Social Security Administration

# Real Property Efficiency Plan

FY 2020 – FY 2024

September 2019

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# INTRODUCTION

The Social Security Administration (SSA) has maintained a record of accomplishment in real property efficiency. We continue to successfully meet the requirements of the Reduce the Footprint (RTF) mandates. At the end of fiscal year (FY) 2018, our RTF portfolio consisted of 11,261,426 useable square feet (USF) acquired through approximately 400 occupancy agreements (OA) we have with the General Services Administration (GSA). Our reduction from FY 2017 to FY 2018 totaled 182,040 USF[1]. Compared to our FY 2015 baseline of 11,701,596 USF, our total overall reduction through FY 2018 is 440,170 USF, or 3.8 percent.

We continue to focus on real property efficiency. In our 2018 Real Property Efficiency Plan submission, we anticipated reducing our footprint by 25,000 USF for FY 2019. Highlights of our 2018 plan included the following initiatives:

- Relocation of our headquarters office in Washington, DC; and
- Implementation of space sharing in a Boston, MA office.

As of September 2019, our long-term Real Property Efficiency Plan includes an additional 1,005,000 USF[2] reduction in office space from FY 2020 through FY 2024.

We prepared and submitted this plan in direct response to existing requirements mandated in the Office of Management and Budget's (OMB) Management Procedures Memorandum 2015-01, *Implementation of OMB Memorandum M-12-12 Section 3: Reduce the Footprint* (March 25, 2015).

We will use the following strategies to reduce our footprint and increase real property efficiencies:

- Continue our centralized space acquisition approval process;
- Pursue field and hearing office collocation opportunities when it makes business sense; and
- Continue to apply revised Space Allocation Standards (SAS) for office renovations and space actions, including existing and expiring leases.

**Agency Summary**

We have approximately 63,000 Federal employees and 15,000 State employees that serve the public from a network of more than 1,500 offices across the country. Our offices consist of regional offices, field offices (including Social Security card centers), teleservice centers, processing centers, hearing offices (including satellite offices and national hearing centers), the Appeals Council, and our headquarters in Baltimore, MD. Most of our employees provide direct service to the public or support other employees that serve the public.

[1] The 182,040 USF reduction includes 138,672 USF of the Altmeyer building. GSA temporarily removed the Altmeyer building from our portfolio in FY 2019 while it is being renovated; we expect to return the building to our inventory in FY 2021.

[2] The 1,005,000 USF reduction includes having the Altmeyer building returned to our portfolio.

Our field offices and Social Security card centers are the primary points of contact for in-person service with the public. Our teleservice centers primarily administer telephone calls to our National 800 Number.

Employees in our processing centers process Social Security retirement, survivors, and disability payments and perform a wide range of other functions, including answering telephone calls to our National 800 Number.

We have strong partnerships with our 52 State disability determination services and depend on their employees to make disability determinations. Administrative law judges in our hearing offices and administrative appeals judges in our Appeals Council decide appeals of Social Security and Supplemental Security Income decisions.

## ROLES AND RESPONSIBILITIES OF SENIOR OFFICIALS

*Office of the Commissioner*

In the Office of the Commissioner, the Commissioner provides high-level direction for our real property program. Our Chief Financial Officer (CFO) is a senior executive position within the Office of Budget, Finance, and Management (OBFM), who reports directly to the Commissioner. The CFO oversees the agency's financial policy and budget programs and is responsible for ensuring the agency's real property program supports the agency's mission.

*Office of Facilities and Logistics Management*

The Office of Facilities and Logistics Management (OFLM) within OBFM oversees facilities agency-wide and provides products and services necessary for the agency to carry out its mission in a safe, healthy, and supportive work environment. OFLM delivers a wide range of services to the agency, including supply management, warehousing, transportation, maintenance, construction, and repair. OFLM also administers our national real property program, which includes planning and overseeing large scale building projects, developing and tracking the budget for all leased buildings and spaces, managing real property assets, and maintaining our headquarters Master Housing Plan and SAS.

*Senior Real Property Officer*

The Senior Real Property Officer (SRPO) is an executive within OBFM who serves as the agency's real property asset manager. The roles and responsibilities of this position include developing, managing, and implementing our Real Property Efficiency Plan.

The SRPO is also responsible for formulating our annual real property budget. We incorporate the annual real property budget with the total agency budget request to create a comprehensive agency budget submission, which receives CFO approval.

## BUDGET ASSUMPTIONS AND IMPACT TO REDUCTION TARGETS

We issue a yearly budget assignment to all agency components to capture planned and prospective space changes for inclusion in the upcoming President's Budget submission. We use this information to determine our budget changes and request funding. For areas that lack major space changes, we assume a minimal increase to account for rent and operating cost increases. We also consider any known projects and include them in our budget determinations. Using these methods, we have successfully accomplished agency initiatives, reduced our footprint, and maintained our spending levels within our requested budget allocations. Our FY 2018 total rent costs increased slightly by 0.5 percent from the FY 2017 total. Our space reduction efforts have allowed us to have a minimal increase of 0.9 percent in total rent costs over the last five years.

## PORTFOLIO STATUS

*Overall Agency Building Portfolio*

As of September 30, 2018, our overall real property portfolio consisted of 1,558 buildings comprised of approximately 24.7 million USF obtained via OAs through GSA. Of the 24.7 million USF, 17.9 million is leased space and 6.8 million is Federally owned space. Over the last five years, our overall building portfolio size has decreased each year with a cumulative reduction of just under 1.5 million USF. We have realized a reduction in Federal space in our portfolio over the last five years, from 7.6 million USF in FY 2013 to 6.8 million in FY 2018. The size of our leased facilities has decreased as well, from 18.6 million USF in FY 2013 to 17.9 million in FY 2018.

We are responsible for administering critical programs that require direct contact with the public, which necessitates that our facilities are located in areas that offer easy public access. Centrally locating our offices in business districts with access to public transportation, while factoring in our workload volumes, determines how many offices we need and the best location for each. With the possibility of workload and population changes, it is prudent for us to locate offices in areas with the greatest need for our services. These areas often fall in locations without Federally owned buildings, which contribute to our large number of leased facilities.

**FY 2018 Overall Building Portfolio Summary per Federal Real Property Profile Submittal (All Property, including the RTF Baseline Properties)**

| | Direct Lease Space | Owned Space | OA Space |
|---|---|---|---|
| **Office** | **0** | **0** | **10,648,313** |
| **Warehouse** | **0** | **0** | **613,114** |
| **All Other** | **0** | **0** | **13,489,319** |

*Status Relative to Reduce the Footprint Baseline Requirement*

Our FY 2018 RTF portfolio shows that we occupy approximately 11.3 million USF in leased and Federally owned buildings (not including data centers or public facing facilities). GSA excludes data centers and public facing facilities from the RTF portfolio due to the classification of space by predominant use code. The RTF portfolio only includes space with a predominant use code of "office" or "warehouse" in GSA's data dictionary. We obtain all space via OAs with GSA. We do not use tools, such as enhanced use lease authority, construction/purchase authority, or direct lease authority to manage our portfolio.

The Reduce the Footprint Status chart summarizes our RTF status and compares our FY 2018 actuals to our FY 2015 baseline totals. From our FY 2015 baseline to FY 2018, we decreased our USF by 3.8 percent and increased our rent by 0.5 percent.

| **Reduce the Footprint Status** | | |
|---|---|---|
| **Fiscal Year** | **Useable Square Feet** | **Annual Rent Costs** |
| 2015 (Baseline) | 11,701,596 | $756,096,930 |
| 2018 (Actuals) | 11,261,426 | $759,642,308 |
| 2018 Change from 2015 | -3.8% | 0.5% |

Our FY 2018 reduction was 182,040 USF, bringing our total reduction from the FY 2015 RTF baseline to the end of FY 2018 to 440,170 USF. Most of our FY 2018 space reductions came from the following space actions:

- Vacated one teleservice center in Cleveland, OH;
- Consolidated three offices from leased facilities into the Harold Washington Social Security Center in Chicago, IL; and
- Removed a headquarters building in Woodlawn, MD from our portfolio during renovations.

We are currently undergoing a major renovation to one of our headquarters facilities, the Altmeyer building. GSA temporarily removed the building from our portfolio until completion of the renovation, increasing our FY 2018 reduction by 138,672 USF. Upon completion in FY 2021, the Altmeyer building will return to our inventory, which will count as an increase in our real property portfolio.

We continue to enforce our SAS in all office relocations nationwide and seek opportunities to collocate our field and hearings operations, wherever possible. Collocating our operations allows us to maximize the use of our resources and reduce operating costs by sharing conference rooms, information technology (IT) support space, restrooms, reception areas, security services, and equipment.

*Maintenance of the Reduce the Footprint Baseline*

We pursued several initiatives to implement our plan to reduce our portfolio beyond our FY 2015 baseline. The initiatives include space negotiations with our Unions, model field office initiatives with increased space efficiency, headquarters office space optimization, collocation opportunities, and space sharing.

***Union Negotiations***

Listed below are initiatives regarding space standards and space sharing that involve Union negotiations.

I. **Pre-Decisional Involvement (PDI) for Space Standards** – The Office of Hearings Operations (OHO) began PDI with the Unions in January 2015 to discuss the Hearing Office Space Standards. Following completion of the PDI discussions, OHO worked with facilities staff to incorporate recommended space standards into the agency's revised SAS, which we implemented in June 2019.

II. **National Treasury Employees Union (NTEU) Space Sharing** – Our agency and NTEU reached agreement on procedures for space sharing when an employee teleworks more than two days per week. The agency agreed to implement space sharing in accordance with a Memorandum of Understanding (MOU) with the NTEU in September 2015.

III. **American Federation of Government Employees (AFGE) Space Sharing** – Our agency and AFGE reached agreement on space sharing for employees within components who currently telework more than two days per week. The agency agreed to implement space sharing in accordance with an MOU with AFGE in January 2016.

IV. **Office Furniture Improvements** – In March 2018, we reached an agreement with AFGE Local 1923 to standardize our headquarters furniture workstations and reduce the size of each workstation to 36 square feet (SF). In June 2018, we negotiated with AFGE at the national level, but failed to reach an agreement to standardize our furniture workstations for all agency offices. AFGE filed a grievance as a result of the June 2018 negotiations; however, we made the decision to implement the new workstation nationally on November 1, 2018.

### *Model Offices*

We are working on several initiatives to explore new field office models to improve office designs, while continuing to fulfill our duty to serve the public. In the Chicago and Philadelphia regions, we have designed model field offices to explore alternate options for serving the public beyond the standard field office model. These offices will create an environment for field offices to explore emerging technologies and employ new furniture and office designs, as well as new and improved service delivery methods. The Chicago and Philadelphia model field offices opened to the public on November 2017 and August 2018, respectively.

In the Chicago and Philadelphia model field offices, we are exploring the feasibility of various initiatives. Any successful elements may result in further implementation to additional offices in the future. While the design models generally apply to field offices, which are public facing space, many of our field offices are located in buildings designated as predominantly office space. Therefore, this initiative may result in substantial reduction benefits to our Real Property Efficiency Plan.

### *Headquarters Campus Initiatives*

We continue to evaluate the long-term need for leased space surrounding our headquarters campus in Woodlawn, Maryland. As a result, we have updated our long-term plan, originally drafted with GSA in 2013, which seeks to reduce leased space and maximize occupancy within our Federally owned buildings to address our current and future housing needs. Specifically, we have several projects in construction, design, or planning phases at our headquarters campus that will lead to significantly improved space utilization. Some of the highlights of our ongoing projects are:

(1) *Perimeter East Building* – In February 2019, we completed a renovation of the third floor of the agency's Perimeter East Building, formerly known as the National Computer Center. In this project, we repurposed an IT environment to office space, creating space for approximately 500 additional occupants. Additionally, in FY 2019, we coordinated with GSA to fund multiple reimbursable work authorizations for additional projects to further improve the building's infrastructure and increase space utilization.

(2) *Altmeyer Modernization Project* – We are currently in the construction phase for a full modernization of the Altmeyer building, the oldest facility on our headquarters campus, scheduled for completion in FY 2021. Prior to construction, we relocated approximately 475 occupants from the Altmeyer to other space within the headquarters campus. We achieved this relocation by identifying space within existing component boundaries and utilizing new, more efficient space allocations and office sizes. After extensive data gathering and analysis, we determined we could improve on our standard utilization rate (UR) of 200 USF/person and target a more efficient UR of 150 USF/person for this renovation. The Altmeyer building will house approximately 800 employees when completed in FY 2021.

(3) *West High/Low Rise Buildings* – In FY 2019, we completed a prospectus development study with GSA to renovate the West High and Low Rise (WHLR) buildings. Collectively, these buildings house approximately 450 occupants; however, we expect that, following renovation, the buildings will house over 1,000 employees. As with the Altmeyer building, we are targeting a UR of 150 USF/person. We are seeking completion of the WHLR renovations in FY 2024.

(4) *Space Optimization at Headquarters* – In addition to these major renovation projects, we are currently performing renovations using more efficient workplace standards, such as standardized offices and workstations, further maximizing our use of Federally owned space at our headquarters campus. Our optimization efforts include the implementation of a more efficient furniture workstation, the SA3654, which measures 6 feet x 6 feet. The SA3654 represents a significant reduction in our furniture workstations, from 54 and 72 SF to 36 SF. We have also reduced our standard office size to 100 SF, while improving our shared collaborative space, including conference and focus rooms. Our optimization initiative will greatly increase our headquarters building capacity, improve our overall UR, and enable us to reduce our dependency on nearby leased space.

    We have also engaged our national architecture and engineering contractor to conduct a series of studies for the full optimization of several buildings on campus, with the ultimate goal of allowing us to increase our overall campus occupancy. Our anticipated projects include renovation work to augment building infrastructure to accommodate life/safety, egress, mechanical, electric, and other infrastructural needs; installation of new 36 SF workstations; and renovation and construction of offices, conference rooms, and shared space to increase efficiency of use. As we receive funding for these projects, they will continue beyond FY 2024.

(5) *Security West* – GSA renegotiated one of our large area leases, Security West (SW), in FY 2018. SW houses approximately 2,000 employees who process complex disability claims and post-entitlement actions. GSA has extended this lease for 10 years with a 3-year fixed term for the SW High Rise and a 5-year fixed term for the SW Low Rise. Completion of the projects noted above will enable us to create sufficient capacity on campus to vacate this lease by FY 2024, resulting in a space reduction of 717,011 USF. In December 2018, we moved 50 employees out of SW into Federally owned space on our campus. In FY 2020, we plan to move another 130 employees from SW into Federally owned space on our campus. We are currently developing plans for FYs 2021 – 2023.

### *Reported Projects Status*

Our FY 2015 RTF submission included three projects with planned reductions to office and warehouse space that we could track publicly. The projects included the closing of our Preston Gateway Warehouse, the collocation of our Saddlebrook, NJ teleservice center with our Hackensack, NJ field office, and the reconfiguration and reduction of space in our Hartford, CT field office.

Of these tracked projects, we have completed two: closing the Preston Gateway Warehouse and collocating the Saddlebrook, NJ teleservice center and the Hackensack, NJ field office. We added two new projects in 2016 for tracking purposes: the consolidation of our Washington, DC headquarters offices and the relocation and space reduction of our Boston Office of Quality Review (OQR) office.

Our Hartford, CT field office space reduction remains from our original list. Since the last submission, GSA conducted a cost analysis and noted there would be significant savings in moving this office into a Federal facility. GSA re-categorized and removed this facility from our current Real Property Efficiency Plan because the office is a public facing facility. However, once the office moves into a Federal facility, it is likely that GSA will re-categorize the office back to office space (depending upon the predominant use code of the other occupying agency) and may be returned to our RTF list. The projected move for this office is at the end of FY 2021.

We consolidated our Washington, DC offices into a single leased facility to improve our space utilization and reduce our overall USF. In FY 2017, we vacated one of our OAs in Washington, DC into our lease at the International Trade Commission (ITC) building, reducing our portfolio by 10,971 USF. In February 2019, we vacated the ITC building on 500 E Street and moved to a new facility on 250 E Street, which further reduced our portfolio by approximately 17,000 USF.

In June 2019, we relocated our Boston OQR from leased to Federally owned space, reducing our footprint by approximately 8,000 USF. In part, we accomplished this reduction in space by implementing space sharing.

## REDUCTION TARGETS

*Reduction Targets for Office and Warehouse Space*

To ensure we meet our annual reduction targets, the SRPO reviews and approves all space requests. To align with the President's Budget process, we compile data from regional-level offices that report any moves, closures, relocations, and other space changes for the current year and two years into the future.

We are not required to set a warehouse reduction target because we do not have more than 200 warehouses in our portfolio.

Based on our national portfolio of expiring leases, we will apply our SAS to optimize our facilities and further reduce our footprint as estimated in the table on page 11. These estimates include all net planned reductions of office space included in our RTF baseline.

**Domestic Office and Warehouse USF Reduction Targets FY 2020-2024**
**(Rounded down to nearest five thousand)**

| | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | Total FYs 2020 - 2024 |
|---|---|---|---|---|---|---|
| Office Target* (Net USF Reduction) | 55,000 | -105,000** | 155,000 | 0 | 900,000 | 1,005,000 |
| Warehouse Targets* (Net USF Reduction) | N/A | N/A | N/A | N/A | N/A | N/A |

*Reductions are reported as a positive value.
** Negative value is the result of the Altmeyer being returned to our portfolio.

The attached *SSA RTF Template - September 2019* spreadsheet provides details about the space changes shown in the table above. Many of our office moves are procurement sensitive; therefore, we do not track them publicly. Our estimated reduction in RTF includes significant projected savings from our offices in Dallas, Chicago, Falls Church, VA[1], and headquarters buildings located in Woodlawn, MD. For example, in Chicago, we are consolidating multiple leases into the Harold Washington Social Security Center, saving approximately 60,000 USF in FY 2021.

However, we also anticipate the addition of the Altmeyer building back into our portfolio in FY 2021 will offset and exceed the reductions we estimate for that year. Similarly, pending budget approval, we plan to renovate two other headquarters buildings, our WHLR buildings, resulting in another reduction in FY 2022. We expect those buildings will return to our portfolio tentatively in FY 2025. Currently, we do not have any reductions planned for FY 2023, but are continuously working towards a large headquarters reduction of our SW leased building expected in FY 2024. All project funds are subject to budget approval.

*__Disposal Targets for Owned Buildings__*

Our agency does not have any owned buildings.

[1] The agency is engaging GSA to identify federally owned space in the National Capital Region where we could relocate Falls Church employees instead of pursuing a lease replacement or lease consolidation options.

*Use of Performance Benchmarks to Identify Reduction Opportunities*

**Benchmark Metric Summary for Social Security Administration**

| **Benchmark Metric** | **FY 2015** | **FY 2018** | **Change** (To be shown as an increase or decrease) | **Government-wide Average** |
|---|---|---|---|---|
| SF per person Direct Lease Office | N/A | N/A | N/A | N/A |
| SF per person Owned Office | N/A | N/A | N/A | N/A |
| SF per person GSA OA Office | 301.05 | 293.17 | -7.88 SF per person | 252.7 |

| **Benchmark Metric** | **FY 2013** | **FY 2018** | **Change** (To be shown as an increase or decrease) | **Government-wide Average** |
|---|---|---|---|---|
| Rent per SF Direct Lease Office | N/A | N/A | N/A | N/A |
| Rent per SF GSA OA Office | $27.16 | $21.12 | -$6.04 per SF | $28.01 |
| O&M/SF Owned Office | N/A | N/A | N/A | N/A |
| Rent per SF Direct Lease Warehouse | N/A | N/a | N/A | N/A |
| Rent per SF GSA OA Warehouse | $6.24 | $6.25 | +$0.01 per SF | $10.87 |
| O&M/SF Owned Warehouse | N/A | N/A | N/A | N/A |
| Percent of Owned Portfolio SF with Facility Condition Index of 85 or greater | N/A | N/A | N/A | N/A |

We use the performance benchmarks and dashboard to help us identify and prioritize real estate projects. We also use internal and external data to make data-driven decisions. These tools help us identify opportunities for real property efficiencies and improvements and reduce the size of our inventory by prioritizing actions to collocate and dispose of unneeded properties.

We review office URs while compiling benchmarking data to identify any offices that have opportunity for space savings. We also use the Benchmarking Initiative website and the Asset

Consolidation and Real Property Management tools available on the OMB Max portal website to review URs. However, relying on URs alone is not the only indicator of opportunities for space savings. Aside from URs, we must also consider the office use (i.e., whether the office includes public facing space to deliver mission critical services or special space, such as interactive video teletraining studios). We will use these criteria to perform an ongoing analysis of our portfolio to identify additional opportunities for reducing our real estate portfolio.

*Space Design Standard for Future Reductions*

In April 2012, we implemented a space design standard, for both field offices and large facilities, which reduced the amount of space we request from GSA. Our SAS policies ensure consistency in space requirements submitted to GSA across regions and from one office to another. Our design standard incorporates the office-space design standard of 200 USF per person (employees and contractors) for all non-public contact space as an achievable target goal for future space actions. As of August 2016, we fully integrated the space design standard of 200 USF into the agency's internal policy and documented it via our Administrative Instructions Manual System, which is accessible to all employees on our intranet. While the agency's standard UR is 200 USF per person, we will target a UR goal 150 USF per person to maximize our space savings opportunities to the extent possible for all future prospectus-level projects (excluding public facing and special space).

In June 2019, we completed the process of updating and implementing our revised SAS, which includes a smaller, 36 SF workstation design. We are reducing customization of furniture to save costs and optimizing size by applying modern storage and equipment requirements, as well as implementing space sharing for teleworking employees. This model will allow us to further reduce our real property footprint, given that workstations comprise a significant amount of our space requirements. Additionally, we are employing a significant reduction in office sizes for executives and managers, providing more efficient layouts and further assisting us in successfully meeting or exceeding our goal of 200 USF for future projects.

Prior to finalization of our new SAS, we began implementation where it was feasible and made business sense. Specifically, we accomplished the following:

- In April 2018, we established that the Altmeyer Modernization Project would include 36 SF workstations and 100 SF offices for managers and executives below the Deputy Commissioner level.
- In November 2018, we decided to adopt the new workstation standards as part of an optimization-renovation of our Dallas Regional Office. We anticipate completion of this project in FY 2021. Additionally, we plan to incorporate space sharing within this site for two of the components who have employees that telework more than two days per week.
- In December 2018, we completed an MOU that outlines the immediate implementation of 36 SF workstations and 100 SF offices for future renovations throughout the headquarters campus.
- In January 2019, we implemented new space requirements for all new lease actions to include 36 SF workstations and reduced offices sizes.

*Utilization Rates*

**Social Security Administration Utilization Rate**

| Headquarters/Bureaus | Administrative Office UR |
|---|---|
| Social Security Administration | 293 USF per person |

While the agency's standard UR is 200 USF per person, we are committed to a target UR of 150 USF per person, excluding public facing space or special space, for all prospectus-level projects. For new office space projects, we are introducing smaller workstations and office sizes. Implementing these changes on a large scale will have a substantial effect on our UR; however, it will take some time for these changes to become apparent over the larger portfolio.

Our RTF FY 2018 baseline numbers in the benchmarking submission show an office space UR of 293 USF per person. There are still many public facing facilities counted as office space in our RTF baseline, which can skew our UR since our field and hearing offices have large amounts of space solely for public use. These facilities still cause some deviations to our UR.

## GSA CONSOLIDATION PROGRAM

We received funding for three projects through GSA consolidation funds: offices in West Palm Beach, FL; Richmond, VA; and Pittsburgh, PA.

- We completed the office in West Palm Beach, FL in FY 2017. Design and construction funding totaled $5.4 million, of which $2.6 million was consolidation funding.
- We are working toward completing a project for our OHO in Richmond, VA. The total project cost is $3.1 million, of which $2 million came from consolidation funding. We expect to complete this project in FY 2020.
- We are working toward completing a project for our Office of Operations in Pittsburgh, PA. The projected cost is $4.7 million, of which $2.7 million came from consolidation funding. We expect to complete and occupy this space in FY 2020.

GSA also plans to submit for shell-only funding of a renovation project in Hartford, CT in FY 2020. Assuming approval of this project, the Hartford, CT office would be occupied in FY 2021. The relocation from leased space to the Cotter Federal Building in Hartford, CT would save over $280,000 annually.

**GSA Consolidation Program Funding Request FY 2020-FY 2024**

| Consolidation Project Building Name and Number | FY Submission (e.g., FY 2020, 2021, 2022, 2023 or 2024) | Consolidation Type (e.g., Leased to Owned, Owned to Contraction, or Owned to Consolidation) | Consolidation Impact (Net SF Reduction) | Total Consolidation Funds Requested |
|---|---|---|---|---|
| CT3403 | FY 2020 | Leased to Owned | 1,884 | $738,336 |

## OPERATIONAL EFFICIENCIES

In FY 2018, we came to an agreement with GSA to change our standard firm term lease from 5 years to 10 years. GSA collected data showing the Government gets better lease rates and more competition when we advertise a longer firm term. GSA also indicated that its data showed that most agency tenants tend to stay in their space longer than five years, which conforms to our typical office needs. In the future, unless there are compelling reasons why the longer lease term does not make good business sense, we will pursue 10-year firm term leases as standard practice.

We are also continuing the process of digitizing data stored on microfiche film in two of our facilities. This process results in reduced storage needs at these facilities. We are evaluating the spaces in which the microfiche is held to determine if it can be converted to office space to improve space utilization. We are also assessing if we have the capacity to vacate the leased space, which would reduce our overall real property footprint. At this time, we do not anticipate these reductions before FY 2024.

Further, we continue to modernize the Building Information Management system for our headquarters main complex buildings. In FY 2018, we completed the conversion of all our building AutoCAD drawings to Revit 3D models, and we continue to update and improve to ensure we have accurate and current building information. Moreover, we are coupling this effort with the use of software that will enable us to quickly and accurately identify all space types within our buildings (office, workstations, conference, etc.) and identify vacancies. We are currently working with various building components to validate our data. Ultimately, we will use this data to improve space utilization, referenced in Space Design Standard for Future Reductions.

We continue to work internally to improve our tools to assist us in monitoring our real estate portfolio. Our internal database, REALT, uses GSA's billing and property information to process the financial aspect of our real estate portfolio, while providing a platform to process space changes. We also use a database that matches agency-specific office designations to the corresponding GSA building. Both of these applications allow us to determine proper billing, track our portfolio, and answer space inquiries.

## COMPLIANCE INTERNAL CONTROLS

In FY 2012, we modified delegations of space acquisition authority from our 10 regional offices to a single signatory for all requests for space. Consequently, our SRPO reviews and approves all requests for space before submission to GSA. We established a headquarters-based team to work with our regional offices and GSA to monitor the increases and decreases in office and warehouse space. This centralized process allows us to:

- Closely monitor our real estate portfolio against the established baseline;
- Consider collocation opportunities;
- Prioritize legitimate competing space requests across our portfolio, based on business case justifications, cost benefit analysis, and planning needs; and
- Ensure compliance with our SAS to confirm efficient space use.

We currently use an internal tracking system, REALT, to manage all space requests. The process for evaluating space requests includes the following tasks:

1. OFLM provides our regional counterparts with a list of leases expiring in the next 36-40 months to ensure we submit requirements to GSA in a timely manner. Approximately three years before a lease or OA expires, a regional representative prepares a space request package and submits it electronically to OFLM.
2. The space request package includes a space computation worksheet based on the appropriate SAS, information related to the current OA, and pertinent background information.
3. An OFLM analyst reviews the space request package for SAS compliance and evaluates the impact of the request on our real property footprint, including our best business case and cost benefit analysis.
4. The analyst makes a recommendation to, and requests approval from, the SRPO.
5. With SRPO approval, the OFLM analyst submits the request for space to GSA.
6. OFLM analysts continue to monitor the space acquisition process to ensure regional and GSA actions conform to our standards and receive appropriate approvals.

In addition to the process for evaluating space requests, we regularly request space acquisition data from the 10 regions to track upcoming projects. We compare the data to our headquarters database and data obtained from GSA to ensure we adequately capture all upcoming projects.

There are instances where it makes better business sense for us to deviate from the standard office space design requirement. Examples include an office that is over-sized for its current location per our SAS, but would cost the agency more to move the office than to pursue a new lease in the current location. To determine the best course of action, we perform a standardized cost benefit analysis during the initial space request process before sending it to the SRPO for approval. Our analysis helps to ensure that we are making the best use of Government funds.

We conduct annual reviews of field offices to assess service delivery and determine if any changes are necessary to serve the public more effectively. Our reviews consider projected changes in workloads, local populations, demographic trends, and area-specific factors that may affect staffing and service levels. The focus of the reviews is to align anticipated staffing growth rates with workload and population trends.

Although our continued presence is necessary in numerous locations across the country, we are making concerted efforts to restrain real property growth. We evaluate potential collocations and pursue them where it makes business sense and does not adversely affect customer service. In addition, we work diligently to avoid lease overlaps (i.e., double rent) when moving an office from one location to another. We continue to work with GSA to investigate potential collocations with other Federal agencies. Collocating allows us to share amenities, such as reception areas, restroom facilities, back-end office areas, and security functions, while serving the public at a single, rather than multiple, locations.

## FRPP DATA QUALITY IMPROVEMENT

We are not required to report directly to the Federal Real Property Profile (FRPP) because we obtain all of our real property through GSA via OAs. We work with GSA to verify that our data is correct before GSA submits the OA directly to the FRPP.

## CHALLENGES AND IMPROVEMENT OPPORTUNITIES

We have several challenges to achieving further reductions to our 2015 RTF baseline, including our community-based infrastructure and need to serve the public in person; the classification of some of our offices; and our labor obligations.

Our community-based infrastructure and the need to serve the public in-person present challenges to achieving further reductions. While technology and online services are part of our focus in reaching the public, we still require a physical presence across the country to offer face-to-face services. Due to the continuing need to serve the public face-to-face, our agency has a relatively high space UR. Our FY 2015 benchmarking data indicated that our agency had an UR of 301 USF per occupant. During FY 2015, we were approximately 44 percent above the median. We have over 1,200 field office sites and over 160 hearings office sites, which represent most of our footprint. These offices require public space, which increases our overall USF per person as an agency. Our larger sites do not have the same public space requirements and, therefore, do not face the same UR challenges, but represent a much smaller fraction of our footprint.

When revising any of our office space policies or design standards, we must meet labor obligations with three separate Unions: AFGE, NTEU, and the International Federation of Professional and Technical Engineers. Ensuring we collaborate appropriately with our labor partners adds to the time required for implementing new space standards. As cited in Space Design Standard for Future Reduction, we implemented a new standard workstation (at 36 SF), as well as offices that are significantly smaller than our legacy furniture workstations and offices. While the implementation of the new furniture workstations and reduced office sizes will result in increased capacity and improved utilization, the new standards will initially result in increased analysis and workload when developing new floorplans.

We continue to focus on footprint reductions by optimizing opportunities as they become available.  We have begun to review properties and use lease expiration opportunities to reduce the size, while increasing the efficiency of our offices consistent with the revised SAS requirements.  Additionally, we have begun to implement these standards as cited on page 9, Space Optimization at Headquarters.  We continue to identify opportunities for improved space sharing, including desk sharing and hoteling.  We will also continue to collocate agency offices where available and with other Federal partners, when it proves operationally and economically beneficial.

## ATTACHMENTS

Attached is the following Excel template:

- Office and warehouse asset changes

Please submit RTF plans and accompanying templates to Chris Coneeney at rtfplan@gsa.gov and to Bill Hamele at William_F_Hamele@omb.eop.gov.

The signatories below certify that the information in our FY 2020 through FY 2024 Real Property Efficiency Plan: Reduce the Footprint Policy Implementation is complete, accurate, and complies with existing policy.

________________________________________ 09/06/2019___________
Date

Marc A. Mason
Senior Real Property Officer
Associate Commissioner for Facilities and
Logistics Management
Social Security Administration

________________________________________ 09/06/2019______________
Date

Michelle A. King
Chief Financial Officer
Deputy Commissioner for Budget, Finance,
and Management
Social Security Administration

________________________________________ 09/12/2019______________
Date

Andrew Saul
Commissioner
Social Security Administration