase 3 of this process will mature from space concepts and data gathering to practical workspace solutions which meet the needs of the mission and the workforce. During Phase 3, NSF will evaluate potential footprint changes based on future requirements.

Nuclear Regulatory Commission

The NRC continually evaluates its real property portfolio for opportunities to improve space utilization and reduce its real property footprint. The agency is actively reducing the gap between the existing number of workstations in comparison to our housing requirements to optimize the utilization of space. As the nature of the workplace changes

(e.g., increased telework, new technologies, etc.), the agency is reassessing workspace design and workplace strategy while considering mission requirements, actual occupancy, and the corelating utilization rates. Space reductions are being achieved by consolidating in place, releasing marketable blocks of space, changing, and reducing the design of our workstations, and the implementation of hoteling. Examples of this are recent leases through GSA resulting in the significant reduction of the sizes of 3 of the 4 regional locations by approximately half their current or previous sizes by FY 2025, in addition to the release of 4 floors of the Two White Flint North building at NRC's headquarters from FY 2021 through FY 2025.

NRC's current real property management objective is to reduce the size of the agency's portfolio by over 30 percent by the end of FY 2025, as compared to the beginning of FY 2020. This reduction equates to over 350,000 useable square feet (USF). By the end of FY 2024, the NRC will have released over 245,000 USF as compared to FY 2020, with plans to release an additional 105,000 USF in FY 2025. As the agency adapts to the hoteling process over the next year, staff will analyze the participation, successes, and challenges before recommending additional space releases in FY 2026 or beyond.

To implement the President's Management Agenda (PMA) and recent OMB directives, OPM is reimagining our workplace approach, informed by lessons learned post-pandemic and nationwide workforce and workplace trends (e.g., hybrid work inclusive of onsite work, telework, alternative work schedules, online collaboration, and remote work policies and practices), and integrating these considerations into the next iteration of our capital plan.

Office of Personnel Management

OPM exercises capital planning that supports mission requirements and the future of work needs. OPM maintains its headquarters in the Theodore Roosevelt Federal Office Building (TRFB) and 17 field offices in locations across the United States, including a cluster of facilities in northwestern Pennsylvania that manage a significant portion of our retirement services workload. One of the field locations is the Federal Executive Institute, a residential training facility providing lodging, meals, and fully equipped on-site classrooms in a campus-like setting that operates 24/7, 340 days a year in Charlottesville, Virginia. OPM does not own any real property or engage in direct leasing; all of OPM's leasing requirements, which include a blend of Federally- and commercially-owned spaces, are coordinated through the U.S. General Services Administration (GSA).

OPM continually evaluates space utilization to maximize efficiencies to support the OPM mission, workforce and, where appropriate, reduce the real estate footprint and associated expense. OPM works closely with

GSA to assess these considerations. For example, from 2020-2024, OPM reduced nearly 69,000+ sq/ft of field office space within multiple organizations with a cost savings of nearly \$1M annually. OPM continues to assist organizations in evaluating their program requirements for space utilization efficiencies. OPM is also currently assisting the Federal Executive Boards in evaluating program requirements for space utilization at all locations to make space decisions. The U.S. Small Business Administration (SBA) manages 141 office leases, representing 1.39 million square feet of leased space, and pays approximately \$45 million in rent annually for this space. The SBA does not own any real property; all Agency-used space is obtained via occupancy agreements through the General Services Administration and managed by Office of Executive Management, Installation and Support Services. The SBA maintains a significant amount of "surge space" for its disaster response function and provides office space for Service Corps of Retired Executives (SCORE) volunteers. The SBA is currently addressing identified gaps with facility conditions and space utilization to meet mission requirements post-COVID. SBA prioritizes projects that align with the Agency's first strategic goal of ensuring equitable and customer-centric design and delivery of programs **Small Business** to support small businesses. In FY23, the SBA decreased its real estate Administration footprint by 4.6% which exceeded the target of 1%. For FY24, several offices have been identified for potential space reduction and SBA is on target to be able to meet the FY24 reduction target of 3%. The Agency completed its review of the lease portfolio and identified potential offices and locations that are eligible for space reduction or elimination. As leases expire for various field offices, the SBA will evaluate underutilized space to reduce its real estate footprint to meet cost and space reduction objectives. SBA looks at many different factors in prioritizing projects, including, but not limited to, agency priorities, future of work considerations, asset age, effect on agency operations, funding availability, and project readiness, and uses those factors to assign internal rankings of low, medium, and high priority. Our real property portfolio planning, as well as our capital planning process, involves both a top-down and bottom-up approach. The agency's Senior Real Property Officer, the Office of Facilities and Logistics Management (OFLM), which is organizationally aligned in the Chief **Social Security** Financial Officer's (CFO) office, administers our national real property Administration program. OFLM develops, manages, and implements our Real Property Capital Plan. OFLM's placement within the agency's CFO organization ensures our capital planning process and portfolio requirements are integrated within the agency's budget process.

While the capital planning process is centrally developed and managed, our needs assessments that inform our planning begin at the local level. We periodically evaluate our field offices to ensure that their size and location align with workloads. We consider many factors – growing workloads, changing staff levels, changing technology and customer preferences, and shifting demographics and population. These reviews help us identify gaps and options to resolve them. We have memorialized the decision-making processes for regional public facing facilities within the Service Area Review and more recently finalized a documented prioritization process for the agency's delegated facilities.

In addition to our regular space review process, we assess our larger, nonpublic-facing sites for opportunities to make more efficient use of our space. We look at factors such as lease rates, expiration dates, and utilization rates, both at the non-public facing site and at nearby offices that may be consolidated into the larger, non-public site. These factors represent potential gaps in our utilization of our real property portfolio. Depending on the complexity of the non-public-facing site and potential options, we may also conduct feasibility studies. These studies determine if we can reduce our footprint either by eliminating a lease and consolidating nearby offices into the large, non-public-facing site or making more efficient use of space within the non-public-facing site by consolidating space within the facility and returning the unneeded space to the General Services Administration (GSA). While we are responsible for the operations and maintenance of 17 non-public-facing facilities for which GSA has delegated to us the authority to directly manage, we do not own or have delegated leasing authority for these facilities.

In conjunction with evaluating our long-term space needs, we have identified several opportunities over the next several years to reduce space at some of our non-public facing locations. These opportunities correspond to upcoming lease actions or support General Services Administration (GSA) priorities.

U.S. Agency for International Development

As part of USAID's Washington Real Estate Strategy (WRES) and in response to OMB's Reduce The Footprint directive (Memorandum M-12-12, Nov. 25, 2016), USAID has consolidated from eight occupied federal buildings to four, with two main headquarters buildings in Washington, DC. In 2015, the General Services Administration (GSA) reported that USAID's baseline usable square feet (USF) was 909,001. Under the WRES, the Agency began the process of terminating five occupancy agreements in 2020 for the following properties:

- 1717 Pennsylvania Avenue, NW, Washington, DC 26,832 USF
- Crystal Park 3, 2231 Crystal Drive, Arlington, Virginia 42,306 USF

- 2 Potomac Yard, 2733 Crystal Drive, Arlington, VA 70,628 USF
- CP3 (Global Health), 2100 Crystal Drive, Arlington, VA 74,584 USF
- Federal Center Plaza II (Original SA-44), 400 C, SW, 171,092 USF

This reduction totaled 385,442 USF. In December 2025, USAID will terminate its occupancy agreement for its remaining swing space located at 400 C Street, Washington, DC, further reducing the Agency's footprint by 42,773 USF.

USAID will update its Washington Real Property Acquisition and Management policy guidance (Automated Directive System 517) later this year to account for reduced space allocation standards and better utilize space in a hybrid work environment. It will also pilot the use of a corporate space reservation system to manage more effective use of unassigned, reservable seating to take advantage of workstations that are available with those who may be working off-site, on travel, training, or leave.