



GSA Public Buildings Service

# National Policy Document for Reimbursable Work Authorizations

January 2016



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## Chapter 1: Introduction

### 1. Purpose and description of document.

a. The purpose of this Reimbursable Work Authorization National Policy Document (RWA NPD) is to update the Public Buildings Service's (PBS) mandatory policies regarding the use of RWAs so that those policies are consistently applied across all of PBS. The RWA NPD is the primary resource for use by PBS and the General Services Administration (GSA) for RWA policies.

b. This directive may be distributed in its entirety to PBS Client Agencies and other interested parties. (Note: All references and hyperlinks contained in the document are current as of the date of publication. However, some references may be accessible by GSA personnel only. Please contact your RWA Manager for assistance or additional information.)

### 2. Applicability, scope, and contents.

a. The RWA NPD is a manual issued periodically by the Assistant Commissioner for Project Delivery. The Office of Management and Budget (OMB) Circular A-123, Management's Responsibility for Internal Control, directs GSA to manage Reimbursable Work Authorizations with integrity and in compliance with Federal law. This RWA NPD provides specific guidance to implement that mandate. (For more information, please go to OMB Circular A-123 at the following hyperlink: [http://www.whitehouse.gov/omb/circulars\\_a123\\_rev/](http://www.whitehouse.gov/omb/circulars_a123_rev/).) The RWA NPD contains updated policies derived from changes in, or re-interpretations of fiscal law, interim RWA Bulletins, GSA orders, Federal regulations, memoranda from the GSA Chief Financial Officer (CFO), audit recommendations and corrective action plans, and other relevant programmatic guidance so that those policies are consistently applied nationally across all of PBS. A summary of substantive changes and links to those changes appears in the manual at Table 2: Summary of Substantive Changes to the RWA NPD.

b. GSA is accountable for the implementation and effectiveness of its management controls, so it is imperative that the RWA NPD is strictly applied.

3. Internal controls. The RWA NPD sets forth policies for PBS's use of RWAs. While policy is an important component to a sound internal control structure, it cannot stand alone. PBS (including PBS program, project, and other personnel) are responsible for establishing and maintaining internal controls over day-to-day operations so that PBS's use of RWAs accomplishes its mission, goals, and objectives. For more information, please see the following hyperlink: [Internal Controls at the General Services Administration Desk Guide.](#)

4. Structure of the RWA NPD. The RWA NPD's structure is as follows:

Table 1: Structure of the Reimbursable Work Authorization National Policy Document	
Chapter Number and Title	Purpose
Chapter 1: Introduction	Provides introductory remarks, including background and scope of the RWA NPD, as well as a summary of major changes.
Chapter 2: History and Overview of the Reimbursable Work Authorization	Provides background information on GSA and RWAs.
Chapter 3: Reimbursable Work Authorization Definition and Classifications	Defines the RWA and presents a brief description of RWA classifications and the various RWA types.
Chapter 4: Reimbursable Work Authorization, Small Project, Capital, and Prospectus Project Life Cycles	Describes the use of the RWA project life cycle as it applies to the small, capital, and prospectus projects management life cycle, including detailed requirements of the RWA.
Chapter 5: Pricing	Describes pricing policy for various reimbursable services.
Chapter 6: Billing, Payment and Collection Methods	Describes billing, payment and collections policy.
Chapter 7: Fiscal Year-end Processing	Describes policy for fiscal year-end closing, including cancelling RWAs and the obligation of "Unfilled Customer orders."
Appendices:	
A. Glossary	Defines terms, abbreviations, and acronyms applicable to RWAs and to the RWA NPD.
B. Useful Web Sites	Lists pertinent Web Sites and a summary of available information.
C. Paying for Reimbursable Services Through the Rent Bill	Provides details on how client agencies may pay for recurring reimbursable services through the occupancy agreement (OA) tool and billing process.
D. Appropriations Law Primer	Provides the basics behind the principles of appropriations law that apply to the RWA process.
E. Reimbursable Work Authorization Types Quick Reference Guide	Provides a brief description and an example for each RWA type.

5. Document change process and explanation of changes.

a. This version (Version 4.0) of the RWA NPD replaces Version 3.0 of the RWA NPD issued August 22, 2012 (effective September 28, 2012) and all previous versions. The PBS Reimbursable Services Program within the Division of Project Delivery Excellence, Office of Project Delivery is the administrator of the RWA NPD. Through knowledge sharing and technical expertise, the Reimbursable Services Program supports a national group composed of program and project representatives from across GSA.

b. In addition to the purpose identified in the structure of the RWA NPD in table 1, highlights of substantive changes, issues addressed, and their respective locations within the RWA NPD are summarized in table 2, below:

Table 2: Summary of Substantive Changes to the Reimbursable Work Authorization National Policy Document			
Item #	Subject or Issue	Substantive Change	Location
1	Structure of the RWA NPD	Updates: Table 1 to include Capital and Prospectus Project Processes or Phases  Adds: Cancellation of an RWA under Fiscal Year-end Processing.	<a href="#">Structure of the RWA NPD</a> Table 1: Structure of the Reimbursable Work Authorization National Policy Document
2	Economy Act	Adds: New Figure 1 as a quick reference guide to clarify when the Economy Act is used to accept RWAs.	<a href="#">31 U.S.C. § 1535. The Economy Act</a>
3	Department of Defense Financial Management Policy	Removes: The Department of Defense Financial Management Policy and references Defense Department policy by hyperlink.	<a href="#">Department of Defense (DoD) Financial Management Policy</a>
4	Appropriations Law	Adds and defines: Reasonable Time, which states that, a "reasonable time" of 90 calendar days will be presumed to contractually obligate funds accepted from a client agency unless the RWA specifically provides otherwise, or there is no separate written agreement in effect at the time of acceptance of the	Appropriations Law, <a href="#">Reasonable Time</a>

Table 2: Summary of Substantive Changes to the Reimbursable Work Authorization National Policy Document			
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		RWA funds.	
5	Full Funding for Nonseverable Service RWAs.	Clarifies: That RWAs for nonseverable services may only be accepted by PBS where the amount of the client agency funding on the RWA is sufficient to fund the entirety of the scope of work on the RWA.	<a href="#">Requirements Development of the RWA, Full Funding</a>
6	Delegations of Authority for Micro-purchases.	Clarifies: That an RWA is required for all above standard services, including micro-purchases, unless delegated.  Added: The client agency has the option to use the Micro-purchase Delegation of Authority (DOA) to purchase the goods or services directly when the total estimated amount of the project or service is below the Micro-purchase Threshold.  Adds: Delegation of Authority Manual reference and link.	Delegation of Authority for Micro-purchases, <a href="#">Delegation of Authority</a>
6	Budget Activities (BA)	Clarifies: The description of and purposes for BA60 and BA61.	Budget Activities (BAs), <a href="#">BA60/61</a>
7	Classification of RWAs	Updates Figure 2 to add D-type and delete E-type under Nonrecurring RWAs.	<a href="#">Classification of RWAs, Figure 2 – Reimbursable Work Authorization Types and Services</a>
8	Nonseverable Services	Clarifies: That RWAs for nonseverable services may only be accepted where the amount of such client agency funding is sufficient to fund the entirety of the scope of work on the RWA. (See Prohibition of Incremental Funding for Nonseverable Services in chapter 4. Submission, Receipt and Acceptance of the RWA).  Deletes: A client agency may elect to fund a multi-year contract at a higher	<a href="#">Nonseverable Services</a>

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		<p>level in any fiscal year, up to the full amount of the remaining contract value.</p> <p>Adds: With regard to funding of <u>contract options under an RWA</u> for nonseverable services, as a general rule, a client agency does not have a <i>bona fide</i> need for an option until the option is exercised.</p>	
9	Recurring and Nonrecurring RWAs	<p>Updates: Definition of D-Type RWAs to align with C-Type RWAs.</p> <p>Memorializes: F- and N-Type RWA policy allowing multiple buildings having the same scope of work to be bundled on one RWA pursuant to the guidance provided by hyperlink.</p> <p>Clarifies: Guidance on F-Type RWAs.</p> <p>Updates: Definition of E-Type RWAs to reflect their transfer to the Office of Emergency Response and Recovery (OERR), Office of Mission Assurance (OMA).</p>	<p><a href="#">Recurring and Nonrecurring RWAs</a></p> <p><a href="#">Multiple buildings may be used on F-type and N-type RWAs pursuant to the guidance provided.</a></p> <p><a href="#">E-Type RWAs</a></p>
10	<p>Revises Chapter 4 to align with the RWA Life Cycle.</p> <p>Updates Table 3.</p> <p>Adds Table 4 and shows applicability of RWA Customer Letters.</p>	<p>Adds: Capital Projects Life Cycle Phase to Table 3 - Reimbursable Work Authorization Process Compared to Capital and Small Project Life-Cycle,</p> <p>Updates: Applicability of RWA customer letters.</p> <p>Adds: Table 4 - Automated Customer Letter Applicability by RWA Type.</p>	<p><a href="#">Chapter 4: Reimbursable Work Authorization Life Cycle Compared to Capital and Small Project Life Cycles</a></p> <p>Table 4: Customer Letters Required by RWA Type. Is the Customer Letter Required?</p>
11	Specifies full funding requirement for nonseverable service RWAs to Requirements	Adds: RWA requests for nonseverable services must be accompanied by funding sufficient to accomplish the entirety of the requested work, even if the work is scheduled to occur over	<a href="#">Full Funding</a>

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	Development.	multiple fiscal years.	
12	Updates GSA Cost Estimation requirements for the RWA.	Adds: A mandatory requirement for an Independent Government Estimate (IGE) and a Summary Cost Estimate (SCE) with every RWA, and that the IGE is the only acceptable cost estimate for RWAs, and adds that the specificity of the IGE will be left to the cost estimator and must be consistent with the PBS Project Estimating Requirements (P-120).	<a href="#">GSA Cost Estimation of the RWA</a>
13	Reinforces the requirement for use of electronic (digital) signatures on all RWAs in the RWA Entry and Tracking Application (RETA).  Removes the 30-Calendar-Day Client Approval Requirement and 90-Calendar-Day Validity Requirement for cost estimates	Adds: To eliminate the need for paper (i.e., hard) copies in MS Word or Excel to be uploaded, the use of electronic (digital) signatures shall be increasingly used by client agencies for submission, or by GSA personnel for acceptance, of RWAs in RETA.  Deletes: 30-Calendar-Day Client Approval Requirement for cost estimates.  Deletes: 90-Calendar-Day Validity Requirement for cost estimates using market conditions.	<a href="#">Copied, Electronic, or Digital Signatures</a>
14	Receipt of the RWA	Removes the timing requirement for issuance of Receipt Letter <u>within 5 business days of receipt</u> of the client agency-signed and dated RWA Form 2957.	<a href="#">Receipt of the RWA</a>
15	RWA Acceptance	Adds: An acceptance letter must be sent to the client agency and the RWA must be entered in "submitted" status into RETA within 5 business days of RWA	<a href="#">Acceptance of the RWA</a>

Table 2: Summary of Substantive Changes to the Reimbursable Work Authorization National Policy Document			
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		<p>acceptance.</p> <p>Clarifies: the minimum mandatory requirements for PBS acceptance of an RWA</p> <p>Revises: the definition of a scope of work.</p> <p>Adds: the requirement for an IGE and reaffirms the requirement for an SCE.</p> <p>Adds: the mandatory minimum requirements to be included or uploaded in the RETA file.</p> <p>Adds: the requirement for mandatory use of the RWA Scorecard.</p> <p>Adds: the requirement for full funding of overtime utilities through the period of a Continuing Resolution.</p>	<p><a href="#">Minimum Mandatory Requirements for PBS Acceptance.</a></p> <p><a href="#">RWA Receipt and Acceptance Scorecard</a></p>
16	Clarifies the requirement for GSA acceptance of an Interagency Agreement (IAA) and an RWA.	Adds: The client agency may require GSA to complete and sign additional funding documents such as the standard IAA form. When accepting IAAs and similar funding documents, PBS may sign the form but still requires a completed and signed RWA before performing the work. IAAs and other related funding documents are not substitutes for the RWA.	<a href="#">Acceptance of an Interagency Agreement in Addition to an RWA</a>
17	Clarifies the need and requirements for a milestone schedule at RWA acceptance if project tasks or activities will take place beyond 90 calendar days.	Adds: A milestone schedule (including acquisition award and contract award) at RWA acceptance that clearly identifies when the various tasks will take place and the schedule illustrates that procurement of said items cannot happen immediately but will happen in the future. The schedule must be maintained in, (and must be consistent with the requirements of) the Electronic Project Management system (ePM). If the schedule is changed, a revised	<a href="#">Acceptance for Future Delivery</a>

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		schedule must be submitted to, and approved by the PBS Project Manager (PM) or RWA Manager within 30 business days of the change.	
18	Transfer of responsibility for the Department of Homeland Security – Federal Emergency Management Agency (FEMA) mission assignments to the GSA Office of Mission Assurance.	Revises: In emergencies or special circumstances such as FEMA mission assignments, GSA responses have transitioned from PBS to the Office of Mission Assurance (OMA) as part of the Working Capital Fund.	<a href="#">Acceptance in Emergencies or Special Circumstance</a>
19	Clarifies “Reasonable Time”	<p>Clarifies: Per the GSA Office of the Chief Acquisition Officer (OCAO) acquisition policy, PBS has a "reasonable time, based on the complexities of the requirement, to contractually obligate funds accepted from a client agency."</p> <p>“At acceptance, the RWA must contain the date of contractual award agreed-upon by PBS and the client agency, the estimated completion date of the project, or a separate signed written agreement or schedule reflecting when contract award will occur (with which both parties mutually agree) is a reasonable time for PBS to obligate the client agency’s funds.”</p> <p>“Except for funds that come with customer-specific fiscal policy restrictions, such as those from the Department of Defense, GSA has a reasonable time within which to obligate the accepted funds, even if the contract award occurs in a subsequent fiscal year. Appropriated funds remain available to liquidate obligations properly</p>	<p><a href="#">Chapter 4: Reasonable Time</a></p> <p>and</p> <p><a href="#">Chapter 7: Reasonable Time</a></p>

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		chargeable to that account for five fiscal years after the period of availability expiration date of obligational authority.”	
20	Removes the prohibition on including multiple funding sources having different appropriation types on the same RWA.	Deletes: The former requirement that client agencies must not include multiple funding sources having different appropriation types on the same RWA. If a project is being funded by different appropriation types (that is, annual appropriations and multiple year appropriations) separate RWAs must be submitted.	Formerly chapter on Restrictions on RWA Acceptance and Responsibility of Funds.
21	Prohibition on Incremental Funding of Nonseverable Services.	Adds: Nonseverable RWA projects may not be partially or incrementally funded regardless of fund type. If a project is nonseverable, the client agency must fund the complete scope of work with funds available for obligation at the time the client agency submits an RWA. For proper acceptance of a nonseverable RWA, the complete funding for the scope of work must provide a discrete and fully functional deliverable.	<a href="#"><u>Prohibition on Incremental Funding of Nonseverable Services</u></a>
22	Revises PBS Approving Official Signature Thresholds and Delegations of Authority	<p>Adds: The caveat that when the normal signature authority is not on leave, signatory authority is authorized as described below.</p> <p>Changes: Delegation of signatory authority for nonrecurring RWAs and RWA amendments with total (or revised total) authorized amounts:</p> <p>(a) up to current Prospectus Level: <i>PBS Division Directors, Deputy Division Directors, Division Branch Chiefs, Service Center Directors, Field Office Managers, and other Program Representatives on behalf of their respective Program Area (When authorized and directed by their Division</i></p>	<p>Restrictions on RWA Acceptance and Responsibility of Funds.</p> <p><b><i>PBS Approving Official Signature Thresholds and Delegations of Authority</i></b></p>

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Item #	Subject or Issue	Substantive Change	Location
		<p><i>Director or Deputy Division Director).</i></p> <p>(b) between Prospectus Level and \$5 million (except for nonseverable service A-type, B-type or N-type RWAs with time-limited funds or any combination of fund types such as annual, multiple year or no-year funding): <i>PBS Division Directors, Deputy Division Directors, Division Branch Chiefs, Service Center Directors, Field Office Managers, and other Program Representatives on behalf of their respective Program Area (when authorized and directed by their Division Director or Deputy Division Director).</i></p> <p>(c) for nonseverable services (except for A-type, B-type, and N-type RWAs) greater than \$5 million: <i>PBS Regional Commissioners.</i></p> <p>(d) for nonseverable service A-type, B-type or N-type RWAs with time-limited funds or any combination of fund types such as annual, multiple year, or no-year funding equal to or greater than Prospectus Level: <i>PBS Regional Commissioners.</i></p> <p>(e) Employee absences or incapacity: Any GSA or PBS program or project representative who has taken and passed the Level III RWA Training, when authorized and directed to act for another who is delegated an authority contained in this procedure, may exercise this authority during the latter's absence.</p> <p>Clarifies requirement that every fiscal year, each PBS office must maintain a list showing its signature authority delegations by title identifying those individuals having the authority to sign RWAs for the purpose of accepting</p>	

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		<p>funds from a client agency.</p> <p>Adds: RWA amendments are required for all upward changes in total authorized amounts. Manual changes with initials are not acceptable.</p> <p>Specifies: the RWA amendment must show both the amended dollar amount as well as the revised total amount, and the signatory must be certified to sign for the thresholds of both the amended dollar amount as well as the revised total authorized amount.</p>	
23	RWA Amendments	<p>Clarifies: Definition of an RWA Amendment and gives examples of acceptable and not acceptable amendments.</p> <p>Clarifies: That the PBS approving official who accepts the RWA amendment must have the signature authority to sign for both the amount of the amendment as well as for the revised total amount of the RWA.</p>	<a href="#">RWA Amendments</a>
24	Funding for Antecedent Liabilities	<p>Clarifies: Definition and applicability of amendments for antecedent liability.</p> <p>Adds: Statements of Further Written Assurance for when current year funding may be used for time-limited funds and for no-year funds.</p>	<a href="#">RWA Amendments</a>
25	Substantive amendments	<p>Clarifies: What is meant by a substantive amendment?</p> <p>Adds: Cancelling an RWA.</p> <p>Adds and Clarifies: Examples of RWAs using no-year funds cannot be incrementally funded (that is, the client agency must provide full funding for the</p>	<a href="#">RWA Amendments</a>

Table 2: Summary of Substantive Changes to the Reimbursable Work Authorization National Policy Document			
Item #	Subject or Issue	Substantive Change	Location
		scope of work in the original RWA). RWAs funded with no-year funds can be amended at any time for new scope using no-year funds that were available when the original RWA was submitted.  Clarifies: That these requirements also apply to amendments before lease award.	
26	Administrative Changes	Clarifies: Examples of administrative changes.	Amendments Outside the Period of Availability for New Obligations <a href="#">Administrative Changes</a>
27	10% or \$500 Amendment Rule.	Clarifies: These overages will be reconciled and billed to the client agency at the time the RWA is closed	<a href="#">Administrative Changes</a>
28	Residual or Excess Funds.	Removes: Reference to E-Type RWAs.	<a href="#">Residual or Excess Funds</a>
29	Cancellation of an RWA	Clarifies: Cancellation of RWAs by client agency and adds unilateral cancellation by GSA.	<a href="#">Cancellation</a>
30	Clarifies who may certify a project as substantially complete and the documentation required.	Clarifies: Only a PBS architect, engineer (GS-0808), contracting officer (CO) or CO representative (GS-1102), a project manager (GS-0343), or a building inspector (GS-1176) may perform the project inspection and complete GSA Form 220 or GSA Form 3025.  Adds: The review for acceptance must occur within 7 calendar days of goods received or work completed, and receipt of the supporting document must be entered into Pegasys within 5 calendar days of its completion and acceptance. (See Internal Controls Desk Guide)	Completion, <a href="#">Documentation Requirements for Project Completion</a>
31	Completion of Recurring RWAs	Clarifies: Recurring RWAs require completion dates from inception (start date) to determine the duration, service	<a href="#">Completion of Recurring RWAs</a>

Table 2: Summary of Substantive Changes to the Reimbursable Work Authorization National Policy Document			
Item #	Subject or Issue	Substantive Change	Location
		period, or life cycle of the RWA.	
32	Completion of Nonrecurring RWAs	<p>Deletes: Detailed financial transactions required for completion and transfers them to the RWA Standard Operating Procedures (SOPs).</p> <p>Clarifies: Who is responsible for performing the completion actions required.</p>	<a href="#">Completion of Nonrecurring RWAs</a>
33	Financial Closeout	Clarifies: When financial closeout can occur, how long RWA records must be kept, and when original (paper versions) of RWA documents may be destroyed.	<a href="#">Financial Closeout</a>
34	Direct Costs	Adds: Table 7, which more clearly identifies direct costs chargeable to an RWA.	<a href="#">Direct Costs</a>
35	Indirect Costs	<p>Adds: Table 8, which more clearly identifies indirect services that are included in the 4-Percent Project Management Fee.</p> <p>Adds: Table 9, which more clearly identifies direct services NOT Covered by the 4-Percent Project Management Fee.</p> <p>Clarifies: That travel by the PM for routine site inspections “within the local commuting area” is included in the 4-Percent Project Management Fee.</p> <p>Clarifies: Routine site inspections are limited to not more than 4 inspections per project per year.</p> <p>Clarifies: That the local commuting area is within 50 miles.</p> <p>Adds: Fire Protection Engineering Review as a service that is included in</p>	<a href="#">Indirect Costs</a>

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		<p>the 4-Percent Project Management Fee.</p> <p>Adds: Statement in chapter 5. Project-related travel that is not otherwise included in Table 7 will be directly charged to the RWA.</p> <p>Revises: Those Non-Business Line (Central Office) organizations that are included in the Overhead Fee consistent with the recent OCFO reorganization.</p>	
36	Fee Waivers	<p>Clarifies: Footnote reference that the GSA Administrator may exempt charges to client agencies in circumstances where GSA determined the charges would be infeasible or impractical, but never below the statutory requirement for full cost recovery.</p>	<p><a href="#">Applying the 4-Percent Project Management Fee</a></p> <p>and</p> <p><a href="#">Fee Waivers or Pricing Deviations</a></p>
37	Furniture	<p>Adds: language to further clarify the distinction between standalone furniture and furniture that is incidental to a build out.</p>	<p><a href="#">Furniture</a></p>
38	Stand Alone Option for Furniture Acquisition (SOFA)	<p>Adds: SOFA to official RWA policy.</p>	<p><a href="#">Furniture</a></p>
39	Above-Standard Services (Overtime Utilities)	<p>Adds: Guidance for the RWA Policy related to above-standard services.</p>	<p><a href="#">Above-Standard Services</a></p>
40	Billing, Payment and Collection Methods	<p>Updates: Entire chapter on Billing, Payment and Collection methods.</p> <p>Deletes: With the exception of Intra-Governmental Payment and Collection (IPAC) system, Non-IPAC and Credit Cards, most collection information is deleted and transferred to the RWA Standard Operating Procedures.</p> <p>Adds: A reference and hyperlink to:</p>	<p><a href="#">Chapter 6: Billing, Payment and Collection Methods</a></p>

Table 2: Summary of Substantive Changes to the Reimbursable Work Authorization National Policy Document			
Item #	Subject or Issue	Substantive Change	Location
		RETA "Quick Note".	
41	Interfund Transfers	Clarifies: information on Interfund Transfers, including that as of July 2013, Interfund customers can also be PBS customers	<a href="#">Interfund Transfers</a>
42	Year-end Guidance	Deletes: Details related to Year-End Guidance and transfers remaining information to the RWA Standard Operating Procedures.  Adds: Reference to Reasonable Time.	<a href="#">Chapter 7: Year-end Guidance</a>
43	Adds format for use of dummy building numbers in leased space and discontinues use of dummy building numbers for emergencies.	For Leased facilities: AXrrLLAX) (where "rr" represents the two-digit region number) – This number is used in cases where a formal building number and location are not yet know.  Note: Dummy building numbers for FEMA or other emergencies have been eliminated.	<a href="#">Minimum Mandatory Requirements for PBS Acceptance.</a>

c. The Reimbursable Services Program within the Division of Project Delivery Excellence, Office of Project Delivery, will review the RWA NPD every two years, at a minimum, to make sure that the policies are updated as needed.

d. RWA managers and other interested parties may submit revisions to the NPD for consideration at any time. The Reimbursable Services Program within the Division of Project Delivery Excellence, Office of Project Delivery will review the submission and, if accepted, release the revised RWA NPD after following the GSA Approval Process.

e. Policy changes considered to be substantive require review and approval through the approval process. The determination of whether or not a modification is substantive will be made by the Reimbursable Services Program within the Division of Project Delivery Excellence, taking into account the approval process requirements for changing official documents. Potential factors to be considered include:

- (1) Impact of the proposed change on another division;

- (2) Change of previous understanding, direction, or policy;
- (3) Change in cost or business line impact;
- (4) Change in interactions with client agencies, between regions, or between Central Office and the regions;
- (5) Impact on deliverable types, timing, or costs; and
- (6) Impact of reporting or staffing requirements.

f. Any new RWA NPD resulting from the GSA Approval Process will be assigned a new major version number (for example, v3.0 will become v4.0). Amendments to the RWA NPD that are not considered substantive will be assigned a new minor version number (for example, v3.0 will become v3.1).

## **Chapter 2: History and Overview of the Reimbursable Work Authorization**

### **1. General Services Administration.**

a. The Federal Property and Administrative Services Act of 1949 established GSA and transferred all functions with respect to acquiring space in buildings by lease, along with all functions with respect to assigning and reassigning space in buildings, to GSA. This act has been codified as United States Code (U.S.C.) Title 40, Public Buildings, Property, and Works, Subtitle I, Federal Property and Administrative Services (40 U.S.C. § 301, et seq.). In so doing, it provided the Government with an economical and efficient system for acquiring and maintaining property and providing services for use by the Government.

b. GSA is comprised of two primary service organizations: The Federal Acquisition Service (FAS), and PBS. Each service is supported by a statutorily established fund dedicated to that service. The Acquisition Services Fund (40 U.S.C. § 321) for FAS is a revolving fund. The Federal Buildings Fund (FBF) for PBS (40 U.S.C. § 592) is a quasi-revolving fund because Congress must provide annual authority through GSA's appropriations acts for GSA to obligate and expend monies from the fund. Both of these funds afford a financial flexibility different from that of most Federal agencies that operate under annually appropriated funding authority.

2. **Public Buildings Service.** PBS is responsible for providing workplaces for Federal workers and best value to the American taxpayer. PBS is organized into a Central Office (CO), eleven regional offices, multiple service centers and numerous field offices. CO establishes the policy and guidance with regard to public buildings and related real property, as well as work done on a reimbursable basis for other Federal agencies. Each regional office has a Regional Commissioner, who is responsible for the execution of PBS's mission within that region.

3. **Federal Buildings Fund References, and Reimbursable Authority.** In PBS, the FBF provides the financial mechanism for the procurement of goods and services that are billed to, and reimbursed by, Federal agencies and non-Federal organizations. Several authorities provide the authorization for PBS's performance of reimbursable work on behalf of requesting agencies or organizations.

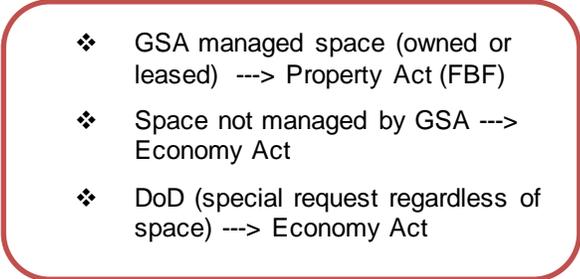
a. **40 U.S.C. § 592(b)(2) – Federal Buildings Fund.** Generally, PBS performs reimbursable work for other Federal agencies using the authority in 40 U.S.C. § 592(b)(2), which authorizes the GSA Administrator to provide special services not included in an agency's rent on a reimbursable basis. This authority is used for RWAs for properties within GSA's jurisdiction, custody and control. RWAs performed using the authority in 40 U.S.C. § 592(b)(2) should be recorded as obligations by the client agency in the fiscal year in which the RWA is accepted by GSA. PBS must then

re-obligate the client agency's funds within a reasonable time (For more information follow this hyperlink to: [Reasonable Time](#)). PBS does not have five years in which to re-obligate the client agency's funds. Rather, the client agency's funds, must be re-obligated within a reasonable time and then, unless they are no-year funds, spent within five years from the expiration of the funds in accordance with 31 U.S.C. § 1552.

b. 31 U.S.C. § 1535 - The Economy Act. PBS may also perform reimbursable work using the Economy Act (31 U.S.C. § 1535). This authority is used for RWAs for properties outside GSA's jurisdiction, custody and control. When PBS performs RWAs under the Economy Act, it must re-obligate the client agency's funds within the period of availability pertaining to those funds. Client agency time limited funds that are not re-obligated by GSA within the period of availability must be de-obligated and returned to the client agency upon expiration in accordance with 31 U.S.C. § 1535(d).

Determining whether an RWA may be accepted using the Economy Act is based on which agency will maintain jurisdiction, custody, and control of the space in which the work will be done. If the finished project will be in space that is not under the jurisdiction, custody, and control of GSA, then the Economy Act, and not 40 U.S.C. § 592(b)(2), provides the authority for GSA to perform the requested work. Here is a quick guide for determining which Act is applicable:

**Figure 1: Guide to Determine Appropriate Act for RWA Acceptance**

- 
- ❖ GSA managed space (owned or leased) ---> Property Act (FBF)
  - ❖ Space not managed by GSA ---> Economy Act
  - ❖ DoD (special request regardless of space) ---> Economy Act

c. 40 U.S.C. § 581(g) – General authority of Administrator of General Services. GSA's authority to obtain payments for the work it provides to others on a reimbursable basis is 40 U.S.C. § 581(g). The GSA Administrator is required by to "...impose a charge for furnishing space and services" (that is, space, services, quarters, maintenance, repair, and other facilities) and to "...determine the rates to be charged for furnishing space and services."

d. 40 U.S.C. § 583 – Construction of Buildings. PBS may use the authority in 40 U.S.C. § 583 to acquire land and construct buildings or projects on behalf of other agencies.

e. 40 U.S.C. § 1 – Public Buildings, Property and Works. This title was enacted by Pub. L. 107–217, § 1, Aug. 21, 2002, 116 Stat. 1062. PBS uses this authority to perform reimbursable services for Congress.

4. Department of Defense Financial Management Policy. DoD financial management policy imposes additional restrictions not required by law, other regulation, or GSA directive on the procurement of goods and services from non-DoD agencies under statutory authorities other than the Economy Act. (For more information, please follow this hyperlink to the DoD policy: [Department of Defense Policy Supported with GSA and PBS Guidance.](#))

5. Appropriations law.

a. The statutes authorizing the FBF do not permit a client agency to do indirectly what it cannot do directly under the terms and conditions of its Congressional appropriations. Thus, any restrictions on the availability or use of client agency funds must apply to PBS's contracting activities for that client agency under the authority of an RWA.

b. After the expiration date for obligation of a client agency's funds, the funds remain available for recording, adjusting and liquidating obligations properly chargeable to that account for five years. Although 31 U.S.C. § 1553 provides this flexibility, PBS must aggressively work toward completion of the scope of work. (For more information follow this hyperlink to: [Reasonable Time](#)).

c. Moreover, a client agency using time limited funds cannot contract with PBS for future year needs, nor can the client agency use its appropriated funds for any purpose other than for a *bona fide* need or for a specific purpose authorized by Congress.

d. Client agencies cannot incrementally fund nonseverable projects whereby the client agency knowingly provides GSA with less funds than are known to be needed to complete the requested scope of work.

e. Antecedent liabilities are unforeseen within scope changes that occur after the client agency's funds have expired. Antecedent liabilities must be funded via an RWA Amendment with funds that were available when the RWA was submitted, and *bona fide* need established. However, if the client agency does not have funds that were available for the same purpose when the original RWA was submitted and provides a Statement of Further Written Assurance that it does not have funds that were available when the original RWA was submitted to support the adjustment, the client agency may provide the necessary additional funding from current year appropriations. The Statement of Further Written Assurance must be signed by a fund certifying official of the customer agency. The client agency also may submit any no-year funds that were appropriated for the same purpose as the funds submitted

on the original RWA for antecedent liabilities without the submission of a Statement of Further Written Assurance. (See GAO's decision in B-326945). (For more information follow this hyperlink to: [Funding for Antecedent Liabilities](#))

6. The Anti-Deficiency Act (ADA) (31 U.S.C. § 1341). The ADA prohibits obligating more than the amount of funds available under any appropriation or fund (not necessarily the authorized amount on each RWA.) It also prohibits making expenditures or incurring obligations in advance of appropriations. Violation of the ADA may result in criminal and civil penalties. See 31 U.S.C. § 1350. Any GSA representative who contributes to over obligating an allotment, apportionment, or reapportionment may be subject to the penalties in 31 U.S.C. § 1350. (For additional information, please follow this hyperlink to: [Appendix D: Appropriations Law Primer.](#))

## Chapter 3: Reimbursable Work Authorization Definition and Classifications

1. Definition. An RWA is an interagency agreement between PBS and a client agency or non-Federal source (when authorized by statute), whereby PBS agrees to provide goods and/or services and the client agency agrees to pay PBS for the cost of these goods and/or services, as well as PBS's indirect costs, and fees. RWAs identify a scope of work and bill client agencies for the cost of altering, renovating, repairing, or providing services in space managed by PBS in excess of the basic operations financed through Rent and in other properties managed by the Federal community. Unless delegated, an RWA is required for all "above-standard" services, including micro-purchases. For more information, follow this hyperlink to: [Micro-Purchase Delegation of Authority](#).

2. Use of funds. Funds that have been appropriated to an agency for a specific purpose must not be used for any other purpose, except where specifically provided by law (31 U.S.C. § 1301(a)). To avoid any augmentation issue, if PBS receives an appropriation to provide client agencies with a level of service, as is the case with Congressional authority to use the FBF, it may not bill, or be reimbursed by client agencies for those services. PBS must only charge client agencies via RWAs for services not required to be paid for by the FBF.

3. Budget Activities (BAs). The FBF is subdivided into budget activities to assist PBS in defining and controlling programs and activities and which correspond with Congressional appropriations of new obligational authority. A BA distributes funds by major program area within a fund. GSA records RWAs under the following three most frequently used BAs:

a. BA80. BA80 is a reimbursable budget activity used to fund reimbursable nonrecurring work requests. Nonrecurring RWAs for BA80 are used for a variety of services. These services include:

(1) General nonrecurring services that provide above-standard levels of service, such as non-routine, or out-of-normal cycle, painting, or overtime utilities and for which the actual costs can be identified.

(2) Special space alterations and adjustments requested by client agencies in GSA-operated buildings.

(3) Repairs and alterations made by GSA when requested by client agencies outside of the direct funding cycle. A nonrecurring RWA may be provided by another Federal agency for the acquisition or full construction costs of a Federal building.

(4) Services, provided by technicians or mechanics, which are required for special client agency projects.

(5) Certain services not included in the tenant improvement (TI) allowance, and for which the actual costs can be identified.

b. BA53. The reimbursable portion of BA53 is for those expenses for services not included within Rent in lease agreements that cannot be distinguished from regular direct costs (standard operating costs). These services and the estimated cost for the services are documented in an RWA. An example is the cost of providing utility services on weekends. Recurring RWAs are computed each month by prorating the authorized amount throughout the term of the RWA and charging that portion in addition to the current month's reimbursable obligations.

c. BA60/61.

(1) In 2014, PBS was required to divide the FBF's Building Operations Budget Activity (BA61) into two distinct BAs for building services (BA61) and administrative salaries and expenses (BA60).

(2) BA61 is used to provide for GSA's operation of GSA-controlled space, including leased facilities. GSA furnishes the space, operations, and services to its client agencies in return for payment of Rent. Services included in rent are:

- (a) Cleaning,
- (b) Maintenance of security fixtures and features,
- (c) Building maintenance,
- (d) Minor repairs and alterations,
- (e) Payment of utilities and fuel,
- (f) Grounds maintenance, and
- (g) Standard building elevator operations.

(3) Any above-standard service not included in the Rent agreement, but requested by the client agency, is reimbursable and thus PBS must receive an RWA from the client agency to fund these additional services.

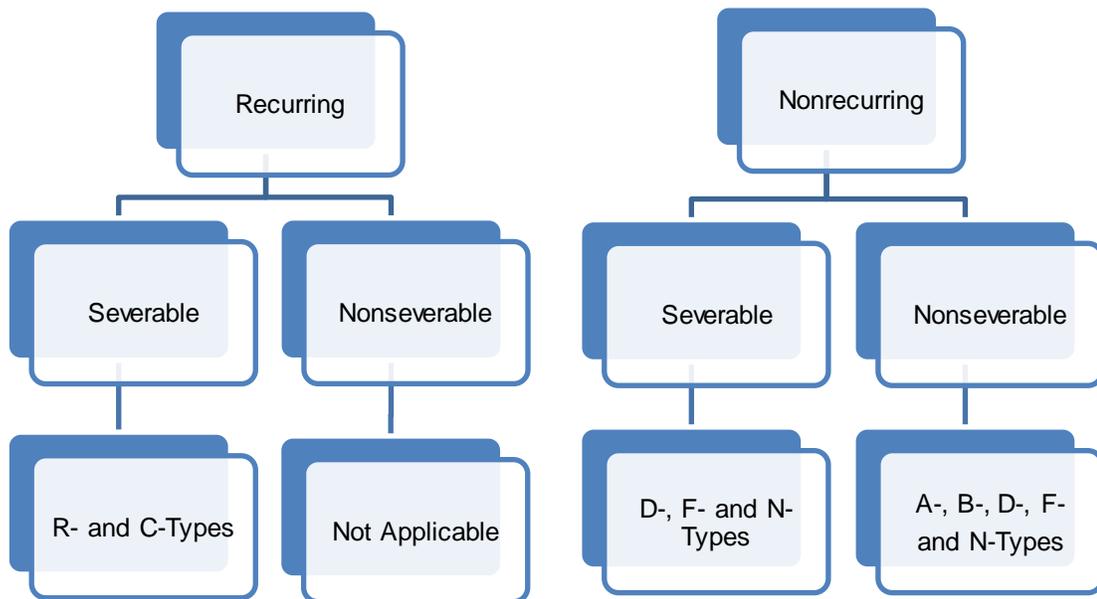
(4) BA60 funds are for administrative salaries and expenses. This BA is reimbursed for indirect costs incurred, related to PBS' reimbursable program. BA60 reimbursement includes:

- (a) Fees on Nonrecurring RWAs,
- (b) Sliding scale overhead fee (function code PG982),
- (c) 4-Percent project management fee (function code PG9R2),
- (d) \$100 overhead fee on recurring RWAs (function code PG981).

4. Classification of RWAs. An RWA number is required for valid accounting transactions (VATs) related to RWAs. The RWA number consists of eight characters. The first character is an alphabetical character that identifies the type of work authorized. The last seven numeric characters are a unique identifying number.

There are four categories of RWAs: Severable and nonseverable, as well as recurring and nonrecurring. Each is described in figure 2 below and in more detail in the text that follows, as well as in Appendix E: Reimbursable Work Authorization Types Quick Reference Guide. For your convenience, here is the hyperlink to [Appendix E: Reimbursable Work Authorization Types Quick Reference Guide](#).

**Figure 2 - RWA Types and Services**



a. Severable and nonseverable services.

(1) Severable services.

(a) A severable service is one in which the client agency receives value as the service is rendered. A task is severable if it can be separated into

components, each of which can be independently performed to meet a separate client agency need.

(b) Services that are continuing in nature are considered severable, and the client agency must charge the costs to a fiscal year appropriation current at the time the services are rendered.

(c) For severable services citing annual appropriation funding under the provisions of Federal Acquisition Regulation (FAR) 32.703-3, the head of an executive agency may enter into a contract, exercise an option, or place an order under a contract for severable services for a period that begins in one fiscal year and ends in the next fiscal year, if the period of the contract awarded, option exercised, or order placed does not exceed 1 calendar year (12 months or 365 days) (10 U.S.C. § 2410(a) and 41 U.S.C. § 3902). Funds made available for a fiscal year may be obligated for the total amount of an action entered into under this authority.

(d) If a severable service contract cites no-year or multiyear funding, the period of performance shall be consistent with the period of obligation authority, or until the funds have been expended.

(2) Nonseverable services.

(a) Nonseverable services are those in which the client agency receives value only when the entire service is performed. A nonseverable task involves work that cannot be separated into components, but instead must be performed as a single task to meet a bona fide agency need. What constitutes a nonseverable service will vary, depending upon context or circumstance.

(b) RWAs for nonseverable services may only be accepted where the amount of such client agency funding is sufficient to fund the entirety of the scope of work on the RWA. (See [Prohibition of Incremental Funding for Nonseverable Services](#) in chapter 4, Submission, Receipt and Acceptance of the RWA).

(c) With regard to funding of contract options under an RWA using time limited funds for nonseverable services, as a general rule, a client agency does not have a *bona fide* need for an option until the option is exercised. Please contact your regional Office of General Counsel (OGC) for specific questions. (You may also follow this hyperlink to: [Appendix D: Appropriations Law Primer.](#))

b. Recurring and nonrecurring RWAs.

(1) Recurring RWAs. Recurring RWAs provide services to client agencies where the costs of those services are not separately invoiced or cannot readily be identified from standard operating costs. The services must start and must be completed within the same fiscal year. Recurring RWAs do not require an invoice

and may be used in instances where GSA is the source of the good or service provided, and a separate invoice is not received. An example is overtime utilities when the service is not separately metered or billed, or both.

(a) C-Type RWAs. C-type RWAs are used to deliver recurring RWA services to non-Federal entities, a mixed-ownership Government corporation, or the District of Columbia under 40 U.S.C. § 581(g), or to any person, firm, or organization to whom PBS has leased space or issued a permit under the provisions of the Public Buildings Cooperative Use Act of 1976, now codified at 40 U.S.C. § 581(h). To view this statute, please go to the following hyperlink: [40 U.S.C. § 581\(h\)](#). The authority for GSA to perform work under C-type RWAs is the Economy Act.

1. Prepayment is required from all non-Federal entities. Prepayment is accepted by credit card, check, or money order. Therefore, C-type RWA entities do not receive bills as work progresses. It is PBS's responsibility to ensure that obligations are not incurred unless payment has been received.

2. When processing C-type RWAs, the following rules apply:

a. The non-federal client must attach a check for payment in full to the RWA when it is submitted to PBS.

b. The RWA number must be written on the check or money order.

c. A copy of the check or money order also must be included in the official RWA file and all checks and money orders must be handled in compliance with applicable laws and regulations surrounding personally identifiable information (PII).

d. Inquiries for the current lockbox locations to send check or money order payments must be directed to the regional Office of Budget and Financial Management. For your convenience, the current lockbox and payment information for C-type RWAs may be found in Section 3: Reimbursable Work Authorizations, of the Internal Controls at the General Services Administration Desk Guide. Here is the hyperlink to the guide: [Internal Controls at the General Services Administration Desk Guide](#).

(b) R-Type RWAs. R-type RWAs are used to deliver recurring services to Federal client agencies.

1. Upon creating the RWA to administer a recurring service, the term throughout which the services will be provided (not to exceed the current fiscal year) is determined. This establishes the period of service. The period of service can range

from 1 day to 12 months. The authorized amount is then equally billed during the period of service. Income is also recognized during this same period of service.

2. R-type RWAs are closed at the end of the fiscal year.

3. An example of an R-type RWA is an overtime utility where the utility services are recurring but are not able to be identified by client agency (that is, the services are not separately metered or billed or both.)

4. R-type RWAs use BA61 or BA53 or BA60 cost recovery for the \$100 overhead fee.

5. Recurring RWAs for above-standard services in leased space, not billed by lessors, are funded under BA53 and must cite the lease number. When GSA enters into lease agreements that are not fully serviced and is required to pay for these services, the regions must use BA53 funds until the services can be included in the budget cycle and funded as new workload in BA61.

6. BA60 funds are for administrative salaries and expenses. This BA is reimbursed for indirect costs incurred related to PBS' reimbursable program.

(2) Nonrecurring RWAs.

(a) Nonrecurring RWAs are those RWAs that provide services where costs can readily be identified and captured. Nonrecurring RWAs bill based on the goods and/or services received by PBS and delivered to the client agency.

(b) Examples of Nonrecurring RWAs include:

1. Repairs and alterations, where GSA is providing services to repair, alter, or renovate space in existing owned or leased facilities.

2. Construction, where GSA is providing services to design and construct new federally owned facilities such as courthouses, border stations, Federal office buildings, laboratories, and data processing centers.

3. Overtime utilities, where the service is separately metered and the overtime utility charges incurred are identifiable (that is, utility reports that show kilowatt usage by hour or detailed invoice statements, or both). A nonrecurring RWA is appropriate when GSA incurs additional costs from metering equipment from additional labor incurred in analyzing and reconciling utility reports and converting them to invoices, and from costs incurred in the design and operation of GSA management systems (that is, RETA, GSA's contract system, and GSA's accounting systems, including costs, revenue, and billing modules).

(c) A-Type RWAs. A-type RWAs represent projects funded by both GSA and the client agency.

1. They are nonrecurring and based on a one-time need.
2. They are used in support of, or associated with, a nonprospectus project (that is, a minor repair and alteration project in federally owned space only). A GSA or customer need could be the initiator of the project.
3. The RWA must be associated with a Project Control Number (PCN) and Accounting System Identification (ASID) code connecting it to the GSA-funded portion of the work.
4. Some examples of work that can be provided under an A-type RWA include construction and design services.

(d) B-Type RWAs. B-type RWAs are used for projects that are either split funded (that is, funded by PBS and the client agency), or standalone funded (that is, client agency-funded only).

1. All reimbursable services (leased or owned, new construction, and repairs and alterations) related to GSA prospectus projects are assigned B-type numbers, regardless of the authorized amount of the RWA.
2. B-type RWAs are for nonrecurring, one-time needs.
3. Congress requires reporting of all funding activity tied to prospectus projects. Therefore, an RWA with an authorized amount less than the current prospectus level threshold must be given a B-type RWA number if it is related to a prospectus project.
4. An example of work that can be performed under a B-type RWA is any client agency-funded work, such as above-standard TIs, associated with a prospectus project.

(e) D-Type RWAs. Similar to C-type RWAs which are used to deliver recurring services to non-Federal entities, D-type RWAs are used to deliver nonrecurring RWA services to non-Federal entities, a mixed-ownership Government corporation, or the District of Columbia under 40 U.S.C. § 581(g), or to any person, firm, or organization to whom PBS has leased space or issued a permit under the provisions of the Public Buildings Cooperative Use Act of 1976, now codified at 40 U.S.C. § 581(h). To view this statute, please go to the following hyperlink: [40 U.S.C. § 581\(h\)](#). The authority for GSA to perform work under D-type RWAs is the Economy Act.

1. Non-Federal client authorized use by permit must prepay D-type RWAs before GSA obligates any funds. Prepayment is accepted by credit card, check, or money order.

2. D-type RWAs use BA80 and are fully reimbursable.

3. It is PBS's responsibility to ensure that obligations are not incurred unless funds are received in advance. When processing D-type RWAs, the following rules apply:

a. The non-Federal client must attach a check for payment in full to the RWA when the RWA is submitted to PBS.

b. The RWA number must be written on the check or money order.

c. A copy of the check or money order also must be included in the official RWA file, and all checks and money orders must be handled in compliance with applicable laws and regulations surrounding PII.

d. For your convenience, the current lockbox and payment information for D-type RWAs can be found in Section 3: Reimbursable Work Authorizations, of the Internal Controls at the General Services Administration Desk Guide. Here is a hyperlink to the guide: [Internal Controls at the General Services Administration Desk Guide](#).

(f) E-Type RWAs. E-type RWAs were previously used to facilitate nonrecurring RWA services in support of nationally declared emergencies or disasters under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. § 1521, et seq. The primary client agency using E-type RWAs was the Department of Homeland Security, Federal Emergency Management Agency (FEMA).

E-type RWAs are now managed and administered by the Office of Emergency Response and Recovery (OERR), Office of Mission Assurance (OMA).

(g) F-Type RWAs. F-type RWAs cover requests from client agencies for routine, nonrecurring services or projects.

1. They are established in amounts not to exceed \$25,000 per transaction and \$250,000 per RWA (including fees).

2. F-type RWAs are intended to reduce the administrative burden of requiring numerous RWAs to cover multiple projects that are small in nature (less than \$25,000 each).

3. No single RWA obligation under an F-type RWA may exceed \$25,000, inclusive of fees, with the exception of Operations and Maintenance (O&M) services that are not overtime utilities, which may exceed this per transaction limit but must still remain under the \$250,000 RWA threshold.

4. F-type RWAs cannot include both severable and nonseverable services on the same RWA. If severable and nonseverable services are requested, they must be reflected on two different F-type RWAs.

5. A GSA cost estimate (that is, a Summary Cost Estimate (SCE) and supporting cost documentation is not required to accept an F-type RWA. However, F-type RWAs must include a total authorized amount greater than \$0, along with the client agency certifying official's signature. An exception to this requirement is the circumstance where the F-type RWA covers multiple buildings. In that case, a cost estimate for each building or location is required.

6. Multiple buildings may be used on F-type RWAs having the same SOW, pursuant to the guidance provided at the following hyperlink: [National Guide for Use of F-Type and N-Type RWAs for Multiple Buildings](#). Waivers from CO are no longer required.

7. Examples of goods or services that can be included on an F-type RWA, are: small, miscellaneous services and projects that are completed within the current fiscal year (such as changing key locks) and severable services where the costs are readily identifiable and are started and completed within 1 fiscal year.

8. All F-type RWAs must be completed within the FY they are accepted. If a completion date is not provided on the RWA, the default date of September 30 of the current fiscal year will be used. All F-type RWAs require issuance of a Closeout Letter.

(h) N-Type RWAs. N-type RWAs are used to provide nonrecurring RWA work for a one-time need.

1. They include all standalone projects fully funded by a client agency.

2. N-type RWAs for severable services are limited to 12 months, but may cross fiscal years.

3. Severable and nonseverable services may not be combined on a single N-type RWA.

4. Multiple buildings may be used on N-type RWAs having the same SOW, pursuant to the guidance provided at this hyperlink: [National Guide for Use of](#)

[F-Type and N-Type RWAs for Multiple Buildings.](#) Waivers from CO are no longer required.

5. Examples of services that can be provided via an N-type RWA are:
  - a. Space alterations in owned or leased space,
  - b. Nonprospective repairs and alterations, or
  - c. Overtime utilities in facilities where the utility services are separately metered, or billed, or both.

## **Chapter 4: Reimbursable Work Authorization, Small Project, Capital, and Prospectus Project Life Cycles**

The success of the RWA process is heavily dependent on initial communication and planning between PBS and the client agency. The degree of communication and documentation should directly correlate to the complexity of the client agency request and help lead to the success of the project.

### 1. Minimum required documentation.

a. A properly developed RWA provides written documentation of the formal agreement between the client agency and PBS. RWAs are not automatically accepted; they must include and meet the following important minimum criteria. (For more detail, see paragraph 2, Requirements development of the RWA, below).

b. The RWA also must provide financial and other supporting data, such as billing information, related to the reimbursable request. The client agency funding must be clearly identified as annual, multiple-year, or no-year and the expiration date of obligation authority must be specified. The RWA must not be accepted by PBS unless these requirements have been met.

c. The RWA is an OMB approved interagency agreement (IAA) used to record the details of the reimbursable work to be performed by GSA for the benefit of the client agency. This written agreement between GSA and the client agency describes the work or services requested and the estimated cost of the work or services. The funding source for the cost estimate is shown on the RWA by the client agency's funding string, and the agency funds certifying official attests that the authorized amount is available. Mutual agreement on the scope of work for the goods or services to be provided, the cost estimate, and the funding source must be documented in a properly received and accepted RWA.

d. The RWA life cycle is divided into five elements or phases (For more information please follow this hyperlink to: [RWA Standard Operating Procedures \(SOPs\)](#)):

- (1) Requirements Development,
- (2) Cost Estimation,
- (3) Submission, Receipt and Acceptance of the RWA,
- (4) Execution, and
- (5) Completion and Financial Closeout.

e. Each of these elements or phases of the RWA life cycle generally aligns with the capital projects life cycle phases and the small projects life cycle phases.

f. Throughout the RWA life cycle, progress should be documented by the issuance by PBS notification letters to the client agency. Due to the complexity of the work or service requested, the output of letters will vary. Please see Table 3 - Reimbursable Work Authorization Life Cycle Compared to Capital and Small Projects Life Cycles:

<b>Table 3: RWA Life Cycle Compared to the Capital and Small Project Life Cycles and the Appropriate RWA Client Agency Notification Letter</b>			
<b>Small Projects Life Cycle Phase</b>	<b>Capital Projects Life Cycle Phase</b>	<b>RWA Life Cycle Phase</b>	<b>RWA Client Agency Notification Letter</b>
1. Project Initiation.  (Develop project strategy and confirm client agency objectives.)	Identification  Initiation		
2. Project Development and Planning.  (Develop project plan and approach, present options, develop cost estimates.)	Planning	Requirements Development  Cost Estimation  Submission, Receipt and Acceptance of the RWA	Receipt Letter  Acceptance Letter
3. Project Execution  (Execute project plan.)	Execution	Execution	Follow-up Letter (Optional)
4. Project Closeout  (Evaluate measure, take corrective action and complete Financial and Project Closeout.)	Closeout	Completion (or Cancellation) and Financial Closeout	Completion Letter or Cancellation and Closeout Letter
			Closeout Letter

g. RWA client agency letters must be generated by, or uploaded into, the RWA Entry and Tracking Application (RETA) (See Table 4 for Customer Letters Required by RWA Type and if the Customer Letter is required.) All letters must follow the examples

shown in the RWA Customer Letters Desk Guide at the following hyperlink: [RWA Customer Letters Desk Guide](#).

Table 4: Customer Letters Required by RWA Type						
Is the Customer Letter Required?						
RWA Type	Receipt	Acceptance	Follow-up	Completion	Closeout	Cancellation Closeout
A	Yes	Yes	As needed	Yes	Yes	As needed
B	Yes	Yes	As needed	Yes	Yes	As needed
C	No	No	NA	No	No	As needed
D	No	No	NA	No	No	As needed
F	Yes	Yes	As needed	No	Yes	As needed
N	Yes	Yes	As needed	Yes	Yes	As needed
R	Yes	Yes	NA	No	No	As needed

2. Requirements development of the RWA. The project development and planning stage begins with the RWA requirements development process. The process begins with receipt of a client agency's request, which may come from an internal or external source. It starts with a client agency informing a PBS representative (usually a PM or Property Manager) of a specific need for goods or services. PBS works with the client agency to develop the basic requirements to include a needs assessment. PBS develops and presents a formal requirements package with options to the client agency. This is the basis for the generation of the Description of Requirements (and the scope of work) in the RWA. A succinct scope of work (SOW) developed by the PM and supported by an IGE and a SCE, at a minimum, must depict the purpose or objective and the outcome of the service; required delivery time frame; the geographical information (including PBS' building and floor/room number), and any proposed space change (by square footage). Please go to the PBS Workspace Delivery Program (Basic Requirements Development Process Handbook) at the following hyperlink for more information: [PBS Workspace Delivery Program](#).

a. The Bona Fide Needs Rule. The client agency must have a current *bona fide* need for the goods or services to be provided by PBS at the time the agency enters into the RWA. The *Bona Fide Needs Rule*, 31 U.S.C. § 1502(a), establishes that a fiscal year appropriation can be obligated only to meet a legitimate need arising in (or in some cases arising before but continuing to exist in) the fiscal year for which the appropriation was made. In other words, an agency cannot use current year funds for a future year's

need. PBS must verify that RWAs satisfy this requirement prior to acceptance. Future needs or needs outside the scope of work must not be included in the RWA.

b. Full funding. RWA requests for nonseverable services must be accompanied by funding sufficient to accomplish the entirety of the requested work, even if the work is scheduled to occur over multiple fiscal years. Stated differently, RWAs for nonseverable services may only be accepted where the amount of such client agency funding is sufficient to fund the entirety of the scope of work on the RWA. (See chapter 4. Execution, [Prohibition of Incremental Funding for Nonseverable Services](#)).

c. Delegation of Authority for micro-purchases. Unless delegated, an RWA is required for all “above-standard” services, including micro-purchases. Micro-purchases are the acquisition of supplies or services (except construction), where the aggregate amount does not exceed the Micro-purchase threshold (which as of this writing is \$3,500 for supplies and \$2500 for services). Micro-purchases for construction are limited to \$2,000. (See FAR 2.101.) Requirements totaling more than the thresholds must not be broken down into several purchases that are less than that amount merely to allow purchases under micro-purchase procedures. GSA has delegated authority to client agencies to purchase goods or services directly when the total estimated amount of the project or service is below the Micro-purchase threshold, the client agency may use a government credit card and an RWA is not required. (Consult your RWA Manager and the Delegation of Authority Manual for more details or go to the following hyperlink: [Micro-Purchase Delegation of Authority \(DOA\)](#)).

3. GSA cost estimation of the RWA. A GSA cost estimate is based on the specificity of the requirements at various phases throughout the project life cycle. Except for F-type RWAs, a GSA cost estimate is required to support the authorized amount identified in the Agency Certified Amount block on the GSA Form 2957. An Independent Government Estimate (IGE) and the associated Summary Cost Estimate (SCE) are required to support the authorized amount prior to acceptance, and must be loaded in RETA. The amount in the cost estimate must be equal to, or within \$1 of, the authorized amount in the RWA.

The requirements for cost estimating include an IGE with the name of the estimator, and the associated SCE in RETA. Inclusion of these two documents is mandatory for every RWA, including RWAs for Leases, prior to acceptance of the RWA. A client agency-prepared cost estimate may be accepted in place of an IGE if it is, prior to acceptance of the RWA, validated as fair and reasonable by a PBS PM or Cost Estimator.

Regardless of dollar amount, cost documentation, at the same level of detail as the Scope of Work, is required to support the authorized amount of the RWA. At a minimum, cost estimates are derived from a succinct scope of work (SOW) developed by the PM, which depicts the purpose/objective and/or outcome of the service; required

delivery time frame; the geographical information (including PBS's building and floor/room number), and any proposed space change (by square footage).

a. **IGE**. The IGE is the Government's estimate of the resources and projected cost of the resources used by a contractor in the performance of a contract and the associated profit or fee. These costs include direct costs (such as labor, supplies, equipment, material or travel); indirect costs (such as labor overhead and material overhead); general and administrative (G&A) expenses, and fringe benefits. The specificity of the IGE will be scalable depending on the magnitude and complexity of the project and must be consistent with the requirements of the PBS Project Estimating Requirements (P-120). The IGE must include the estimator's name and the date the estimate was prepared. The IGE is a "should cost" assessment, which is used to support the Contracting Officer's price reasonableness determination when reviewing contractor proposals and bids. Therefore, access to an IGE is usually on a need-to-know basis. **The IGE is the only acceptable GSA cost estimate for RWAs. The IGE normally will not include applicable GSA fees.**

b. **SCE**. The SCE is a summary of the IGE along with cost documentation to support the scope of work. The IGE is the basis for creating the SCE and the total authorized amount on the RWA. Unlike the IGE, the SCE must include applicable GSA fees. It is the responsibility of the PBS representative (e.g., PM, COR, CO or a PBS cost estimator) to prepare the SCE; to discuss PBS' project management, direct, indirect, and all other related costs; and provide the estimate to the client agency for approval. The client agency must accept and concur with the SCE prior to PBS's acceptance of the RWA. The client agency may confirm receipt and acceptance of the SCE by email. The SCE must include the estimator's name and the date the estimate was prepared.

Since the IGE is developed at a greater level of detail, there is not a one-to-one relationship between all line items shown on the IGE and those shown on the SCE. (For example, construction costs on the IGE could be estimated at a low level of detail while the SCE provides only a summary line for all construction related costs.) Though a one-to-one relationship of all costs from the IGE to the SCE is not possible, it is required that the direct costs on the RWA tie to the direct costs on the IGE.

#### 4. Submission, Receipt and Acceptance of the RWA.

##### a. Signing and submitting the RWA.

(1) The RWA must be completed and signed by a client agency funds certifying official (e.g., a client agency CFO) authorized to order or request the services and commit the client agency to payment. If the agency desires, the PBS program or project representative (that is, a PM, Property Manager, or respective RWA Manager) will assist with completing the RWA.

(2) The RWA contains blocks to be completed by both the client agency and PBS. Each block on the RWA is numbered for easy reference. The RWA includes instructions for completing each of the numbered block items. The most recent version of RWA Form 2957 is available in the GSA Forms Library at the following hyperlink: [Form GSA 2957, Reimbursable Work Authorization](#).

(3) When submitting an RWA to GSA, if a client agency is unable or unwilling to certify to the satisfaction of a PBS regional program representative (that is, a RWA Manager, regional OCFO, or regional counsel) that the client agency's RWA funds are legally available for the intended purpose, PBS regional program representatives must assume that the offered funding is not legally available to support the requested work. Therefore, the RWA must not be accepted and the requested work must not be performed.

b. Copied, electronic, or digital signatures.

(1) Photocopies, facsimiles, or Adobe Acrobat® (PDF) file attachments showing a "wet" signature (a manual signature in ink) are considered acceptable documents from client agencies on RWAs.

(2) To eliminate the need for paper (i.e., hard) copies in MS Word or Excel to be uploaded, the use of electronic (digital) signatures may be used by client agencies for submission, or by GSA personnel for acceptance, of RWAs in RETA. However, at a minimum, the GSA or PBS program representative (that is, a respective RWA Manager, regional OCFO, or regional counsel) receiving, reviewing, or accepting the RWA must have reasonable assurance, and be comfortable that, the digital signature is valid. If there are any doubts as to the validity of the digital signature, the PBS program representative may seek additional assurances from the certifying and approving official and, if necessary, request a traditional "wet" signature.

(3) For additional guidance on digital signatures, please review the following documents at the following hyperlinks:

(a) PBS Financial Operations and Reimbursable Services memorandum for Digital Signature on GSA Form 2957, dated April 14, 2011: [Digital Signature on GSA Form 2957](#).

(b) GSA Digital Signature Policy at GSA Order 2162.1, CIO Digital Signatures, dated December 2, 2010: [GSA Order 2162.1, CIO Digital Signatures](#).

(c) FAR Subpart 4.5-Electronic Commerce in Contracting, 4.502-Policy provides policy and procedures for the establishment and use of electronic

commerce in Federal acquisition: [FAR Subpart 4.5-Electronic Commerce in Contracting, 4.502-Policy](#)

(d) General Services Acquisition Manual GSAM 504.502 at the following hyperlink: [GSAM 504.502](#).

(4) After the RWA has been completed, the client agency submits the RWA to PBS for review and acceptance. The official intake point (or gateway) for submission of RWAs to PBS currently varies by region. Please contact your respective PBS RWA Manager to learn where to submit RWAs. Follow this hyperlink to the latest directory of RWA Managers: [GSA PBS Reimbursable Services RWA Managers](#).

c. Receipt of the RWA.

(1) Official receipt of an RWA by PBS (the “Performing Agency”) means the receipt of a fully completed and signed RWA form 2957 from the client agency (the “Requesting Agency”). A Receipt Letter must be sent to the client agency and the RWA should be entered into “pending” status in RETA.

(2) Official receipt of an RWA form 2957 is not the same as a client agency work request, by email or other informal communication, that may take place between a PBS PM and the client agency in identifying needs and requirements for goods or services. Moreover, official receipt of the RWA form 2957 is not the same as acceptance of the RWA. They are two separate actions. See acceptance of the RWA below.

d. Acceptance of the RWA.

Acceptance of an RWA means that GSA has accepted the official RWA form 2957 from a client agency by GSA’s signature on the RWA form 2957 (that is, the RWA is accepted by PBS when PBS signs the RWA). GSA Officials authorized to accept an RWA are shown in Table 5: PBS Written Delegation of Authority to Sign to Approve (Accept) RWAs. An acceptance letter must be sent to the client agency and the RWA must be entered in “submitted” status into RETA within 5 business days of RWA acceptance. A copy of the signed RWA form (whether containing a “wet” signature (a manual signature in ink) or an electronic (digital) signature) must be uploaded by PBS to the RETA Documentation Tool and made shareable within eRETA for the client to access at any time.

(1) Minimum mandatory requirements for PBS acceptance.

(a) [GSA Form 2957 \(RWA\) Current Version](#) – Original and all amendments (with a fully and properly completed page 1, including a client agency signature and date, as well as all of the funding, financial and accounting information in blocks 13A-13G).

(b) A Description of Requirements and a Scope of Work (SOW) – Narrative detail that clearly identifies the purpose and objectives of the client agency request (including the goods or services to be provided). The narrative must identify the project outputs in a succinct manner that can be easily understood by someone unfamiliar with the request. At a minimum, a succinct scope of work (SOW) developed by the PM} shall depict the following:

1. The purpose/objective and/or outcome of the service;
2. The required delivery time frame;
3. The geographical information (including PBS' building name/number and floor/room number); and
4. Any proposed space change (by square footage).

(Note: A building number is an eight-character code used to identify a federally owned or leased building in GSA's inventory. In circumstances where the building does not yet exist, or if multiple buildings or locations will have an identical amount of work done, a dummy building number may be obtained from REXUS or a new building number may be created if approved in advance by BGP. For Leased facilities the dummy building number will appear as: AXrrLLAX (where "rr" represents the two-digit region number). Dummy building numbers for FEMA or other emergencies have been eliminated.

(c) A properly completed IGE (except for F-Type RWAs).

(d) A properly completed Summary Cost Estimate (SCE) worksheet – which summarizes the IGE, along with cost documentation supporting the scope of work. The cost documentation must be dated and show a level of detail consistent with the level of detail in the scope of work. It must include all assumptions and exclusions made in preparing the cost estimate.

(e) A milestone schedule – that, if a contract award will not be made within 90 calendar days of RWA acceptance, the RWA must include a milestone schedule (prior to acceptance) showing the following estimated dates: Design Award (if applicable), Construction Award, Notice to Proceed, Furniture Award (if applicable), Furniture Delivery (if applicable) and Substantial Completion. If a schedule is not present at the time the RWA is accepted by PBS, it will be assumed that a contract award will be made by PBS within 90 calendar days from PBS's acceptance of the RWA.

(f) A client agency signature.

**The RWA must not be accepted by a PBS approving official unless these requirements have been met.** An RWA File Acceptance Checklist has been developed to help ensure that all necessary documents have been received and are uploaded into the RETA Documentation Tool, including the minimum requirements listed above. For complete details on the checklist, please follow this hyperlink to: [RWA File Checklist.](#))

(2) Minimum Mandatory Documents Required to be in the RWA File or Uploaded using the RETA Documentation Tool.

(a) GSA Form 2957 (RWA) Current Version – Original and all amendments

(b) Receipt Letter

(c) Description of Requirements and a Scope of Work (SOW) – Narrative detail that clearly identifies the purpose and objectives of the client agency request (including the goods or services to be provided). The narrative must identify the project outputs in a succinct manner that can be easily understood by someone unfamiliar with the request. At a minimum, a succinct scope of work (SOW) developed by the PM shall depict the purpose/objective and/or outcome of the service; required delivery time frame; the geographical information (including PBS' building and floor/room number), and any proposed space change (by square footage).

(d) IGE, with accompanying Cost Estimate Documentation and Correspondence (except for F-Type RWAs).

(e) Summary Cost Estimate (SCE)

(f) Project Milestone Schedule – Mandatory, if contract award is not anticipated within 90 calendar days of RWA acceptance for all RWAs.

(g) Design Intent Drawings (DIDs) and/or other design documentation or hyperlinks.

(h) Acceptance Letter

(i) Completion Letter

(j) Closeout Letter - except for C- D-, and R-Type RWAs.

(3) RWA receipt and acceptance scorecard.

(a) For all nonseverable service A-, B-, and N-type RWAs with an authorized amount equal to or above \$150,000 (including amendments that increase the RWA authorized amount above \$150,000), completion of the RWA Scorecard is mandatory. For RWAs NOT meeting the above criteria, RWA managers have discretion regarding

the level of review they conduct. (For more information, please follow this hyperlink to: [RWA Receipt and Acceptance Scorecard.](#))

(b) Since the RWA is the official GSA document that obligates the client agency's funds, for GSA to comply with the terms of the Anti-Deficiency Act (ADA) (31 U.S.C. § 1341), GSA will not, under any circumstance, award a contract for reimbursable goods or services before receipt and acceptance of the RWA by PBS. In addition, PBS will not accept an RWA for severable services that is subject to the availability of funds. (See, for example, FAR 52.232-18). However, if an agency is operating subject to a continuing resolution, RWAs for overtime utilities can be accepted by PBS so long as the client agency, at a minimum, funds the overtime utility services through the CR period.

(4) Acceptance of an interagency agreement in addition to an RWA. The client agency may require GSA to complete and sign additional funding documents such as the standard IAA form. When accepting IAAs and similar funding documents, PBS may sign the form, but still requires a completed and signed RWA before performing the work. IAAs and other related funding documents are not substitutes for the RWA. (For more information, please go to: [Interagency Acquisitions.](#))

(5) Acceptance for future delivery.

(a) PBS must ensure that services to be performed are within the Description of Requirements identified in the RWA and the agreed upon scope of work.

(b) Future needs, or needs outside the scope of work, must not be included in the RWA. This would be a violation of the *bona fide* needs rule (31 U.S.C. § 1502(a)), which requires that obligations must be recorded in the fiscal year in which the need arises. As a result, acceptance of RWAs early in the project life cycle when contract award or tenant occupancy might not happen until well into the future has been a problem in the past when using annual appropriations.

(c) RWAs may be accepted when there is a milestone schedule (including acquisition award and contract award) at RWA acceptance that clearly identifies when the various tasks will take place and the schedule illustrates that procurement of said items cannot happen immediately but will happen in the future. The schedule must be maintained in (and must be consistent with the requirements of) ePM. If the schedule is changed, a revised schedule must be submitted to, and approved by, the PBS PM within 30 business days of the change. Acceptable reasons for a schedule change may include delays in procurement, construction, lease award, or contract award. Client agency forced delays due to uncertainty about the client agency's actual needs or indecision by the client agency regarding design or finishing specifications are not acceptable.

(d) Moreover, PBS must alert the client agency to potential problems with accepting RWAs early in the project life cycle when contract award or tenant occupancy might not happen until well into the future. For example, if the project is cancelled and the obligational authority of the funding has expired, the client agency may not be able to use the funding it has supplied on the RWA. (See [Reasonable Time](#) in chapter 7 and [Cancellation](#) in chapter 4.)

(6) Acceptance in emergencies or special circumstances.

(a) In emergencies or special circumstances such as FEMA mission assignments, GSA responses to the mission assignment have transitioned to the Office of Mission Assurance (OMA) as part of the Working Capital Fund. If FEMA reaches out to PBS to respond to a mission assignment, PBS should refer them to a GSA OMA representative at the following email address: [omamissionassignments@gsa.gov](mailto:omamissionassignments@gsa.gov).

(b) As a result of OMA taking over responsibility for FEMA Mission Assignments, PBS will no longer use E-type RWAs. However, PBS may still be asked to assist OMA in response to a FEMA Mission Assignment. In these cases, OMA may utilize PBS services to fully respond to the Mission Assignment. Instead of PBS interacting directly with FEMA, PBS would instead enter into an N-type RWA with OMA for OMA to procure PBS' services. This transaction is similar to any other Interfund RWA PBS may enter into with another GSA organization (for more information on Interfund RWAs please follow this hyperlink to: [Section 2.3, Interfund Transfers](#)).

(7) Acquisition requirements for acceptance.

(a) PBS and GSA contracting activities are governed by the FAR. In addition, when purchasing on behalf of a client agency, it is critical that PBS and GSA contracting activities abide by any restrictions and limitations applicable to the funds provided by the requesting client agency. PBS must initiate and sustain communication regarding specific or unique statutory, regulatory, or policy requirements applicable to the client agency's purchase request.

(b) The Office of the Chief Acquisition Officer (OCAO) issues GSA acquisition guidance periodically, normally in the form of a letter, regarding purchases on behalf of other agencies. See examples of these letters under GSA Policy Supported with PBS Guidance in the [Reimbursable Services Policy and Guidance](#) Website. Consistent with this guidance, those accepting work from a client agency must receive verification from the client agency that, at a minimum:

1. The funds being made available by the client agency are legally available for the purpose of the acquisition activities to be performed by PBS.

2. All unique funding and procurement requirements of the client agency, including statutory, regulatory, or policy requirements applicable to the provided funding, have been disclosed to PBS.

3. All required internal reviews and approvals have been completed by the client agency before placing the order with PBS.

(c) However, because it is not always possible for the PBS approving official accepting RWAs to validate and verify compliance with these three requirements on the part of the requesting agency, GSA Form 2957 includes the following attestation and disclaimer, thereby putting the burden of proof for meeting these requirements on the official for the client agency who signs block 21A, Signature of Funds Certifying Official, on the RWA:

Figure 3 - Reimbursable Work Authorization Disclaimer

“By its signature below, the Requesting Agency certifies (a) that all special funding and procurement requirements of the Requesting Agency, including statutory or regulatory requirements applicable to the funding being provided by the Requesting Agency, have been disclosed to GSA; (b) that all internal reviews/approvals required by the Requesting Agency before placing this RWA with GSA have been completed; (c) that the Requesting Agency has a *bona fide* need in the current fiscal year for the work described in this RWA; (d) that the funds identified by the Requesting Agency in this RWA are legally available for further obligation and expenditure by GSA in furtherance of the work described in this RWA; and (e) that the Requesting Agency accepts the General Terms and Conditions set forth on page 3 of this RWA. Further written assurances regarding funding availability may be required depending on the facts and circumstances of individual requests.”

(d) Exceptions to or deviations from the above requirements may be granted by the GSA Senior Procurement Executive (SPE). Any request for such an exception or deviation will be granted only when the applicable GSA contracting activity determines that PBS and GSA are reasonably assured the three conditions in paragraph 7(b) 1, 2 and 3 above have been met. The reasoning in support of this determination must be detailed in the request to the SPE. Copies of the latest GSA acquisition policy changes or updates may be viewed in the OCAO Acquisition Policy Library at the following hyperlink: [GSA Acquisition Letters](#).

(8) Restrictions on RWA acceptance and responsibility for funds.

(a) GSA must be capable of substantially providing the services without recourse to further contractual arrangements, unless it is able to award and administer related contracts more efficiently, or less expensively, than the requesting client agency.

(b) All Government funds (including those of the client agency provided via an RWA, as well as funds contained within the FBF) must be used only for the purposes for which they were appropriated, or as otherwise specifically authorized by law. The client agency funds must be obligated by that agency during the period of availability of the funds.

1. Reasonable time. Reasonable time refers to the acquisition lead time, based on the complexities of the requirement, needed for GSA to contractually obligate the client agency's funds accepted with the RWA. Unless the RWA specifically provides otherwise, or there is no separate written agreement in effect at the time of acceptance of the RWA funds, which is the date GSA executes the RWA, a "reasonable time" of 90 calendar days from acceptance of the RWA will be presumed.

a. The acceptance of an RWA by PBS must be based on an intention to execute the agreement within a reasonable time after acceptance. Per GSA OCAO acquisition policy, PBS has a "reasonable time, based on the complexities of the requirement, to contractually obligate funds accepted from a client agency." See GSA Acquisition Letter V-09-06 - Interagency Agreements: Acceptance and Obligation of Funds; and [GSA Acquisition Letter V-09-06 - GSA Supplement](#).

b. For purposes of this section, acquisition lead time refers to the interval in months between the initiation of procurement action by PBS and receipt of the goods, products, or services purchased as the result of such actions.

c. At acceptance, the RWA must contain the date of contractual award agreed-upon by PBS and the client agency and, the estimated completion date of the project, or a separate signed written schedule reflecting what both parties agree is a reasonable time for PBS to obligate the client agency's funds. If there is a change in the schedule, a revised schedule must be submitted by the client agency and accepted by the PBS PM within 30 business days of the change.

d. Except for funds that come with customer-specific fiscal policy restrictions, such as those from the Department of Defense, GSA has a reasonable time within which to obligate the accepted funds, even if the contract award occurs in a subsequent fiscal year. Appropriated funds remain available to liquidate obligations properly chargeable to that account for five fiscal years after the period of availability expires. See 31 U.S.C. § 1553.

e. The client agency must have authority to obligate funds at the time the RWA is certified by the agency's funds certifying official. Funds cannot be considered obligated by the client agency until the client agency signs the RWA and it is accepted by PBS. There does not have to be a contract or a task order in place for the

client agency to record an obligation in its financial system, because the reimbursable agreement itself constitutes a contract for the purpose of recording a valid obligation. The obligation is valid since, under the provisions of the RWA, GSA must perform the service requested and the cost of the performance must be reimbursed by the client agency. The signed RWA authorizes PBS and GSA to execute the scope of the client agency request based on the authorized amount. This is done on a reimbursable basis, and PBS bills the client agency as expenses are incurred.

f. Requirements outside the RWA Description of Requirements and scope of work cannot be supported through the RWA beyond the period in which the funds are legally available for new obligations. A scope of work citing current obligational authority may be amended. RWAs whose obligational authority has expired may only be amended for a reduction in requirements or a cost increase based on antecedent liability. For more information on RWA amendments and antecedent liabilities follow this hyperlink to: [Funding for Antecedent Liabilities](#). For specific examples encountered by PBS, please follow this hyperlink to: [Appendix A: Glossary](#).)

## 2. Prohibition on incremental funding of nonseverable services and projects.

a. A nonseverable project represents a single undertaking that does not provide value until the entire project is complete, such as a construction project. Nonseverable projects may not be partially or incrementally funded, regardless of fund type. If a project is nonseverable, the client agency must fund the complete scope of work with funds available for obligation at the time the client agency submits an RWA. For proper acceptance of a nonseverable RWA, the complete funding for the scope of work must provide a discrete and fully functional deliverable.

b. Incremental funding is defined as funding the scope of work for a nonseverable service using funds from multiple fiscal years. More specifically, incremental funding is using time-limited funds (annual or multiple year funding) or mixed fund types such as annual or multiple year funding and funding that is available until expended (no-year funds) from multiple fiscal years to fund a nonseverable service scope of work, such as construction. GSA and DoD policy and fiscal law prohibit incremental funding.

c. When a RWA manager believes that a client agency is attempting to incrementally fund a nonseverable project, the RWA manager should have the RWA reviewed by the regional review board in order to determine whether the RWA or RWA amendment may be accepted. Regions may request central office assistance from PBS Reimbursable Services Program within the Division of Project Delivery Excellence, Office of Project Delivery and the CFO, Office of Financial Management, PBS Financial Services Division (BGP).

d. When it is determined that a client agency is attempting to incrementally fund a nonseverable project, PBS may not accept the RWA or RWA

amendment. Instead, PBS must return the RWA to the client agency and encourage the client agency's program office to find alternative methods to obtain proper funding from the year the RWA was submitted, or PBS may need to work with the client agency to reduce the project's scope of work, to fit within the client agency's available funding.

3. PBS approving official signature thresholds and Delegations of Authority.

a. The PBS approving official who accepts the RWA must have the authority to sign the RWA or amendment to the RWA. All substantive amendments, including all amendments changing the total authorized amount on an RWA must be signed. Initialed pen-and-ink changes are permissible only for administrative items.

b. [ADM 4200.2B GSA System for the Administrative Control of Funds](#), Paragraph 11(c)(9) provides guidelines and procedures for processing of funding allowances and assigns responsibilities for administrative control of funds. The basic delegation of authority for RWAs is included in PBS 5450.1 PBS Delegations of Authority Manual (March 4, 2015) in chapter 5, section 3 (p). That authority is delegated from the Administrator to the PBS Commissioner and Deputy Commissioner, then from the PBS Commissioner to the AC for Facilities Management and Services Programs, the AC for Project Delivery & the AC for Leasing, and to the RCs.

c. Therefore, every fiscal year, each region must maintain a written list showing its signature authority delegations by title (from the RA to the regional HSSOs) for the purpose of accepting funds from a client agency. Moreover, it is a mandatory requirement for all RWA signatories, including RCs, to be certified each year by taking and passing the RWA Level III training on GSA Online University. When the normal signature authority for the region is on annual leave only, signatory authority is authorized as described below: <sup>1</sup>

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<sup>1</sup> RWAs that provide a finished project in space outside the jurisdiction, custody, and control of the General Services Administration must be performed under the Economy Act (see #4 in Additional Instructions/Guidance for Certain Scorecard Items for more information on the Economy Act). **These RWAs must be signed/accepted by the Regional Commissioner or by the Assistant Commissioner of Project Delivery for Central Office RWAs.** See the [Reimbursable Work Authorization Receipt and Acceptance Scorecard](#).

Table 5: PBS Written Delegation of Authority to Sign to Approve (Accept) RWAs <sup>2</sup>							
	PBS Regional Commissioners	PBS Division Director	PBS Deputy Division Directors	PBS Division Branch Chiefs	PBS Service Center Directors	PBS Field Office Managers	Other PBS Program Representatives on behalf of their respective Program Area <sup>3</sup>
<b>RECURRING RWAs:</b> All		✓	✓	✓	✓	✓	✓
<b>NONRECURRING RWAs:</b> RWAs and RWA amendments with total (or revised total) authorized amounts:							
(a) Up to current Prospectus Level		✓	✓	✓	✓	✓	✓
(b) Between Prospectus Level and \$5 million (except for nonseverable service A-type, B-type or N-type RWAs with time-limited funds or any combination of fund types such as annual, multiple year or no-year funding)		✓	✓	✓	✓		
(c) For nonseverable services greater than \$5 million (except for A-type, B-type, and N-type RWAs).	✓						
(d) For nonseverable service A-type, B-type or N-type RWAs equal to or greater than Prospectus Level using time-limited funds or any combination of fund types such as annual, multiple year, or no-year funding.	✓						
Employee absences or incapacity	Any GSA or PBS program or project representative who has taken and passed the Level III RWA Training, when authorized and directed to act for another who is delegated an authority contained in this procedure, may exercise this authority during the latter's absence						

<sup>2</sup> Applicable to the total authorized amount shown the RWA, the amount of the change for RWA Amendments, or the revised total authorized amount of the RWA including the amendment.

<sup>3</sup> When authorized and directed by their RC, Division Director or Deputy Division Director.

5. Project execution. The act of providing reimbursable goods and services may begin only after PBS obtains the obligational authority to provide those goods and services on behalf of the client agency, as evidenced by the fully executed RWA. In other words, under normal conditions, PBS cannot obligate funding to provide reimbursable goods or services to a client agency until an RWA is completed and has been accepted by PBS.

a. RWA amendments.

(1) Definition.

(a) An amendment to an RWA submitted by a client agency to correct, add to or delete work from the original signed and accepted RWA.

(b) The PBS approving official who accepts the RWA amendment must have the signature authority to sign for both the amount of the amendment as well as for the revised total amount of the RWA consistent with the latest approved signatory authority and thresholds.

1. RWA Amendments are Generally Acceptable for:

a. Changes to the scope of work using funds cited on the original RWA prior to the expiration date of those funds.

b. Amendments for severable services using funds available at the time the services are provided.

c. Within-scope changes to the work funded with funds that were available when the original RWA was submitted, or funded with currently available funds if the client agency submits a Statement of Further Written Assurance that it no longer has funds that were available when the original RWA was submitted.

2. RWA Amendments are Generally NOT Acceptable for:

a. Out of scope changes, or for a new or different scope of work, once the funds from the original RWA have expired.

b. Any changes outside of the original scope of work require a new RWA using currently available funds. (See item 6 below, Amendments outside the Period of Availability for New Obligations.)

(2) Funding for antecedent liabilities.

Presuming PBS properly accepted the initial RWA (that is, the amount of funding cited by the client agency was thought to be enough, at the time the RWA was accepted, to perform the entirety of the requested scope of work) when the client agency submits an

amendment that requests additional work that will cause an upward price adjustment, or there are other events that cause a price increase in the original scope of work (e.g., differing site conditions, economic price adjustments, bids exceed initial estimates, etc.), PBS must determine whether the adjustment is attributable to the original scope of work for the RWA.

(a) If the Amendment is not attributable to the original scope of work, the client agency must provide a new RWA, citing currently available funds.

(b) If the Amendment is attributable to the original scope of work (commonly referred to as an antecedent liability) then the client agency should provide funds for the Amendment that were available when the original RWA was submitted. However, if the client agency does not have funds that were available when the original RWA was submitted, the client agency may provide a Statement of Further Written Assurance that it does not have funds available from when the original RWA was submitted and, then the client agency may provide the necessary additional funding from currently available funds. The client agency also may provide any no-year funds consistent with the purpose for which the funds used for the original RWA were appropriated without the submission of a Statement of Further Written Assurance (See GAO's decision in B-326945).

(3) Statements of further written assurance.

(a) GSA Form 2957 states, "Further written assurances regarding funding availability may be required depending on the facts and circumstances of individual requests."

(b) When a client agency informs GSA that time-limited funds are not available from when the original RWA was submitted, GSA must obtain the following written and signed statement from a funds certifying official of the client agency. This signed statement must be uploaded in the Documentation Tool in the RWA Entry and Tracking Application (RETA):

Figure 3 - Statement of Further Written Assurance for Time-limited Funds

*I am a Funds Certifying Official of the Requesting Agency and am responsible and accountable for the financial status of these specific funds for my agency. To the best of my knowledge, I hereby confirm to GSA that funds are not available from any appropriation that was available for obligation at the time the original RWA was funded and the bona fide need established.*

(4) Substantive amendments. A signed RWA amendment is required for substantive changes to the client agency portion of an RWA. Substantive amendments (as opposed to administrative changes) are:

(a) Amendments to an RWA that have practical importance, value, or effect on the scope of work. Examples include:

1. Increases or decreases in quantity, objectives, or requirements of the scope of work within the obligation availability of the funding.

2. Cancelling an RWA.

(b) Amendments to the total authorized amount in the RWA. Examples include:

1. Adding new funding (or additional funding within the period of obligation availability) to an existing RWA.

2. Increasing or decreasing funding in excess of the lower of \$500 or 10% of the project total costs. (See 10-Percent or \$500 Amendment Rule, below.)

(5) Amendments within the period of availability for new obligations. RWAs using no-year funds cannot be incrementally funded (that is, the client agency must provide full funding for the scope of work in the original RWA even when using no-year funds). RWAs funded with no-year funds may only be amended for new scope during the 1<sup>st</sup> year of performance. Beyond the 1st year of performance, a new RWA is required. RWAs using no-year funds should be closed out when the SOW is complete.

(a) For substantive amendments to RWAs within the period of obligational authority of the cited funding, agency funding must meet the previously stated requirements for an RWA (that is, in chapter 3. Definition). In addition, the client agency must:

1. Fill in the existing RWA number.

2. Fill in the Agency Certified Amount block with the amount of the amendment and the original authorized amount.

3. Identify the submission as an amendment and list the changes to the existing RWA (see "substantive amendments," above) in the Description of Requirements block.

4. Make any additional changes in the appropriate blocks.

5. Ensure that a certifying official signs the Signature of Funds Certifying Official block and forwards the amended RWA to PBS.

6. These requirements also apply to amendments of RWAs before lease award.

(b) If the RWA amendment is approved and accepted, the PBS or OCFO representative in the region or CO will then:

1. Sign the RWA,

2. Enter it into RETA, and

3. Return a signed copy of the accepted RWA (that is, either a copy of a “wet” signature version, or an appropriate digital version, rather than a copy marked “Signature on File”) to the client agency, along with an updated acceptance letter.

4. Upload a copy of the signed form 2957 (whether in “wet” signature or digital signature) to the RETA Documentation Tool and make it shareable with eRETA for the client agency to access at any time.

(6) Amendments NOT within the period of availability for new obligations. Amendments to RWAs for nonseverable services citing funds that are not within the period of availability for new obligations are generally prohibited, with the exception of antecedent liabilities and reductions in the scope of work. Otherwise, the client agency must submit a new RWA for review and acceptance. (Please follow this hyperlink to: [Appendix A: Glossary](#), for a definition and examples of antecedent liability.)

b. Administrative changes.

(1) Administrative changes, or changes to RWAs for items other than substantive modifications, are limited to such items as the following:

1. Agency contact name and contact information.

2. Billing term.

3. Billing Office Address Code (BOAC) changes.

4. Billing type.

5. Billing contact information.

6. Client agency accounting categories.

7. Treasury Account Symbol (TAS) changes without any corresponding changes in the authorized amount on the RWA. Said another way, a change in TAS is an administrative change as long as the fund year and fund type are not also changing.

8. Certifying official's telephone number.

9. FPDS information changes.

(2) An email from the client agency is sufficient to confirm these administrative changes. Questions related to administrative changes should be directed to your respective RWA manager at [GSA PBS Reimbursable Services Managers](#).

c. 10-Percent or \$500 Amendment Rule.

(1) To provide good financial communication between PBS and its client agencies, PBS will notify the requesting agency whenever total obligations are expected to exceed the authorized amount in the RWA.

(2) The limit on overages allowed on an RWA is \$500 for RWAs with authorized amounts equal to, or greater than, \$5,000, and 10 percent for RWAs less than \$5,000. An RWA amendment is not required for overages within this limit. These overages will be reconciled and billed to the client agency at the time the RWA is closed. Generally, BA54 will be used for minor R&A, BA53 for leases, and BA61 for overtime utilities.

(3) **For overages exceeding this limit, an amendment to the RWA is required.** The signed RWA amendment must appropriately reflect the agreed upon amount of the modification.

d. Residual or excess funds.

(1) Client agency funds remaining on an RWA at the completion of work are considered residual or excess. It is important that PBS provide timely notification of residual or excess funds to the client agency at project completion. Residual or excess funding authority is not available to be used for any work outside the scope of the RWA. Transferring funds from one RWA to another is not permitted. The RWA must be closed out when the RWA's scope of work is complete.

(2) If an RWA is ready to be closed out and has excess funds (excluding F-type RWAs), those excess funds must be returned to the client agency to be de-obligated. If the client agency has additional needs outside the scope of the RWA, the client agency must submit a new RWA.

6. RWA cancellation, completion and financial closeout.

a. Cancellation. The client agency, or PBS, may cancel an RWA at any time before any charges (that is, obligations or expenses) have been incurred against the RWA. Depending on the phase of the project, the client agency may also have to pay termination costs. To cancel an RWA, one of the following two procedures must be followed:

(1) Customer directed cancellation.

(a) Contact the PBS office in charge of the RWA to ensure that no charges have been incurred, and

(b) Request cancellation in writing (either by email or submitting an amended RWA.)

If no charges have been incurred against the RWA, PBS will begin procedures to cancel it.

(2) PBS unilateral cancellation. PBS must ensure that RWA work is being properly executed and awarded in a reasonable time. If there is not continuous and expeditious work being done to award contracts against a RWA in a reasonable time, it is the responsibility of PBS to cancel these RWAs and return funds to the client agency. If there is a situation where contracts have not been awarded in a reasonable time the following steps shall be followed:

(a) After 90 calendar days if the inactivity is the result of required action on the part of the client agency, a follow-up letter will be sent to the client agency. (A follow-up letter may also be sent to inform the client agency of other unforeseen delays encountered by PBS.)

(b) If the follow-up letter requires action on the part of the client agency, and the client agency does not respond within 30 additional calendar days, the RWA Manager will send a letter warning the client agency that the RWA will be cancelled if no response is received from the client agency within an additional 60 days.

(c) If the client agency fails to respond in the appropriate time, or if the response is determined by PBS to be inadequate, PBS must unilaterally cancel the RWA.

(Note: See [RWA Standard Operating Procedures \(SOPs\)](#) for cancelling an RWA).

b. Completion. Completion of an RWA occurs when the SOW for the project is determined to be complete by the Contracting Officer (see below) and PBS can work towards financial closeout. If PBS has already incurred costs and the client agency

wishes to cease further work on the RWA, PBS must ensure that no additional obligations are placed against the RWA. In that case, PBS will close out the RWA (rather than cancelling it) and will bill the client agency for the costs already incurred. Project completion dates must coincide with the expected ending of obligations. In other words, once a project completion date is entered into RETA, PBS will not incur any new obligations on the RWA after that date. However, PBS may need to adjust obligations and expenditures after that date to reflect late contractor invoices or any other remaining costs incurred within the scope of work.

(1) Documentation requirements for project completion.

(1) Evidence of satisfactory completion of work is a procurement requirement. Before payment is made to a vendor, PBS must inspect the goods or services being delivered for compliance with the scope of work and complete an inspection report. The inspection report becomes the basis for the receiving report.

(2) Requirements in GSA Order, [APD P 2800.14 Procurement Request and Receiving Report Preparation](#) (Chapter 9), state, "Once the supplies and services have been received, the receiving office is responsible for acknowledging receipt and acceptance by completing a receiving report. Supplies and services must be inspected and accepted or rejected within 5 workdays (that is, business days) of delivery/completion. . . ."

(3) The same requirement is also cited in GSA Order PFM P 4267.1. "Evidence of work completion must be maintained in the RWA file, or in the procurement file, or in both."

(4) Once the purpose of the reimbursable request has been fulfilled, PBS must confirm that the RWA is substantially completed, and then work towards financial closeout.

(5) Project closeout for an RWA occurs when a warranted Contracting Officer determines that work required under the RWA is "substantially complete" when the facility (asset), project, or service identified in the RWA, or a part of it, is sufficiently complete according to the contract documents, so that the client agency may beneficially use or occupy the facility, project, or service, or a part of it, for its intended purpose, even though punch list items may remain unfinished. Documentation supporting substantial completion is the GSA Inspection Report for Work under Contract (GSA Form 220), the GSA Construction Progress Report (GSA Form 184) or the GSA Receiving Report (GSA Form 3025). The date on the Inspection (or Receiving) Report, the date of completion (that is, substantial completion) in the RWA, and the completion date (that is, substantial completion) entered into RETA must be the same.

(6) Only a PBS architect, engineer, contracting officer or CO's Representative, a project manager, or a certified building inspector may perform the

project inspection and complete GSA Form 220 or GSA Form 3025. The CO may then certify that the project is substantially complete.

(7) When project closeout for an RWA occurs, the responsible office must initiate prompt action to submit the project completion dates to the client agency and in RETA. (F-type, R-type, and C-type RWAs need not be certified complete.) Certification for substantial completion and receipt of the supporting documentation (for example, an inspection Report for Work Under Contract-Form 220, a Receiving Report-Form 3025, a List of Defects & Omissions-Form 2480 (the "Punch List"), or Written communication with time-stamp from PM to RETA Data Entry User) must be included in the RWA file in RETA. (Note: See [RWA Standard Operating Procedures \(SOPs\)](#) for cancelling an RWA.)

(8) If PBS receives resistance from the client agency regarding the completion date, this information shall be brought to the attention of the RWA Manager.

**Note: The client agency must not de-obligate funds at project completion. De-obligation of funds by the client agency may be done only after financial closeout by PBS.**

(a) Completion of recurring RWAs. Recurring RWAs require completion dates from inception (start date) to determine the duration, service period, or life cycle of the RWA. If the completion date is not provided in the RWA, September 30 of the related fiscal year must be used.

Completion of R-Type and C-Type RWAs. R-type and C-type RWAs need not be certified complete. A completion date is determined based on the requested completion date. If a date is not provided, it will be set as the last day of the current fiscal year.

(b) Completion of severable service RWAs.

1. Severable service RWAs (with the exception of R-types, C-types, or F-types) require a completion date to be identified at RWA acceptance. The completion date must not exceed 12 months from the RWA start date.

2. Upon arriving at the pre-entered completion date, RETA will prompt the user to certify the RWA as complete. A severable service RWA can also be certified as complete at any time before the original completion date entered at RWA acceptance. A RETA data entry user can do this by simply modifying the completion date in RETA and entering the PBS Certificate of Completion signature information and documentation.

(c) Completion of nonseverable service RWAs. The completion policy remains the same whether an R-type, C-type, or F-type RWA is severable or nonseverable.

(d) Completion of Nonrecurring RWAs.

1. Nonrecurring RWAs are financially closed out shortly after final inspection and acceptance. With the exception of F-type RWAs, after completing any nonrecurring RWA, a PBS program representative (that is, a PM, Property Manager, RETA data entry personnel, or a respective RWA Manager) is responsible for performing the completion actions required by the RWA SOPs.

2. Once all open items orders have been cleared (de-obligated and liquidated), the final cost of the RWA is determined.

3. At this point, the client agency is issued the final bill for the difference between previous billings and actual costs.

Completion of F-Type RWAs. F-type RWAs need not be certified complete. They can be financially closed out at any time within a fiscal year; however, all obligations and all expenditures for F-type RWAs must be incurred by fiscal year end. PBS automatically places a completion status on all open-ended F-type RWAs.

c. Financial closeout.

(1) Financial closeout occurs when all obligations have been recorded, all costs of the work have been expensed, and all reimbursements have occurred. Closeout signifies financial closing of the RWA and de-obligation of any excess funds by the client agency, and receipt by GSA of all customer funds related to the project costs. A proper RWA closeout is not complete until the customer also pays the final GSA billing. After the RWA completion letter has been sent to the client agency, the RWA must be actively reviewed and all outstanding issues must be resolved. Financial closeout requires distribution of the RWA closeout letter to the client agency, which identifies the remaining balance to be de-obligated. PBS must not send the signed RWA (either a “wet” signature copy or a valid electronically-signed copy of the RWA and the closeout letter until the date of actual financial closeout is known and any remaining balance is identified.

(2) All signed original RWAs, RWA amendments, and related correspondence between GSA and the client agency must be electronically uploaded and maintained in RETA. Per contract guidance in the FAR, the PBS Internal Controls Desk Guide, and the GSA records retention schedule (GSA Order CIO P 1820.1), RWA files must be electronically maintained for a period of 6 years and 3 months (e.g., 75 months). Original (paper) versions of RWA documents may be destroyed at any time after being scanned and uploaded into RETA. (Note: See [RWA Standard Operating Procedures \(SOPs\)](#) for cancelling an RWA and for the elements for successful financial closeout of RWAs.)

## Chapter 5: Pricing

The authorities that permit PBS to provide reimbursable services require GSA to recoup all costs incurred to deliver the work requested by client agencies in RWAs.

Costs for reimbursable work are composed of both direct costs and indirect costs. Direct costs are charged only to a specific project. Indirect costs are recovered by PBS through allocation of two different fees: (1) a 4-Percent project management (regional overhead) fee and (2) a non-business line (Central Office) overhead sliding scale fee for nonrecurring RWAs or a \$100 overhead fee for recurring RWAs.

1. Application of reimbursable work authorization fees. As a general rule, the 4-Percent project management fee does not apply to personal property, furniture or its assembly, or non-permanent installation when using an RWA. More precisely, however, if the personal property being installed becomes a fixed part of the real property, then the project management fee must apply to the installation. If the personal property being installed remains movable and, as such, cannot be considered a permanent or fixed part of the real property, then it remains personal property and the 4-Percent project management fee does not apply.

2. Direct costs.

a. Contracts awarded by GSA PBS, for work requested by the client agency, are funded by the unfilled customer orders available from the RWAs. The RWA number must be cited as the funding source for these contract costs (for example, construction, A/E, and CM). Additionally, PBS charges the funding source for the PBS program or project representative's time (labor costs) to perform the work. (However, labor costs are considered a direct cost only if the PBS program or project representative is helping to physically deliver the scope of work--that is, performing the physical activities that PBS would typically hire a contractor to do.) These direct costs must be itemized and billed separately in the RWA Summary Cost Estimate (SCE).

b. Overtime utility estimates are prepared under the direction of PBS and the GSA PM using the Overtime Utility Estimating Tool (OUET). As with most RWAs, the labor and administrative costs that may be incurred by GSA and PBS personnel involved in helping to prepare these overtime utility estimates and SCEs are considered a normal part of the duties of GSA and PBS personnel and are not directly charged.

c. Table 6 includes examples of items that may be directly charged to an RWA. The 4-Percent project management fee and what services are, or are not, included within it is explained later in this chapter.

**Table 6: Direct Costs Chargeable to an RWA**

COST	YES	NO
Design	x	
Construction	x	
A/E Contractor	x	
CM Contractor	x	
PBS Rep Time Doing Design in Lieu of Contractor	x	
PBS Rep Time & Travel Outside Commute Area (or for >4 inspections, regardless of location.)	x	
PBS Rep Time & Travel Inside Commute Area (≤4 inspections)		x
Above Standard Security: Entry bollards or CCTV (equipment installation & maintenance)	x	
In-wall Cabling or Wiring for CCTV, IT, or Telephone	x	
Severable Services (e.g., overtime utilities)	x	
Moving Costs	x	
Furniture	x	

3. Indirect costs. An indirect cost is any cost not directly identified with a single, final cost objective, but identified with two or more cost objectives. Indirect costs cannot be easily identified with one product or service. Indirect costs may include salaries and wages of supervisors, foremen, and other PBS staff, as well as time of direct program and project personnel and Central Office management expenses allocated from the Central Office.

a. The 4-Percent (Project Management) Fee (regional overhead).

(1) Pricing policy requires PBS to charge a fixed 4-Percent project management fee on TI work above the TI allowance or after occupancy commences as outlined below. (For additional information, the latest version of the Pricing Desk Guide, 4th edition, is available at the following hyperlink: [PBS Pricing Desk Guide 4<sup>th</sup> Edition](#).)

(2) The intent of the 4-Percent project management fee is to recover PBS's regional indirect project costs nationwide. It is not intended to recover indirect costs on each individual project; therefore, it cannot be

waived. (See [chapter 5, Fee Waivers or Pricing Deviations in the Pricing Desk Guide.](#))

(3) Indirect project costs covered by the 4-Percent Project Management Fee. The 4-Percent project management fee recovers the indirect costs of salary and benefits of PBS program and project representatives and contract representatives hired by PBS who work to oversee and administer TI work. The project management fee does not apply to such items as physical moves, relocation management, severable services, or personal property and its assembly and installation, such as telecommunication equipment and furniture, unless the furniture is included as part of an integrated (turnkey) delivery of space (that is, the space cannot be occupied and is not substantially complete until the furniture is in place.) However, even though the 4-Percent project management fee does not apply to these items, PBS can charge the RWA for direct labor for the time expended by its representative to manage, coordinate, and execute this work. Table 7 below shows the 4-Percent project management fee and what services are, or are not, included within it.

**Table 7: Indirect Cost Services Covered by the 4-Percent PM Fee**

COST
Users entering and amending RWAs in RETA.
Contracting officers administering contracts specifically for RWA work.
PM services to oversee and coordinate routine execution of an RWA consistent with a standard project milestone schedule with routine site inspections (that is, not more than 4 inspections per project).
GSA fire protection engineering review services.
PBS program and project representatives managing travel to remote locations (either their own travel or an administrative assistant managing travel for others).
Travel by the PM for routine site inspections within the local commuting area (which is 50 miles) and limited to 4 inspections per project.
Business line overhead, such as the cost of furniture, information technology, telephones, office equipment, and supplies for PBS regional program and project representatives.

(4) Indirect project costs not covered by the 4-Percent Project Management Fee. Non-routine, or more frequent travel, such as the type of travel itemized below, is considered a direct cost not covered by the 4-Percent project management fee and requires the travel costs to be directly charged to the RWA:

**Table 8: Indirect Cost Services NOT Covered by the 4-Percent PM Fee**

COST
Travel in excess of the routine site inspections that are part of the project milestone schedule visits
Travel by the PBS PM to a location outside of the local commuting area [50 miles] or for more than 4 inspections per year
Travel associated with the PM performing as a Construction Manager (CM)
All other project-related travel costs not included in Table 7

(5) Applying the 4-Percent Project Management Fee. The 4-Percent project management fee is automatically applied to all RWAs for space alteration. There are no exceptions.<sup>4</sup>

(a) Projects in Federally owned space: Initial or backfill occupancy.

1. Shell Rent covers PBS program and project representatives' oversight of TIs within the TI allowance. The 4-Percent project management (regional overhead) fee is applied to the value of any TIs in excess of the TI allowance which are funded by the client agency with an RWA.

2. If a client agency elects to waive or lower its customization allowance and instead funds TI work by using an RWA, the 4-Percent project management fee applies.

3. In relet space (second-generation space that already has TIs installed from a previous tenant) a client agency may pay for all TIs with a lump-sum

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<sup>4</sup> The GSA Administrator is required by 40 U.S.C. § 586 to "...impose a charge for furnishing space and services" (that is, space, services, quarters, maintenance, repair, and other facilities) and to "...determine the rates to be charged for furnishing space and services." This statute also provides that the GSA Administrator may exempt anyone from the charges required by 40 U.S.C. § 586 when "the Administrator determines that charges would be infeasible or impractical." However, GSA lacks the authority to waive the requirement for recovering its costs associated with RWA work. The GSA Administrator may exempt charges in circumstances where GSA has determined the charges would be infeasible or impractical, but **never** below the statutory requirement for full cost recovery.

RWA, provided the space is not taken back to shell condition. In this instance, the 4-Percent project management fee is applied to all of the TI work funded with an RWA.

(b) Projects in Federally owned Space: Post initial and continuing occupancy. The 4-Percent project management fee is applied to the total value of all TI work, whether the work is funded by PBS and amortized into the Rent or by the client agency with an RWA.

(c) Projects in leased space.

1. Initial or backfill occupancy.

a. The 4-Percent project management fee for leased space covers PBS regional project representatives' oversight of TI amortized in Rent. The 4-Percent project management fee is applied to the value of the TIs in excess of the TI allowance that is funded by the client agency with an RWA.

b. If a client agency elects to waive or lower its customization allowance and instead funds work using an RWA, the 4-Percent project management fee is applied.

c. In relet space (second-generation space that already has TIs installed from a previous tenant) a client agency may pay for all TIs with a lump-sum RWA, provided the space is not taken back to shell condition. In this instance, the 4-Percent project management fee is applied to all of the TI work funded with an RWA.

2. Post initial and continuing occupancy.

The 4-Percent project management fee is applied only to TI work funded by the client agency with an RWA. The fee covers PBS program and project representatives' oversight of TIs (whether funded by the lessor or PBS). It is applied to the value of the TIs in excess of the TI allowance that is funded by the client agency with an RWA. PBS may fund TI work in leased space only when no other funding alternative exists, such as through lessor amortization in Rent or by using an RWA.

b. Non-Business line (Central Office) overhead fee. PBS also charges for non-business line (that is, Central Office) overhead to fully recover all costs, including indirect costs, related to the administration of RWAs from its client agencies. The non-business line overhead recovers the nationwide indirect cost of managing and operating the PBS Reimbursable Services Program within the Division of Project Delivery Excellence, Office of Project Delivery. The indirect costs to be recovered include the costs of the following items:

(1) Reimbursable Services Program within the Division of Project Delivery Excellence, Office of Project Delivery Office in PBS Central Office.

(2) RETA and eRETA.

(3) GSA's General Management & Administrative Bill charged to PBS and other centralized charges. PBS applies a non-business line overhead cost allocation to all recurring and nonrecurring RWAs. The non-business line overhead fee structure is as follows:

(a) Recurring RWAs. Recurring RWAs are charged a flat \$100 overhead fee per service to recover non-business line overhead. Since this fee is billed with the first invoice it is only refundable if the RWA is cancelled and no costs or charges have been incurred.

(b) Nonrecurring RWAs. Nonrecurring RWAs are charged a sliding-scale fee to recover non-business line overhead. The sliding-scale charge applies to the total value, including the project management fee, of all nonrecurring RWAs. The maximum sliding-scale charge for a single nonrecurring RWA is \$30,000. However, GSA has the authority to direct charge for overhead services in excess of what is considered to be normal or routine.

#### 4. Fee waivers or pricing deviations.

##### a. Waivers or deviations from the 4-Percent Project Management Fee.

(1) The GSA Administrator is required by 40 U.S.C. § 586 to "...impose a charge for furnishing space and services" (that is, space, services, quarters, maintenance, repair, and other facilities) and to "...determine the rates to be charged for furnishing space and services." However, even the GSA Administrator lacks authority to waive the requirement for GSA to fully recover all of its costs associated with RWA work.

(2) With regard to pricing deviations from the 4-Percent project management fee, there may be rare circumstances when a specific reimbursable work request might merit a method of indirect cost allocation other than the 4-Percent project management fee. An example may include a situation where a PBS region is able to completely and accurately estimate, in advance, PBS' actual indirect costs for performing a specific work request, and such costs are significantly different than 4-Percent. In such circumstances, the region must complete a Pricing Deviation Form which must be signed by the Regional Commissioner, Assistant Commissioner and Portfolio Director. In addition, the PBS Reimbursable Services Program within the Division of Project Delivery Excellence, Office of Project Delivery; PBS Financial Operations Division (BGP); and Pricing must approve an alternative written allocation

methodology for the individual RWA in advance of its submission to PBS. (See [Pricing Deviation Form](#).)

(3) The written alternative project management cost methodology proposed by the region, and its written approval, must accompany all RWAs, subsequent amendments, faxes, and emails relating to work for which the alternative cost methodology will be used. The approved alternative 4-Percent project management fee allocation methodology documentation must also be kept in the official RWA file.

b. Deviations from the overhead (Central Office) fees. Deviations from either the non-business line sliding-scale overhead fee or the \$100 overhead fee are not permitted.

5. Labor costs. Labor distribution is the process of identifying a representative's productive time and allocating these labor costs by function code to individual cost centers. Cost centers include Distributable Cost Centers (DCCs), buildings, RWAs, and projects. Labor distribution to RWAs must be handled consistent with the GSA Electronic Time and Attendance Management System (ETAMS) labor distribution policy. For more information on ETAMS, please go to the following hyperlink at the: [GSA FEDdesk Portal](#).

6. Furniture.

a. PBS may procure furniture related to renovation projects as well as standalone procurements of furniture.

b. Where acquisition of furniture or other items of personal property is necessary and incidental to (that is, related to, accompanying, or occurring in conjunction with) the original scope of work for the client agency relocation, space acquisition, or build-out of either a GSA-provided space, or a GSA-administered location, PBS may use FBF funds to purchase such items on a reimbursable basis. FBF funds may also be used to acquire fully furnished leased space (using budget activity (BA) 53) or to provide fully furnished "hotel-type" space. RWA requests for furniture that do not meet these requirements are considered standalone furniture requests.

c. On a case-by-case basis only, and only after advance approval from the Office of Project Delivery, PBS may use the Federal Buildings Fund to make standalone purchases of furniture for another client agency unrelated to a client agency relocation, space acquisition, or build-out. (See PBS guidelines for Standalone Option for Furniture Acquisitions (SOFA) at the following hyperlink: [Standalone Option for Furniture Acquisitions \(SOFA\)](#).) Standalone purchases of personal property other than furniture must be coordinated directly through FAS.

d. The acquisition of personal property or furniture must occur within a reasonable time to avoid violating the *bona fide* needs rule (see chapter 4. for more information). If the personal property or furniture acquisition cannot occur until sometime in the future (beyond 90 calendar days of RWA acceptance, even if the 90 days crosses into the next fiscal year), then, PBS must have a schedule agreed to with the client agency at RWA acceptance showing when the personal property or furniture will be procured.

7. Above-standard services.

a. Definition.

(1) Tenant agency spaces in a general use building may have operating and maintenance requirements that differ from conventional office space. Conventional office space includes 10-hours of operating service, 5 days a week, Monday through Friday, excluding federal holidays, as a standard service paid through the rent. Services outside these hours, due either to the particular space use or to the presence of special tenant equipment or fixtures, are considered above-standard services and are provided on a reimbursable basis. Nonpayment will result in discontinuation of the above-standard service. Examples of above-standard services may include:

- Custodial
- Special cleaning (above office standard)
- Operations & Maintenance and additional utility costs related to special tenant agency program equipment or fixtures
- Electrical
- HVAC utility costs that exceed 10 hours of operating service described above

(2) When a tenant is in leased space, and the lessor provides 24-hour HVAC service to any portion of the premises for other non-federal government tenants at no additional charge, then the lessor shall also provide this service at no additional cost to the Federal government tenant agencies, unless otherwise stated in the lease.

(3) The cost for continuous cooling (24-hour HVAC service) for server rooms less than 500 square feet in size in leased space should be incorporated into the operating cost component of the rent and would not require an RWA.

(4) For additional information, please follow the links to: Above-Standard Services Section of the [PBS Pricing Desk Guide 4<sup>th</sup> Edition](#), or go to the [PBS Lease Management Desk Guide](#).

**Please Note: RWAs for above-standard services must be appropriately identified as an above-standard service RWA by selecting the “Overtime” option from the “RWA Category” drop down menu in RETA. This applies to all above-standard service RWAs, recurring and nonrecurring.**

b. Types of above-standard services.

(1) Severable services. As defined previously in Chapter 3, a severable service is one in which the client agency receives value as the service is rendered. Services that are continuing in nature are considered severable, and the client agency must charge the costs to the fiscal year appropriation current at the time the services are rendered. All above-standard services are considered severable services.

(2) Recurring services. As defined previously in Chapter 3, RWAs for recurring services provide services to client agencies where the costs of those services are not separately invoiced or cannot readily be identified from standard operating costs. The services must start and must be completed within the same fiscal year. An example is overtime utilities when the service is not separately metered or billed, or both.

(3) Nonrecurring services. As defined previously in Chapter 3, Nonrecurring RWAs are those RWAs for services where costs can readily be identified and captured. Nonrecurring RWAs bill based on the goods and/or services received by PBS and delivered to the client agency. Those costs are direct and indirect. This includes overtime utilities where the service is separately metered and the overtime utility service charges incurred are identifiable (that is, utility reports that show kilowatt usage by hour or detailed invoice statements, or both). A nonrecurring RWA is appropriate when GSA incurs additional costs from metering equipment from additional labor incurred in analyzing and reconciling utility reports and converting them to invoices, and from costs incurred in the design and operation of GSA management systems (that is, RETA, GSA's contract system, and GSA's accounting systems, including costs, revenue, and billing modules).

(4) Preventative maintenance services.

(a) Equipment maintenance for GSA building equipment. When equipment is operated over and above normal hours, it results in excess wear and tear that requires additional repairs and maintenance. The increased costs associated with the extra usage are calculated based on

GSA Preventative Maintenance hours and the existing maintenance mechanic hourly rate from the current operations and maintenance contract for this type of work. The calculation for the cost of additional maintenance on building equipment takes into account the number of hours requested and the number of hours that piece of equipment was meant to operate. It also subtracts the maintenance associated with the 10-hour day which GSA provides.

(b) Equipment maintenance for agency owned equipment. When GSA provides maintenance on agency owned equipment such as the package air conditioning equipment serving computers rooms, the agency is responsible for the full cost of this maintenance. Often we do not have a separate bill for this maintenance, because the equipment has been included in the building's maintenance contract. In this instance, your cost will be calculated based on the GSA Preventative Maintenance hours and the existing maintenance mechanic hourly rate from the current operations and maintenance contract for this type of work.

(5) Restrictions and clarifications.

(a) Spaces in which above-standard services may be performed include, but are not limited to: server rooms; computer rooms; command centers; control rooms; office space; laboratories; jail cells; sally ports; firing ranges; and other special rooms.

(b) In addition, non-typical office space such as computer rooms, laboratories, and other special rooms, as well as utilities consumed by the customer equipment, are fully reimbursable for all hours of operation.

(c) Recurring and nonrecurring services may not be mixed on a single RWA, but rather require a separate RWA for each of the services.

(d) Services for different types of space may not be mixed on a single RWA, but rather require a separate RWA for each of the specific types of space. Examples:

1. Preventative maintenance and overtime utilities can ONLY be included on the same RWA if the preventative maintenance is on GSA-owned equipment (as both of these are based on estimated costs).

2. Preventative maintenance on agency-owned equipment must be on a separate RWA than overtime utilities because this preventative maintenance is based on actual costs.

3. Server rooms and office space should be on separate RWAs because they are based on different hours and requirements and are tracked individually for reporting purposes.

c. Above-standard services cost estimates.

(1) The Overtime Utility Estimating Tool (OUET) should be used to estimate the cost of all above-standard service RWAs. The OUET satisfies the mandatory estimate requirement in RETA.

(2) The preparation of RWA estimates for above-standard services is a joint effort between PBS and the client agency. Please note the following:

(a) If available, sub-metered data should be used as a tool to help with estimating and verifying usage and not as a tool for actual billing.

(b) As with most RWAs, the labor and administrative costs incurred by GSA personnel involved in preparing these RWAs are considered a normal part of the duties of GSA personnel and are covered by the RWA fees applied.

(c) If a client agency requires additional direct labor (such as personnel required on site during the use of above-standard services), the associated costs must be itemized and included in the total authorized amount of the RWA and included on the RWA estimate.

d. Above-standard services and associated fees.

(1) The administrative overhead fee for above-standard services generally is \$100 per service for recurring RWAs. However, a client agency may also request individual estimates for the same services within a building or facility to be bundled together into one RWA. This is permitted, but the \$100 fee is applied to each "child" estimate.

(2) Bundling of multiple child estimates at the building or facility level into a single RWA get combined into a master estimate. The master estimate does not include an additional \$100 fee, only those fees from the associated child estimates.

(a) Example 1: Three child estimates bundled into one RWA for XYZ Building for ABC Customer for office space overtime utilities would include \$300 in fees.

(b) Example 2: Four child estimates bundled into two RWAs for XYZ Building for ABC Customer for two office space overtime utility estimates on one RWA which would include \$200 in fees and another RWA for two server room estimates which would include \$200 in fees.

(3) The administrative overhead fee for above-standard services for nonrecurring services is based on a sliding scale overhead fee. There is no \$100 fee applied.

(4) The 4-Percent project management fee does not apply to any RWAs for above-standard services.

(5) GSA is required by federal statute to be reimbursed for all costs for all services provided, including overtime utility services. There are no pricing deviations or overhead fee waivers allowed for above-standard services. There are, however, circumstances where PBS Pricing Policy allows for incidental usage of above-standard services without reimbursement. For additional information, please reference page 3-35 of the [PBS Pricing Desk Guide 4<sup>th</sup> Edition](#), which states:

"PBS tenant agencies may use their assigned space and supporting automatic elevator systems, lights, and small office and business machines (including personal computers) on an incidental basis outside of the 10 hours of standard operation without additional charge, unless specified otherwise in the OA. This is subject to limitations required by building control systems or planned outages associated with scheduled system maintenance."

e. Above-standard services estimating season & communication.

(1) The estimating season for annual above-standard services begins in May and follows the associated time frames detailed below:

(a) Create estimates between May and June

(b) Complete estimates by June 30th

(c) Approve estimates (in RETA through the OUNET) by July 31st

(d) Validate estimates with customers by August 30th

(e) Request RWA(s) from customers beginning October 1st

(2) RWAs may not be accepted by GSA if they include a "subject to availability of funds" clause. The clause needs to be removed and funds officially certified when they are available before we can consider the RWA for acceptance.

(3) Additionally, RETA has been enhanced to include standard customer letters specifically for above-standard services requesting review and approval of the associated estimate(s) and officially requesting the RWA from the client agency. These letters include the following key items:

- (a) Verification of Need
- (b) Initial Request for RWA
- (c) Second Request for RWA
- (d) Escalation Process (in RETA)

(4) Go to the following hyperlink for additional information: [RWA Customer Letters Desk Guide](#).

## Chapter 6: Billing, Payment and Collection Methods

### 1. RWA billing methods.

a. GSA's and PBS's authority to obtain payments for the services, space, quarters, maintenance, repairs, or other facilities GSA provides is codified at 40 U.S.C. § 581(g). Since Federal agencies are responsible for their programmatic needs and costs, it follows that agencies use their own appropriations to pay for the cost of work performed on their behalf or to further their missions. In the absence of express statutory authority for GSA to absorb these costs, any unreimbursed costs to GSA on behalf of another client agency could be viewed as an unauthorized augmentation of that agency's appropriations.

b. Work performed under an RWA must be billed to the requesting client agency. The bill must contain the statement number, client agency's funding citation, and the billing address. On behalf of PBS, GSA's accounting system initiates billings on a monthly basis to recover the costs incurred after PBS and the vendor begin services. Billings result in the generation of accounts receivable and revenue. Costs and related billings are to be limited in excess of the amount of the RWA. If costs exceed an RWA's authorized amount by more than the lesser amount of 10% or \$500, PBS must request an amended RWA to cover the overage.

c. All direct and indirect costs that PBS incurs related to, or arising out of, a client agency request for reimbursable work are charged to the client agency. Any interest incurred under the provisions of the Prompt Payment Act (or any other interest charges or late fees that may be incurred) on a contract for reimbursable work requested by a client agency is a proper charge to the RWA **only** if the client agency is at fault for a late payment, or has agreed to assume financial responsibility for such interest charges in an interagency agreement other than the RWA itself.

d. When billing against RWAs, client agencies have the option of being billed in monthly or quarterly cycles, regardless of the amount. The BAAR system will generate a monthly billing term when neither is specified in the RWA. Information related to accounts receivable and the BAAR system can be accessed by going to the Office of the Chief Financial Officer (OCFO) – Billing and Accounts Receivable (BAAR) Program at the following hyperlink: [GSA's Billing and Accounts Receivable Program](#).

#### a. Recurring RWAs.

(1) C-type RWAs are not billed; rather, the full amount of the RWA is collected, upfront, from the non-Federal client as a prepayment.

(2) R-type RWAs are billed based on the RWA authorized amount divided by the period of performance.

(a) The \$100 overhead fee is included in the lump-sum collection for C-type RWAs and is included in the first billing cycle for R-type RWAs.

(b) Recurring RWAs must be periodically reviewed to verify that the authorized amount estimate is accurate.

b. Nonrecurring RWAs. Nonrecurring RWAs are billed based on costs incurred (for example, accruals or expenses, documented receipt of services, etc.) as work is completed.

(1) A-type, B-type, F-type and N-type RWAs are billed consistent with the terms of the RWA in an amount equal to the direct costs accumulated for the billing period plus the 4-Percent project management fee amount (if applicable) and the sliding scale overhead fee amount.

(2) D-type RWAs are not billed; rather, the full amount of the RWA is collected upfront from the non-Federal client as a prepayment.

## 2. RWA payment and collection methods.

a. Intra-Governmental Payment and Collection (IPAC). GSA participates in the Department of the Treasury (Treasury) Intra-Governmental Payment and Collection (IPAC) system, which allows direct transfer of funds from the client agency's Treasury account to GSA's Treasury account. IPAC billing records detailing amounts transferred are sent to Treasury. Reports are then made by an IPAC Website to registered client agencies, which may be viewed at the following hyperlink: [The Intra-Governmental Payment and Collection \(IPAC\) System](#). Please note:

(1) When Government agencies pay each other for goods or services, they do not have the same constraints imposed on them as are present when they pay non-Federal vendors. In other words, all of the documentation necessary to ensure that goods or services have been properly contracted for, and received, before payment to a non-Federal vendor, does not have to be present for intra-governmental payments to be made.

(2) One aspect of the IPAC system that is of particular interest to our client agencies is that if GSA inadvertently overbills the client agency, the charges do not constitute over-obligations or over-expenditures with respect to the provisions of 31 U.S.C. § 1341, the ADA. In other words, even though GSA might have temporarily obtained funds from the client agency in error, those funds will not cause the client agency's program to be deficient with respect to the provisions of 31 U.S.C. § 1341.

(3) When using the IPAC system, BAAR will generate the billing amount. No billing threshold is implemented for IPAC billing transactions.

(4) Client agencies using IPAC must enter billing type “O” on the RWA Form 2957.

b. Non-IPAC.

(1) Please note that GSA is no longer using paper bills for non-IPAC invoices. Instead, an electronic bill is posted to The Vendor and Customer Self Service (VCSS) under the BOAC identified on the RWA. Please follow this hyperlink to the VCSS website: <http://vcss.gsa.gov/>

(2) Pegasys implements billing thresholds for non-IPAC billings. Where the RWA is active, there is a \$1,000 billing threshold for nonrecurring RWAs and a \$100 billing threshold for recurring RWAs. On an RWA-by-RWA basis, if accumulated costs or the calculated billing amount is below the billing threshold, a bill will not be generated. Once the RWA receives a termination date, the billing threshold is removed and all balances due (regardless of amount) are billed.

(3) For non-IPAC billing, client agencies must enter billing type “N” on the RWA Form 2957.

c. Credit card.

(1) The credit card payment option (that is, the Government “purchase card” for client agencies) is available to client agencies for recurring and nonrecurring RWAs with a total authorized amount less than \$100,000. However, due to the credit card fees involved, the option is prohibited for GSA Interfund organizations [for example, internal GSA clients, such as FAS, the Office of the Chief Financial Officer (OCFO), and the Office of the Inspector General (OIG)]. When using a credit card, a completed, signed, and accepted RWA is still required.

(2) When paying by credit card, upon receipt of an RWA billing, the client agency must visit the Pay.gov Website for entering payment information.

(3) Instructions on the RWA Form 2957 (pages 4-5) direct client agencies to select either Billing Type “N” (federal entities) or Billing Type “P” (non-federal entities) as an acceptable method by which to pay for RWA goods or services using a credit card.

**Please note: There is a RETA “Quick Note” that explains how to enter an RWA for a client agency who normally pays via IPAC who elects to pay by purchase card. The Quick Note also explains how to create a unique BOAC for the IPAC client agency to ensure the bill is not processed through the IPAC System. (See: [RETA Quick Note](#))**

(a) Billing Type “N” (For Federal client agencies):

1. This option is for Federal client agencies paying by check or credit card, but is strongly discouraged by Treasury for client agencies that have the ability to use the IPAC billing system.

2. The client agency must select billing type “N” on the GSA Form 2957.

3. The Pay.Gov Website eliminates the need for point-of-sale terminals in numerous Federal locations and helps with security issues. Please note the following:

4. Federal client agencies paying by credit card must not pay the full authorized amount at Pay.Gov upon acceptance of the RWA. Instead, they must only pay as RWA billings are received, via VCSS.

(b) F-Type RWA transactions using credit cards:

1. The RWA billing must be reconciled monthly, and expenses plus PBS fees must equal the client agency’s payment amount.

2. Expense amounts must be supported by cost documentation such as receipts, cost estimates, or Indefinite Delivery and Indefinite Quantity (IDIQ) schedule costs in the RWA file.

(c) Billing Type “P” (For non-Federal entities):

1. Non-Federal client entities are required to prepay PBS in full for any goods or services they request using an RWA. When paying by credit card, the non-Federal client entity must use the Treasury Website, Pay.gov, and pay the full authorized amount up front. When paying by check for billing type P, the non-Federal client entity must follow the guidance provided in Section 3 of the Internal Controls Desk Guide (ICDG) at the following hyperlink: [Internal Controls at the General Services Administration Desk Guide.](#)

2. The Treasury Website eliminates the need for point-of-sale terminals in numerous Federal locations and helps with security issues.

d. Interfund transfers. Interfund organizations are any internal GSA organizations (for example, other business lines within GSA-FAS, the OCFO, and the OIG). The organization is billed based on the Pegasys Document Number and the Pegasys Document Line Number. The organization must establish an obligation in Pegasys (an “IX” document number) at the same time the RWA is accepted by PBS.

e. Billing for R-type services through the rent bill.

(1) RWA client agencies have the option to pay for recurring RWA services as a component of the GSA Rent bill. See section 2.12 (for leased space) or section 3.13 (for federally owned space) of the latest Pricing Desk Guide at the following hyperlink: [PBS Pricing Desk Guide 4<sup>th</sup> Edition](#).

(2) You may also follow this hyperlink to [Appendix C: Paying for Reimbursable Services through the Rent Bill](#).

3. Accruals, expenses and RWA vendor payments.

a. An accrual is an unpaid obligation for which PBS has received goods or services toward the delivery of the RWA scope of work. An accrual indicates that goods or services have been received, but does not necessarily indicate that a vendor has sent an invoice to PBS yet. Accruals are also known as receipts and result in the generation of a billing to the client agency according to the terms of an RWA. (See [Appendix A: Glossary](#))

b. An expense is an expenditure of money, a cost, or something requiring the expenditure of money when delivering or procuring goods, or providing services. (See [Appendix A: Glossary](#))

For more detailed financial and accounting information, please go to: section 3, Reimbursable Services, of the PBS ICDG at this hyperlink: [PBS Financial Operations Division](#).

4. Collections. For information on RWA collections, delinquencies, disputes, chargebacks, accounts receivable and write-offs, please go to the PBS ICDG at this hyperlink: [PBS Financial Operations Division](#).

5. Congressional accounts. Congressional fiscal years and budgets coincide with calendar years. Be sure all accruals are entered in Pegasys so as to generate bills before elections, or shortly thereafter, to ensure payment before Congressional members leave. Congressional bills are referred to the Congressional Service Representatives (CSRs) in the congressional support branch.

## Chapter 7: Fiscal Year-end Processing

### 1. Acceptance of RWAs at fiscal year-end.

a. Before acceptance of an RWA by PBS, a careful review must be conducted to confirm that the order represents a *bona fide* need of the requesting client agency if the client is using time limited funds. Doing so will help prevent PBS from unknowingly assisting a client agency to improperly obligate funds. While such due diligence is true of all RWAs received throughout the course of the fiscal year, it becomes especially important at year-end, when client agencies are under increased pressure to obligate funding before the period of availability for new obligations expires for annual funding, or multiple-year funding in the last year of availability for new obligations. RWAs must not be used as a means to hold or “park” client agency funding.

b. When accepting RWAs at or near the end of the fiscal year, applicable acquisition policy must be followed. The GSA OCAO issues an annual acquisition letter detailing PBS requirements for acceptance of IAs (including RWAs) at fiscal year-end. In addition, PBS will issue specific implementation guidance related to the OCAO’s annual acquisition letters as necessary, usually in the form of memoranda or Procurement Instructional Bulletins. PBS Reimbursable Services Program within the Division of Project Delivery Excellence, Office of Project Delivery also may issue year-end guidance through the Office of Client Solutions to remind both federal client agencies of the last date for submitting year-end requests for services so that there is sufficient time for PBS to process the request. (Note: DoD may receive separate guidance with a year-end date different from other federal client agencies.)

c. With the exception of specific cutoff dates, the requirements for acceptance of an RWA at or near fiscal year-end are the same as the requirements for acceptance of any RWA. (See: [Acceptance of the RWA.](#))

### 2. Reasonable time.

a. Current OCAO policy requires obligation of client agency funding provided through an RWA to occur within a “reasonable time.” For RWAs accepted at year end, the requirement of reasonable time still applies. Accepting a higher volume of RWAs at year end does not relieve PBS of the requirement to execute the work within the time-frame agreed to prior to acceptance.

b. If a determination is made that, based on the complexities of the work requested, contract award will not occur within 90 calendar days, the separate, mutually agreed-upon contract award date required under OCAO policy must be recorded in Block 24a of the RWA, Agreed-Upon Contract Award Date or estimated completion date. If neither of these requirements is met, then written justification

must be documented in the RWA file in RETA and all supporting documents, such as the acquisition plan and project plan, must be updated accordingly.

c. In addition, GSA must move expeditiously toward fulfilling the client agency's request as defined in the RWA. To do so, it is imperative that GSA and the client agency communicate timely and effectively during all phases of a project life cycle. As such, in order to comply with appropriations law and meet the bona fide need of the project, GSA has the responsibility to unilaterally cancel an RWA due to the lack of a client agency response within a reasonable time. (See [Reasonable Time](#) and [RWA Cancellation](#) in Chapter 4.)

3. Approval of RWAs not entered by September 30. Every effort must be made to enter a valid RWA into RETA by September 30 of the fiscal year in which the order was accepted. Any RWA accepted during the course of the fiscal year that is not entered into RETA by September 30 must be identified during the call for year-end worksheet adjustments by OCFO, Office of Financial Management, PBS Financial Services Division (BGP). Submission of these RWAs into RETA is subject to final review and approval by BGP.

## Appendix A: Glossary

**Above-standard.** As used by PBS, operations, maintenance, utilities, other services, or tenant improvements (TIs), which are in excess of the basic operations and services financed through Rent. The costs of all such “above-standard” services to be performed by PBS are normally reimbursable by a client agency and may be funded using a Reimbursable Work Authorization (RWA), or be reimbursed in the rent bill. (Also see Reimbursable Work Authorization, RWA, and TIs below.)

**Accrual.** Occurs when goods and services are received, other assets acquired, or construction and repair work put in place during a fiscal year, whether paid for or not, and regardless of when the order was placed or funds obligated.

**Acquisition.** In PBS, obtaining supplies or services by, and for the use of, an organization through a purchase or lease, regardless of whether the supplies or services are already in existence or must be created, developed, demonstrated, or evaluated.

**Activity.** An element of work that is required by a project, uses resources, and takes time to complete. Activities have expected durations, costs, and resource requirements and may be subdivided into tasks. (Also see Task.)

**Aging receivable.** Accounts receivable aging is a technique to estimate bad debt expenses by classifying accounts receivable according to the length of time for which they have been outstanding and then estimating the probability of noncollection for each category. When a non IPAC customer does not pay its bill within 45 days, for example, the outstanding billed amount becomes an aging receivable.

**Allocation.** Identification and distribution of discrete amounts of manpower or funds from available resources. When formulating a budget, allocation generally means that portions of available resources have been set aside within a budget for specific purposes or organizations. Allocation is a formal process that officially conveys resources, and the authority to apply them, on an annual basis.

**Allotment.** A document delegating the authority to obligate funds, as well as the legal responsibility for their administration and control, to a named recipient. Within GSA, all allotments are issued to the Chief Financial Officer (CFO) and the authority to apply them is officially conveyed on an annual basis.

**Allowance.** A quarterly authorization to incur obligations under an appropriation that is consistent with the authorized allotment.

**Amendment.** An amendment to an RWA is submitted by a client agency on an RWA form 2957 to correct, add to or delete work from the original signed and accepted RWA.

**Amortization.** The gradual reduction of a debt by means of equal periodic payments sufficient to meet current interest and liquidate the debt at maturity. The process of spreading the cost of an intangible asset throughout the expected useful life of the asset is amortizing the cost. Amortization is related to depreciation, which measures the "consumption" of the economic value of long-term assets such as equipment or buildings.

**Annual authority.** The authority to obligate funds during a specified fiscal year.

**Antecedent liability.** A liability of the Federal Government that arises and is enforceable under a provision in the original contract. Examples include:

- Costs to remove asbestos found within the walls of a space buildout that was not evident before starting construction but is within the original scope of work; or
- Unforeseen increases in material or labor costs, or both, that arise under the contract for a project within the original scope of work (that is, for the accepted RWA) that cause the project to exceed the original Independent Government Estimate, including contingencies.

**(Note 1:** Circumstances where PBS may Accept Current Year Funds for an Amendment to an RWA:

In instances where GSA properly accepted the initial RWA (i.e. amount of funding cited by the client agency was thought to be enough, at the time, to perform the entirety of the requested work) and when the client agency requests additional work that will cause an upward price adjustment in a later year, or there are other events that cause a price increase in the basic scope of work (e.g. differing site conditions, economic price adjustments, bids exceed initial estimates, etc.), the required approach is to determine whether the adjustment is attributable to the original scope of the RWA.

If the adjustment is not attributable to the original scope of the RWA, then an out-of-scope price adjustment must be funded on a separate RWA citing current year funds. A change which exceeds the scope of the original RWA, commonly referred to as an outside-the-scope change, like a new obligation, is chargeable to funds current at the time the change is made. In this instance, the client agency must provide a new RWA, citing current year funds.

If the adjustment is attributable to the original scope of the RWA, then the client agency should be requested to provide additional funding using funds that were available when the original RWA was submitted. However, if the client agency

does not have funds that were available when the original RWA was submitted and provides a statement of further written assurance that it does not have funds that were available when the original RWA was submitted, the client agency may provide the necessary additional funding from current year appropriations. The client agency may also use any no-year funds that are available for the same purpose as the funds submitted with the original RWA. No-Year funds do not require submission of a statement of further written assurance. (See GAO's decision in B-326945).

**Anti-Deficiency Act (ADA).** (Title 31 of the United States Code (U.S.C.), § 1341). A basic law governing the use of Federal funds. It contains prohibitions against obligating funds in excess of amounts appropriated or otherwise legally available, with prescribed penalties in the event of such violation.

**Apportionment.** The official allocation of funds by the Office of Management and Budget (OMB) that limits, by time or purpose, the amount of funds available for obligation and expenditure. The apportionment document also states any reserves set aside or special conditions that apply to the use of funds.

**Appropriated fund.** Federal fund(s) made available for obligation and expenditure by means of appropriation acts (or occasionally by other legislation). The use or availability of appropriations, once enacted and released, is governed by various terms and conditions, including terms of the appropriation act itself, the organic or enabling legislation that prescribes a function or creates a program that the appropriation funds, and the general statutory provisions that allow or prohibit certain uses of appropriated funds.

**Appropriation.** An act of Congress that permits Federal agencies to incur obligations and make payments out of the Treasury for specified purposes. Appropriations are further classified by type based on permanency (current or permanent), by the presence or absence of a monetary limit (definite or indefinite), and by the period of availability (one-year, multiple year, or no-year).

**ASID code.** An abbreviation for Accounting System Identification Code. The accounting system identification code is related to project control numbers (PCNs) and prospectuses in the PBS Information System (PBS/IS).

**Authorization.** Legislation that establishes or maintains legal operation of a Federal program or agency. This legislation sanctions a particular type of obligation or expenditure within a program, or otherwise approves use of public monies for stated purposes. Authorization, in some form, is a prerequisite to appropriation.

**BA.** An abbreviation for budget activity. Budget activities and sub-activities within a program are the basic, and primarily functional, levels at which specific types of work

are accomplished. Usually, they also are the primary subdivision used when presenting budget estimates and monitoring performance.

**BAAR.** An acronym for GSA's Billing and Accounts Receivable system, which is a module in Pegasys.

**Backfill occupancy.** Tenant occupancy that refills previously occupied and vacated space.

**BGP.** The correspondence code for the PBS Financial Operations Division.

**BOAC.** An acronym for Billing Office Address Code. This address code identifies the client agency being charged.

**The *Bona Fide Needs Rule*.** A basic principle of Federal Appropriations Law. It means that an agency may obligate a fiscal year appropriation only to meet a legitimate, or *bona fide*, agency need of the fiscal year in which the appropriation was made. The *Bona Fide Needs Rule* is statutory (31 U.S.C. § 1502).

**Budget.** A plan for coordinating resources and expenditures.

**Budget authority.** The authority provided by law (generally an appropriations act) to enter into obligations that result in immediate or future outlays of Federal Government funds.

**Budget cycle.** The period during which the budget for a fiscal year is administered. It begins with formulation of initial estimates and ends with a post execution performance review, covering a period of about 34 to 36 months.

**Building number.** An eight-character code within the accounting classification system that is written in the building number block of the RWA and identifies a building or a facility.

**Business line.** A branch or area of commercial activity operating as a business (that is, relating to, belonging to, or involving commerce or professional workers).

**CFO.** An abbreviation for Chief Financial Officer.

**Chargeback.** The return of funds by a seller to a buyer's debit or credit card account. In PBS, a chargeback refers to the process by which a client agency disputes a charge on a bill or invoice and requests a refund.

**Client agency.** A Federal Government entity that is a client of, or conducts business with, PBS and GSA.

**Client organization.** A non-Federal client (such as a State or municipal government), or an organizational component of a Federal agency, that is a client of, or conducts business with, PBS and GSA.

**Contingency.** A contingency is a potential liability (with an estimated percentage or dollar amount and risk assessment) arising from acts, events, or circumstances occurring before a project is completed.

**Continuing Resolution.** A piece of legislation that extends funding for federal agencies – typically at the same rate that they had been previously funded – until new appropriations bills are enacted.

**Contract.** A mutually binding agreement that obligates the seller to provide the specified product or service and obligates the buyer to pay for it. A contract is a legal relationship subject to remedy in a court of law. Generally, contracts fall into one of three broad categories: fixed-price or lump-sum, cost-reimbursement, and unit-price.

**Customization allowance.** A dollar amount per usable square foot for work tailored to an individual tenant agency that is part of the tenant improvement (TI) allowance. The customization allowance covers special items, preparations, or finishes that are not typical to all office space, but are necessary to customize the space for a particular tenant agency. (Also see TIs below.)

**Debt.** An obligation or liability to pay.

**Depreciation.** A decrease or loss in value due to wear, age, or other causes.

**Description of requirements.** As used by PBS, a Description of Requirements is a narrative description (or summary) of the totality of work to be accomplished, or services and resources to be supplied, by a contract. This description is shown in block 7 of the RWA form 2957 and it must agree with, and summarize, the project scope of work.

**Direct cost.** Any cost that can be identified specifically with a particular final cost objective. Costs identified specifically with a project are direct costs of that project and are to be charged directly to the project. Simply stated, costs are designated as direct costs because they are traceable to and identified with a specific project.

**Direct funds.** Those funds appropriated and assigned to an agency by Congress.

**DoDFMR.** An abbreviation for Department of Defense Financial Management Regulation.

**ECC and ECCA.** Abbreviations meaning Estimated Cost of Construction. (CC) and Estimated Cost of Construction at Award (ECCA). ECC=ECCA prior to construction award. ECC=ECCA + changes after award.

**Economy Act.** The Economy Act of 1932, as amended, 31 U.S.C. § 1535, permits Federal Government agencies to purchase goods or services from other Federal Government agencies or other major organizational units within the same agency. An Economy Act purchase is permitted only if: (1) amounts for the purchase are actually available, (2) the purchase is in the best interest of the Government, (3) the ordered goods or services cannot be provided by contract from a commercial enterprise, *i.e.*, the private sector, as conveniently or cheaply as they could be by the Government, and (4) the agency or unit to fill the order is able to provide or get by contract the ordered goods or services. The Federal Acquisition Regulation (FAR), 48 C.F.R. Subpart 17.5, also provides further requirements for Economy Act agreements. For more information, please go to the following hyperlink: [Economy Act Agreements for Providing Goods or Services.](#)

**eRETA.** An acronym for the external version of the RWA Entry and Tracking Application (RETA), which is available to client agencies. eRETA also incorporates and replaces the functionality and capabilities for researching RWAs formerly contained in the RWA Search Web site.

**ETAMS.** An acronym for Electronic Time and Attendance Management System.

**Expenditure.** The payment of an expense. Expenditure is the actual disbursement of funds.

**Expense.** Outflows or other depletion of assets or incurrence of liabilities (or a combination of both) when delivering or producing goods, or providing services, that comprise the entity's ongoing major, minor or central operations. Any cost of doing business resulting from revenue-generating activities is an expense. Amounts paid for goods and services are examples of expenses.

**FAR.** An acronym for Federal Acquisition Regulation.

**FAS.** An acronym in GSA for the Federal Acquisition Service.

**FBF.** An abbreviation in GSA for the Federal Buildings Fund. The FBF is a fund, established in 40 U.S.C. § 592(b), into which Rent charges and other revenues are deposited, and from which monies are available for expenditures for real property management and related activities in such amounts as are specified in annual appropriations acts without regard for fiscal year limitations.

**Financially complete.** A financial transaction wherein all obligations have been liquidated and all obligations, expenses and collections have occurred and all open items have been closed.

**FMIS.** The abbreviation for Financial Management Information System in GSA.

**FM.** The abbreviation for the Office of Facilities Management in PBS.

**Fully serviced rent.** In PBS, monthly rent that includes the cost of certain types of services, which may include janitorial services, trash collection, utilities, water and sewer charges, property taxes, etc. Instead of the tenant opening its own service or utility accounts and directly paying for these costs, the landlord pays for the expenses, but includes an amount in the monthly rent to offset these costs.

**FY.** An abbreviation for Fiscal Year. Any yearly accounting period without regard to a calendar year. Since 1977, the fiscal year for the Federal Government is the 12-month period beginning on October 1 and ending September 30 of the following year. For example, FY 2011 began on October 1, 2010, and ended September 30, 2011.

**GSA.** An abbreviation for the U.S. General Services Administration.

**GSA-controlled space.** Federally controlled space under the jurisdiction, custody, or control of GSA.

**HSSOs.** An abbreviation for Heads of Services and Staff Offices.

**IA or IAA.** An abbreviation for interagency agreement. A procedure by which one Government agency (the client agency or requesting agency) obtains supplies or services from or through another Government agency (the servicing or performing agency).

**IGE.** An acronym for Independent Government Estimate. The Government's estimate of the resources and projected cost of the resources to be used by a contractor in the performance of a contract, and the associated profit or fee. These costs include direct costs (such as labor, supplies, equipment, material or travel); indirect costs (such as labor overhead and material overhead); general and administrative (G&A) expenses; and fringe benefits. The specificity of the IGE will be dictated by the government and must be consistent with the requirements of the P-120. The IGE must include the estimator's name and the date the estimate was prepared. The IGE is a "should cost" assessment, which is used to support the Contracting Officer's price reasonableness determination when reviewing contractor proposals and bids. Therefore, access to an IGE is usually on a need-to-know basis.

**Incidental.** Related to, accompanying, or occurring in conjunction with. Under current RWA policy, when acquiring furniture or other personal property using an RWA under the provisions of the FBF, the acquisition of the furniture or other personal property must be either:

1. Incidental to (**meaning related to, accompanying, or occurring in conjunction with**) the initial occupancy of a PBS project for a client agency relocation, space acquisition, or buildout; or
2. A direct buy using one of the FAS schedules.

**Incremental funding.** Funding of the same scope of work for a nonseverable service over several fiscal years. More specifically, incremental funding is defined as using time-limited funds (annual or multiple year funding) or mixed fund types such as annual or multiple year funding and funding that is available until expended (no-year funds) from multiple fiscal years to fund a nonseverable service, such as construction. Fiscal law and GSA and DoD policy prohibit incremental funding.

Nonseverable services may not be partially or incrementally funded regardless of fund type, including by no-year funding. If a service is nonseverable, the client agency must fund the entire effort with dollars available for obligation at the time the client agency submits an RWA. For proper acceptance of a nonseverable service RWA, the complete funding must be equal to the scope of work and provide for a discrete and fully functional project deliverable (that is, a complete phase or stage of a project).

**Indirect cost.** Any cost not directly identified with a single, final cost objective, but identified with two or more cost objectives. Indirect costs cannot be easily identified with one product or service.

**Interfund clients.** GSA internal client organizations.

**Interagency.** A term meaning between agencies of the Federal Government.

**Intra-Governmental.** A term meaning within the government as a whole.

**Internal controls.** The plans, methods, and procedures used at GSA to ensure that the agency accomplishes its mission, goals, and objectives. Internal controls are the first line of defense in safeguarding assets and preventing and detecting waste, fraud, abuse, and mismanagement. Internal control, which is synonymous with management control, helps GSA achieve desired results through the effective stewardship of the public's resources. Internal controls provide critical information about the agency's progress (or lack of progress) and financial status. Although ultimate responsibility for internal controls rests with management, all employees have a role in the effective operation of internal controls. (For more information, please see *Internal Controls* at the General Services Administration Desk Guide, at the following hyperlink: [Internal Controls at the General Services Administration Desk Guide](#).)

**IPAC.** The acronym for Intra-Government Payment and Collection system. An automated billing and collection system maintained by the U.S. Department of the Treasury.

**Lease.** A contract granting exclusive use or occupancy of real or personal property during a specified period.

**Lessee.** One who possesses the right to use or occupy real or personal property.

**Lessor.** One who conveys real property by a lease in exchange for Rent.

**Life cycle.** The entire useful life of a product or service, usually divided into sequential phases, including development, execution, operation, maintenance, and disposal or termination.

**Lockbox.** In general, a post office box (PO Box) that is accessible by a bank. A company, or organization, may set up a lock box service with its bank for receiving payments. The company's client organizations send their payments to the PO Box. Then the bank collects and processes these payments, directly depositing them to the company's account.

**Micro-purchase.** An acquisition of supplies or services (except construction), the aggregate amount of which, as of this writing, does not exceed \$3,000. Micro-purchases for construction are limited to \$2,000. (See FAR 2.101.) Requirements totaling more than \$3,000 must not be broken down into several purchases that are less than that amount merely to allow purchases under micro-purchase procedures.

**Multiple year budget authority.** Budget authority for a period of availability of more than 1 fiscal year. The period is specified in the appropriations bill.

**Multiple year contract.** A contract covering the requirements of more than 1 fiscal year.

**Net rent.** In PBS leases, a term meaning fully serviced Rent minus operating expenses.

**Nonprospectus.** A term for construction, alteration, acquisition, or lease projects involving an expenditure that is less than the annually adjusted prospectus threshold.

**Nonrecurring RWAs.** Those RWAs that provide goods or services where costs can readily be identified and captured.

**Nonseverable service.** A service that results in the delivery of a final product. The benefit is only received when the entire project is complete. In other words, a nonseverable task involves work that cannot be separated into components, but instead must be performed as a single task in order to meet a *bona fide* agency no-

**Nonseverable service contract.** A contract in which the agency receives value only when the entire service is performed. What constitutes a nonseverable contract may vary, depending upon context or circumstance. An agency must pay for a nonseverable service contract out of the appropriation current when the contract is executed. (Also see the definitions of nonseverable and severable services.)

**No-Year budget authority.** Budget authority for which the period of availability of obligations is indefinite. The budget amount is considered available until expended.

**O/C.** An abbreviation for object class. A two-digit code within the Federal Buildings Fund appropriation that describes the general category of obligation.

**OA.** An abbreviation for occupancy agreement. Similar to a lease between PBS and each tenant agency in a building establishing the Rent and space assignment for each agency. It is a written agreement descriptive of the financial terms and conditions by which PBS assigns, and a client agency occupies, the GSA-controlled space identified therein.

**Obligation.** A binding agreement, such as a contract, by the Government to spend appropriated funds that will require expenditure at some later time.

**Obligational authority.** The sum of budget or new obligation authority provided for a given fiscal year, plus unobligated previous-year balances brought forward, and any other amounts authorized to be applied during the year (for example, transfers).

**OCAO.** An abbreviation for the GSA Office of the Chief Acquisition Officer.

**OCFO.** An abbreviation for the GSA Office of the Chief Financial Officer.

**OERR.** An abbreviation for the Office of Emergency Response and Recovery.

**OIG.** An abbreviation for the GSA Office of Inspector General.

**OMA.** An abbreviation for the Office of Mission Assurance.

**OMB.** An abbreviation for the Office of Management and Budget.

**One-Year budget authority.** Budget authority that is available for obligations during only 1 fiscal year. This is the default period for annual appropriations acts. Adjustments, however, can be made to obligations or disbursements to an expired authority during a 5-year period beginning with the first expired year. At the end of the fifth expired year, the authority is canceled; after that, it must not be used for any purpose.

**Organization code.** An eight-character code that represents an official entity within a GSA Service or Staff Office.

**OUET.** An abbreviation in PBS for Overtime Utility Estimating Tool, which is the electronic means by which PBS personnel develop overtime utility cost estimates for R-type, N-type, and F-type RWAs.

**Overage.** Money, goods, or something else of value that is a surplus, or in excess, of what is proper or shown in the records.

**PBS.** An abbreviation for the GSA Public Buildings Service.

**PBS/IS.** An abbreviation for the GSA Public Buildings Service Information System.

**PCN.** An abbreviation for Project Control Number. PCNs are assigned by PBS/IS to identify repair and alteration projects (direct and reimbursable). PCNs for new construction and transfer projects are assigned manually and entered in the PBS/IS.

**Pegasys.** GSA's core financial system that supports funds management (budget execution and purchasing), credit card usage, accounts payable services, accounts receivable services, disbursements, the Standard General Ledger (SGL), and reporting.

**Personal property.** A type of property that, in its most general definition, may include any asset other than real estate. The distinguishing factor between personal property and real estate is that personal property is movable. That is, the asset is not fixed permanently to one location as with real property, such as land or buildings. Examples of personal property include vehicles, furniture, boats, and collectibles.

**PM.** An abbreviation for project manager. A PM is an individual responsible for managing an overall project and its deliverables. The PM acts as the single point of contact for the project. The PM controls planning and execution of the project's activities and resources to ensure that established cost, time, and quality goals are met.

**Procurement.** The process of obtaining services or supplies and materials from sources outside the Government.

**Program.** A group of related projects managed in a coordinated way to obtain benefits not available from managing the projects individually. A program may include an element of ongoing activities or tasks that are not within the scope of the individual projects but that contribute to the program's intended benefits.

**Project.** A temporary undertaking to create a unique product or service. A project has a defined start and end point and specific objectives that, when attained, signify completion.

**Project life cycle.** The total of all of the stages of a project, from its conception and development to its eventual completion and closeout.

**Prompt Payment Act.** 31 U.S.C. §§ 3901 through 3907, which ensures that Federal agencies pay vendors in a timely manner. The act assesses interest penalties against agencies that pay vendors after a payment due date. Interest charges are billable to the client agency for an RWA, but only if the interest charges are the result of a delay or failure to pay the servicing agency (that is, GSA) by the requesting agency. Unless the IA between the servicing agency and the requesting agency expressly provides otherwise, the servicing agency is responsible for interest owed to the contractor due to delays created by actions of the servicing agency.

**Prospectus.** A formal statement outlining the main features of a new or proposed publication, business enterprise, investment, etc. More specifically, in PBS, a prospectus is a document made available to Congress containing detailed information about, and seeking approval in advance for, a major acquisition, construction effort, or other proposed obligation of funds that exceeds a specific adjusted threshold identified by Congress.

- 40 U.S.C. § 3307 requires that no appropriation shall be made to construct, alter, purchase, or to acquire any building, or to lease any space to be used as a public building, which involves a total expenditure or yields an average annual rental in excess of \$1,500,000 (adjusted annually) if such construction, alteration, purchase, or acquisition has not been approved by resolutions adopted by the Committees on Public Works of the Senate and House of Representatives, respectively. A similar provision exists for alterations to space under lease to the Government.
- For purposes of such approval, the Administrator transmits a prospectus to the Congressional committees for the proposed action. The prospectus document is sent to the Office of Management and Budget and the Congressional committees seeking the authorization and funding for a construction, repair and alteration, lease, or alteration in leased space project. A prospectus document must fully outline and justify a proposed project and typically includes a housing plan showing the current and proposed space requirements of client agencies to be housed, the costs associated with the proposed action, as well as the project schedule. An approved prospectus results in signed resolutions from both the House and Senate authorizing the project and an appropriations bill that funds the project.

**Prospectus project.** In GSA, any project meeting the prospectus requirements. A region must submit a prospectus to Central Office when the following conditions are met:

- **Alteration:** The Estimated Cost of Construction (ECC) exceeds the prospectus threshold that applies to the fiscal year of anticipated award.
- **New construction:** The site cost plus ECC exceed the prospectus threshold.

- **Lease:** The net Rent (fully serviced Rent minus operating expenses) exceeds the prospectus threshold.
- **Alterations in leased space:** Post-Government occupancy alterations where the estimated total project cost (ETPC) exceeds half the new construction or alteration threshold.

GSA requests authorization in construction and alteration prospectuses that provides the basis for the line-item appropriation of funds. GSA requests authority in lease prospectuses to enter into lease agreements using funds appropriated for the rental of space.

**NOTE:** Prospectus requirements apply to congressional appropriations to GSA; not necessarily to client agencies. However, signature by the client agency on the Form 2957 will provide sufficient certification that the client agency has met any necessary requirements it may have for prospectus review and congressional notification on the particular project or scope of work in the RWA. (See [RWA Form 2957](#).)

**R&A.** An abbreviation for repairs and alterations.

**Real property.** Land, buildings, and major repairs added to properties that are of a permanent nature (for example, land improvements, major repairs and alterations, and leasehold improvements).

**Receiving report.** A GSA document certifying receipt and acceptance of ordered goods and services.

**Recurring RWAs.** RWAs that provide services to client agencies where the costs of those services cannot readily be identified from standard operating costs.

**Reimbursable funds.** Funds that other Federal agencies pay to PBS for work that PBS will perform under the terms of an agreement with the agency.

**Reimbursable Work Authorization (RWA) or Reimbursable Agreement.** A written agreement between a client agency and PBS, whereby PBS agrees to perform work or services for the client agency on a reimbursable basis.

**Reimbursement.** In PBS, for purposes of the RWA National Policy Document, payment to PBS for the cost of products and services requested by another Government organization based on the item's cost plus the approved PBS reimbursable rate. This formula ensures that PBS recovers the full cost of the product or service and the cost of delivery of the product or service provided to the client agency.

**Relet space.** “Second-generation” space. That is, space that already has tenant improvements installed for a prior tenant.

**Rent.** The standard rate PBS charges tenant agencies for occupancy and basic services in GSA-controlled space. The word “Rent” is capitalized to differentiate it from the contract “rent” that GSA pays lessors.

**Requesting agency (RA).** In PBS, the Federal client agency, or non-Federal client, requesting the delivery of goods, products, or services from PBS.

**RETA.** An acronym used by PBS for RWA Entry and Tracking Application.

**RETA file documentation tool.** A means of uploading additional electronic copies of documents or files that support an RWA into the RWA Entry and Tracking Application.

**Revolving fund.** A legally authorized financial entity that finances a cycle of operations. Receipts from such operations are available in their entirety for use by the fund so long as authorized by statute.

**RFP.** An abbreviation for Request for Proposal. An official document used to acquire products, goods, or services by contract. (An RFP may also be referred to as a Request for Procurement.) **Note:** In GSA, a Request for Lease Proposal (RLP) {formerly an SFO (Solicitation for Offers)} is used in place of an RFP for acquisition of leased space.)

**Severable service.** A service that is continuing and ongoing in nature and for which a benefit is received each time the service is rendered. A task also is severable if it can be separated into components, each of which can be independently performed to meet a separate agency need.

**Severable service contract.** A contract in which the client agency receives value as the service is rendered. Services that are continuing in nature are considered severable and the client agency must charge the costs to the fiscal year appropriation current at the time the services are rendered. Under the provisions of FAR 32.703-3, the head of an executive agency may enter into a contract, exercise an option, or place an order under a contract for severable services for a period that begins in one fiscal year and ends in the next fiscal year, if the period of the contract awarded, option exercised, or order placed does not exceed 1 year (10 U.S.C. § 2410(a) and 41 U.S.C. § 3902). Funds made available for a fiscal year may be obligated for the total amount of an action entered into under this authority.

**SCE.** An abbreviation for Summary Cost Estimate, which, in PBS, is a worksheet summarizing the total estimated costs of a project into the following three categories: (1) Estimated Cost of Construction at Award (ECCA); (2) Costs associated with tenant personal property; and (3) Reimbursable costs.

**Scope.** As used by PBS, the sum of the products and services to be provided by a project. (The word “scope” may also refer to a scope of work.)

**Scope of work.** A division of work to be performed under a contract or subcontract in the completion of a project, typically broken out into specific tasks with deadlines and quality standards. A scope of work ultimately serves as the basis for an RFP and a contractor’s response. It is also the baseline against which the progress and subsequent contractual changes are measured during contract performance. As used by PBS, a document that clearly defines the objectives and requirements of the client agency request, summarized in the Description of Requirements (block 7) of the RWA Form 2957.

More specifically, the scope of work for an RWA, at a minimum, must be a succinct (that is, a concise but comprehensive) narrative description of the purpose, objectives, and outcome of the of the goods or services being requested by the client agency; the geographical information (including PBS’ building and floor and room number) and any proposed space change (by square footage).

**Servicing agency.** A Government agency performing services or obtaining goods on behalf of, and under the specifications of, a requesting agency.

**SGL.** An abbreviation for Standard General Ledger.

**Small project.** In PBS, any project in the small (below-prospectus) repair and alteration (R&A) program (BA54); any BA80 activities related to design, construction, and R&A that are less than the prospectus threshold; and lease construction R&A activities. (BA80 projects may include post-occupancy RWAs in leased space, but do not include RWAs supporting BA53 lease acquisitions.)

**SOW.** An abbreviation for scope of work.

**SPE.** An abbreviation in GSA for Senior Procurement Executive.

**Substantial completion.** As used by PBS, the date (or stage) when a facility (asset), project, or service, or a part of it, is sufficiently complete according to the contract documents, so that the client agency may beneficially use, or occupy, the facility, project, or service, or a part of it, for its intended purpose, even though punch list items may remain unfinished. It is the date (or stage) when PBS associates inspect, determine, and approve that the work has been performed to bring the facility, project, or service to the degree of completion that is necessary for the building, project, or service to be used for its intended purpose. Documentation supporting substantial completion is the GSA Inspection Report (Form 220) or the GSA Receiving Report. From a procurement or contracting perspective, only a CO may determine if a contract is substantially complete.

**Task.** A well-defined component of project work, also known as a discreet work item. There are usually multiple tasks for one activity. (Also see activity.)

**Tenant.** The occupant (usually a client agency) of space, whether leased or owned by the Federal Government.

**TIs.** An abbreviation for tenant improvements. Those changes, typically to office, retail, or industrial property, to accommodate specific needs of a tenant. TIs include installation or relocation of interior walls or partitions, carpeting or other floor covering, shelves, windows, millwork, and other components of the tenant's space buildout. In PBS, there are TI allowances in funding levels (or tiers), in costs per square feet, that enable a space to be built out for occupancy to meet a tenant agency's specific requirements. (For more details, see Section 3.6, Pricing Standards – Tenant Improvements, in the [PBS Pricing Desk Guide 4<sup>th</sup> Edition](#).)

**Time-limited funds.** Budget authority which is available for only 1 fiscal year (that is, annual funds) or for several fiscal years (that is, multiple year funds).

**UFCO.** An acronym used by GSA for "Unfilled Customer Orders." The amount of orders accepted for goods and services not yet provided, or performed, with or without an advance.

**Unobligated balance.** The amount of funds, in allotments or allowances, which has not been obligated.

**USDA-PBS.** The acronym for USDA Financial Management Line of Business for PBS.

**VAT.** An abbreviation for valid accounting transaction.

**Vendor.** A company from which a good or service is purchased.

**VCSS.** An abbreviation for the GSA Vendor and Customer Self Service (**VCSS**) web site. VCSS provides access to billing information concerning client agency accounts, such as outstanding balances, business line totals, and statement information.

## Appendix B: Useful Web Sites

Most Web Sites are accessible through the GSA or PBS Insite Web Sites and the World Wide Web. Below is a comprehensive list of Web sites, including a summary of available information, which can provide support for client agencies.

- **Office of the Chief Financial Officer (CFO)**  
<http://insite.gsa.gov/portal/content/500124>.  
This Web site has information associated with the GSA Chief Financial Officer and offers directions for invoice search, payments, and other matters of financial interest and concern.
- **Labor Distribution Coding**  
[http://pbsportal.pbs.gsa.gov:7777/portal/page?\\_pageid=81,106608&\\_dad=portal&\\_schema=PORTAL](http://pbsportal.pbs.gsa.gov:7777/portal/page?_pageid=81,106608&_dad=portal&_schema=PORTAL).  
Click on then **Labor Coding Guidance, or Coding Guidance by Function**.
- **Pegasys**  
<http://Pegasys.gsa.gov/>.
- **Public Buildings Service Insite**  
<http://insite.pbs.gsa.gov>.
- **BARR**  
<http://www.finance.gsa.gov/bartorabart/>.  
Billing and Accounts Receivable Report.
- **Bill View**  
<http://www.finance.gsa.gov/billview>.  
View statements and invoices generated by GSA billings.
- **CFO's Financial Management Information System (FMIS)**  
<http://cfo.fmis.gsa.gov/>.  
  
The CFO financial information database housing data regarding valid accounting transactions (VATs), open items, Obligations and Status of Funds, Data Center Consolidation (DCC) allocations, labor distribution, Real Property Assessment Database (RPADS), Reimbursable Work Authorizations, financial reports, NEAR and Pegasys vendor numbers crosswalks, Standard General Ledger (SGL), General Ledger crosswalks, cost centers, and NEAR-related data.
- **Federal Acquisition Regulation (FAR)**  
<https://www.acquisition.gov/comp/far/index.html>.

- **NABAS Address Search**  
<http://cfo.fmis.gsa.gov/>.  
National Billing Address System. Search for the address of activities and client agencies GSA bills via the GSA FMIS.
- **OPAC Chargeback Search**  
<https://www.finance.gsa.gov/OPACChargeback/>
- **Pegasys Open Items Searches**  
<http://www.finance.gsa.gov/openitem/> and <http://cfo.fmis.gsa.gov/>.  
Allows GSA field offices to search current open items files using the FMIS database.
- **VAT Search by ACT Number**  
<http://cfo.fmis.gsa.gov/>.  
Valid accounting transactions (VAT) searches by Accounting Control Transaction (ACT) Number. Need access to FMIS. VAT numbers can also be obtained in RETA.
- **The Vendor and Customer Service (VCSS) website.**  
<http://vcss.gsa.gov>.  
GSA Customer Billings - Email Notification for New Bill.
- **Financial Reports Online**  
<http://cfo.fmis.gsa.gov/>.  
GSA Financial Reports via the FMIS.
- **GSA Form 2957**  
[GSA Form 2957](#).  
Reimbursable Work Authorization (RWA) in the GSA Forms Library.
- **Reimbursable Services Program**  
[Reimbursable Services Program](#).  
Reimbursable Services Program website within the PBS Division of Project Delivery Excellence, Office of Project Delivery, Office of Design and Construction.

## **Appendix C: Paying for Reimbursable Services through the Rent Bill**

### 1. Background.

Paying for reimbursable services through the Rent bill allows client agencies to pay for recurring reimbursable services through the occupancy agreement (OA) billing process. Examples of the type of services include: overtime utilities, enhanced custodial services, mechanical O&M – HVAC, and mechanical O&M – others. This program is for 1 year and is renewable each fiscal year. An agency representative must certify that funds are available in a client agency's Rent account for the reimbursable services.

Each request is handled through the OA processes.

### 2. The role of Central Office (Revenue Division - PFR).

a. Will accept either an email or letter from a client agency to the Director of Revenue Operations requesting permission to pay for reimbursable services through the Rent bill. The request must include the location of the building, the services requested for the building, and the contact information.

b. Will coordinate the request with realty specialists in the region to confirm that the services can be provided by the lessor, and that the OA is amended to include the reimbursable costs.

c. Contacts the agency to inform it of the current Rent charges and anticipated RWA charges to be processed through Rent. PFR must verify that funds for reimbursable services and Rent, as indicated, are available for the appropriate fiscal year.

d. Prepares a letter or email to the region and client agency that the request to participate in paying RWA through Rent is approved.

### 3. The role of the Regional Office.

a. Sends the agency's request to the building manager to obtain an annual estimated cost for the services.

b. Provides the estimated annual cost for services to whomever is responsible for receiving and paying the client agency's Rent bill; a copy of the annual cost of RWA services is sent to PFR.

c. Obtains the fund certifying official's signature.

d. Obtains the client agency authorizing official's signature on the revised OA with RWA charges.

e. Requests permission from the Rent Bill Management (RBM) team to include reimbursable services on the bill.

f. Processes the revised OA in the OA Tool for OA billing.

4. Pricing policy.

a. Policy for billing recurring services through the Rent bill can be found in the Pricing Desk Guide, 4th edition, in sections 2.12 (for leased space) or 3.13 (for Federal space). In addition, appendix A to the Pricing Desk Guide, 4th edition, contains a sample letter that may be transmitted to help agencies enroll in the program to pay for reimbursable services through the Rent bill.

b. The Pricing Desk Guide is available at the following hyperlink: [PBS Pricing Desk Guide 4<sup>th</sup> Edition](#).

5. Points of contact. If you have any questions, please contact Ben Akyereko, 202-219-0370, PBS/PFR, Room 6306 Washington, DC 20405.

## Appendix D: Appropriations Law Primer

One of the most commonly misunderstood aspects of the Reimbursable Work Authorization (RWA) process is the role of Federal appropriations law. An RWA is an interagency agreement and is subject to the principles set forth in appropriations law. In opinions rendered on intra-governmental transactions, the Comptroller General has consistently held that both agencies involved share responsibility for ensuring proper use of the funds transferred by the requesting (client) agency to the servicing agency (GSA). The purpose of this section is to provide the basic principles of appropriations law that apply to the RWA process.

### D.1 – Types of appropriations.

There are three types of appropriations provided to Federal agencies -- Annual, Multiple Year, and No-Year. Knowledge of the different types of appropriations may be useful in making a determination as to whether the RWA is in compliance with appropriations law. Definitions for each type of appropriation as provided in the GAO Red Book are below.

**Annual** – Annual appropriations are made for a specified fiscal year and are available for obligation only during the fiscal year for which made. All appropriations are presumed to be annual appropriations, unless the appropriations act expressly provides otherwise.

**Multiple Year** – Multiple-year appropriations are available for obligation for a definite period in excess of 1 fiscal year (FY). For example, if an FY 2005 appropriation act includes an appropriation account that specifies that it will remain available until September 30, 2006, it is a 2-year appropriation.

**No-Year** – No-year appropriations are available for obligation without fiscal year limitation. The standard language used to make a no-year appropriation is “to remain available until expended.”

Annual and Multiple-year appropriations are known as “fixed-term” appropriations, meaning that they are available for obligation for a period of time specified by Congress. If a client agency fails to obligate its fixed-term appropriations by the end of the fiscal year for which they are available for new obligations, then those funds cease to be available for incurring and recording new obligations. At this point, the funds are considered “expired.”

### D.2 – Recording Statute.

The Recording Statute, Title 31 of the United States Code (U.S.C.), § 1501, details the requirements for a valid obligation of the Federal Government. Specifically, the

recording statute provides that for an obligation to be considered proper and valid, it must be supported by documentary evidence of a binding agreement between a client agency and another person (including a client agency). The agreement must be:

- In writing.
- For a purpose authorized by law.
- Executed before the end of the period of availability for obligation of the appropriation used.
- Used for specific goods to be delivered, real property to be bought or leased, or work or service to be provided.

The recording statute has a number of implications for RWAs:

1. It requires that we have a signed agreement in place with the client agency – an RWA signed by both the client agency and the PBS approving official.
2. The statute requires that the client agency obligate its funding during the period of availability for obligation. As noted in section D.1, above, the type of appropriation cited by the client agency is a good indicator as to whether the client agency's funding has been obligated within the period of availability. For instance, if an RWA is provided by a client agency in FY 2010 citing an FY 2008 annual appropriation, it may not be a valid obligation under the provisions of the recording statute. The FY 2008 annual funds are generally unavailable to the client agency for incurring new obligations beyond FY 2008.
3. The description of work provided by the client agency must be specific enough to understand what the client agency needs. This is known as the specificity requirement:
  - a. The specificity requirement is a key aspect of the recording statute. The description of work must be clear as to the work the client agency wants PBS to perform on its behalf. There must be a specific, definite, and concise description of the requirements associated with the funds at the time of RWA acceptance. Acceptance of nonspecific RWAs can have a negative impact on both PBS and our client agencies. Therefore, every effort must be made to ensure the description of work is sufficient to meet the specificity requirement.
  - b. As an example, assume PBS accepts an RWA citing an FY 2008 annual appropriation, with a work location of the Central Office building and a description of work that simply states "repair." No work takes place until the client agency emails PBS in FY 2011 with a request to use the RWA for repair of a broken faucet in Room 561 of the Central Office building. Informed of what the client agency needed in the first place, PBS moves promptly to repair the faucet and everyone is happy. Unfortunately,

everyone's jubilation would be short-lived when GAO got wind of the way in which this RWA was handled.

c. In the example above, the client agency did not incur a valid obligation meeting the specificity requirement until FY 2011 when it sent an email to PBS specifying the work to be performed--not in FY 2008 when the RWA was originally accepted. In past decisions, the Comptroller General has ruled that the client agency must record such an obligation against its FY 2011 appropriations. If the client agency has insufficient unobligated balances in these accounts, it must report a violation of the Anti-Deficiency Act (ADA), 31 U.S.C. § 1341. Accordingly, it is imperative that before accepting an RWA, PBS ensure, as well as practicable, that the RWA conforms to the provisions of the recording statute.

### D.3 – *Bona Fide* needs rule.

The *bona fide* needs rule is one of the basic tenets of appropriations law. The rule is statutory, 31 U.S.C. § 1502(a), and states that “the balance of an appropriation . . . is available only for payment of expenses properly incurred during the period of availability or to complete contracts properly made within that period of availability.” In other words, funds must only be obligated by the client agency for a legitimate, *bona fide* need arising during the funds' period of availability. Since the client agency's funds are obligated at the time PBS accepts the RWA (see recording statute discussion in section D.2), this means that, in practice, the work described in the RWA must be a current need of the client agency at the time the RWA is accepted. The *bona fide* needs rule does not apply to no-year funds.

Even after PBS makes a determination that the requested work represents a *bona fide* need of the client agency based on a sufficiently detailed description of work and accepts the RWA, the *bona fide* need may be questioned if too much time elapses before PBS contractually obligates the client agency's funds. In such instances, it may appear that the client agency is attempting to “park” its funding with GSA. The Comptroller General has stated that “an agency may not extend the availability of its appropriated funds by transferring them to another agency.” To avoid such a scenario, it is important for PBS to work in conjunction with the client agency to obligate the client agency's funding contractually within a reasonable period of time to deliver the work requested. Under current GSA acquisition policy, a reasonable period of time for contractual obligation has been defined as 90 calendar days unless another date has been agreed-upon by the client agency and is documented.

1. To better understand the *bona fide* needs rule, consider the following scenario: On February 21, 2010, a client agency finds that the lock to its office door is broken. The client agency prepares an RWA citing an FY 2010 annual appropriation and sends it to PBS promptly for the necessary repair work. PBS accepts the RWA two days later and enters into a contract with a locksmith, who promptly fixes the lock during 2010. This example clearly meets the requirements of the *bona fide* needs rule. The client agency

had a genuine need (lock repair) in FY 2010 and provided funding from a fixed appropriation, available for obligation in that fiscal year for the repairs. PBS quickly executed the RWA eliminating any question of *bona fide* need.

2. Now let's say that a client agency provides an RWA citing an FY 2010 annual appropriation for custodial costs in space the client agency is set to occupy starting in FY 2012. This would be a clear violation of the *bona fide needs* rule as current year (FY 2010) funds are being obligated for a future year need (FY 2012). In this case, the RWA must be returned to the client agency.

#### D.4 – Full funding.

RWA requests for nonseverable services must be accompanied by funding sufficient to accomplish the entirety of the requested work, even if the work is scheduled to occur over multiple fiscal years. Stated differently, RWAs for nonseverable services may only be accepted where the amount of such client agency funding is sufficient to fund the entirety of the scope of work on the RWA.

The difference between severable and nonseverable is often a source of confusion. However, it is important to know the differences, as the types of services requested can impact the time you have to deliver the requested work.

1. A severable service is a service that is continuing and ongoing in nature and for which a **benefit** is received each time the service is rendered. Examples include custodial or maintenance services and overtime utilities. The period of performance for a severable services contract can cross fiscal years, but cannot extend beyond a period of 12 months.

2. A nonseverable service is a service that results in the delivery of a final product. The **benefit** is only received when the entire project is complete. Examples include building construction, tenant improvements, and environmental studies. The period of performance for a nonseverable service contract can cross fiscal years and can extend beyond a performance period of 12 months (assuming it is funded with one-year money).

To determine whether a service is severable or nonseverable, the Comptroller General developed the following relatively simple test:

Suppose that a services contract is to be performed half in 1 fiscal year and half in the next. Suppose further that the contract is terminated at the end of the first fiscal year and is not renewed. What do you have? In the case of a window-cleaning contract, you have half of your windows clean, a benefit that is not diminished by the fact that the other half is still dirty. What you paid for the first half has not been wasted. These services are clearly severable.

Now consider a contract to conduct a study and prepare a final report. If this contract is terminated halfway through, you essentially have nothing. The partial results of an incomplete study, while perhaps beneficial in some ethereal sense, do not do you very much good when what you needed was the complete study and report. Or suppose that the contract is to repair a broken [widget]. If the repairs are not completed, certainly some work has been done but you still don't have an operational [widget.] The latter two examples are nonseverable.

#### D.5 – Anti-Deficiency Act.

The ADA, codified at 31 U.S.C. § 1341, provides that “an officer or employee of the United States Government may not make an expenditure or obligation exceeding an amount available in an appropriation for the expenditure or obligation.” Generally, we think of this as the responsibility of the client agency. Obviously, the client agency must never enter into an RWA if the amount of the RWA will exceed the amount available from its appropriation. However, when a client agency provides an RWA to PBS, it is transferring obligational authority to PBS. Accordingly, PBS must not incur obligations or expenses in excess of the funding provided by the client agency.

Another aspect of the RWA process that touches the ADA is the RWA bill generated for actual work performed or services provided. There are occasions when a client agency may not pay the RWA bill in a timely manner. It is the responsibility of PBS to make every effort to collect these funds from our Federal client agencies. Write-offs are not to be taken lightly. In the case of an RWA, the client agency has requested work and PBS has delivered. Congress did not authorize PBS to perform the work otherwise. Therefore, if PBS performs work for another Federal entity and does not receive payment, there may be a violation of the ADA.

#### D.6 – Antecedent liabilities.

In instances where GSA properly accepted the initial RWA (i.e., amount of funding cited by the client agency was thought to be enough, at the time, to perform the entirety of the requested work) and when the client agency requests additional work that will cause an upward price adjustment in a later year, or there are other events that cause a price increase in the basic scope of work (e.g. differing site conditions, economic price adjustments, bids exceed initial estimates, etc.), the required approach is to determine whether the adjustment is attributable to the original scope of the RWA.

1. If the adjustment is not attributable to the original scope of the RWA, then it is an out-of-scope price adjustment, and must be funded through a separate RWA citing current year funds. A change which exceeds the scope of the original RWA, commonly referred to as an outside-the-scope change, is a new obligation and chargeable to funds current at the time the change is made.

2. If the adjustment is attributable to the original scope of the RWA, then the client agency should be requested to provide additional funding that was available for the same purpose when the original RWA was submitted. However, if the client agency does not have funds that were available for the same purpose when the original RWA was submitted and provides a **Statement of Further Written Assurance that it does not have funds that were available when the original RWA was submitted to support the adjustment, the client agency may provide the necessary additional funding from current year appropriations. The client agency also may submit any no-year funds that were appropriated for the same purpose as the funds submitted on the original RWA for antecedent liabilities without the submission of a Statement of Further Written Assurance. (See GAO's decision in B-326945).**

#### D.7 - Incremental funding.

Funding of the same scope of work for a nonseverable service over several fiscal years. More specifically, incremental funding is defined as using time-limited funds (annual or multiple year funding) or mixed fund types such as annual or multiple year funding and funding that is available until expended (no-year funds) from multiple fiscal years to fund a nonseverable service, such as construction. GSA and DoD policy and fiscal law prohibit incremental funding.

Nonseverable services may not be partially or incrementally funded regardless of fund type, including no-year funding. If a service is nonseverable, the client agency must fund the entire effort with dollars available for obligation at the time the client agency submits an RWA. For proper acceptance of a nonseverable service RWA, the complete funding equal to the scope of work must provide for a discrete and fully functional project deliverable (that is, a complete phase or stage of the project, such as Design or Construction).

#### D.8 – Expiration of funds.

Issues sometimes arise related to the citation of a prior-year appropriation on an RWA. If, after careful review, it is determined that the request is tied to an order arising in a previous fiscal year, it may be appropriate to accept the funding under the provisions of antecedent liability, or under one of the following the specific statutes detailed below. However, before accepting an RWA to satisfy an order or need arising in a previous fiscal year, it must be absolutely clear that the expired funds are not provided for a **current** need. **Under no circumstances will GSA accept an RWA citing expired funds from a client agency for a current year need.** If any uncertainties exist as to the acceptance of an order citing prior-year funding, it is imperative that you consult with your Office of Regional Counsel and the Office of Small Projects and Reimbursable Services in PBS Central Office.

Two key statutes to consider when accepting prior-year funds are as follows:

1. 31 U.S.C. § 1552(a):

“On September 30th of the 5th fiscal year after the period of availability for obligation of a fixed appropriation account ends, the account shall be closed and any remaining balance (whether obligated or unobligated) in the account shall be canceled and thereafter shall not be available for obligation or expenditure for any purpose.”

2. 31 U.S.C. § 1553:

“After the end of the period of availability for obligation of a fixed appropriation account and before the closing of that account under the provisions of section 1552(a) of this title, the account shall retain its fiscal-year identity and remain available for recording, adjusting, and liquidating obligations properly chargeable to that account.”

D.09 – Resources.

There are a number of helpful resources available if further research is necessary:

1. [GAO Principles of Federal Appropriations Law \(Red Book\), Volumes I through III and Index and Table of Authorities](#) :

The Red Book is the primary resource for guidance related to Federal appropriations law. It is well written and provides a wealth of examples to help the reader understand the ins and outs of Federal appropriations law and apply those concepts to real-world scenarios. Hyperlinks are provided below:

- a. [GAO Principles of Federal Appropriations Law, Third Edition, Volume I.](#)
- b. [GAO Principles of Federal Appropriations Law, Third Edition, Volume II.](#)
- c. [GAO Principles of Federal Appropriations Law, Third Edition, Volume III.](#)
- d. [Principles of Federal Appropriations Law, Third Edition, Index and Table of Authorities](#)

2. GSA Acquisition Letters. In addition to providing guidance regarding the acceptance and obligation of client agency funding provided through interagency agreements (IAs) such as RWAs, GSA Acquisition Letters are excellent sources for concise explanations of the fiscal law terminology applicable to IAs. These letters may be accessed via the following hyperlink: [GSA Acquisition Letters](#).

3. U.S. Code search engine. You can easily find the specific laws that make up appropriations law through the following Web site: [Search the United States Code](#).

## Appendix E: RWA Types

### QUICK REFERENCE GUIDE

RWA Type	
(Note: GSA determines the RWA type after receipt but before acceptance of the RWA.)	
Recurring	
<b>R</b>	<p>R-type RWAs depict recurring services to Federal client agencies. Upon creating the RWA, the period of service (which can range from 1 day to 12 months) is determined. PBS bills the authorized amount equally throughout the period of service. As a matter of current policy, R-type RWAs are closed at the end of the fiscal year. Example: Overtime utilities where the utility services are not separately metered or billed.</p>
<b>C</b>	<p>C-type RWAs are used to deliver recurring RWA services to non-Federal client agencies under the provisions of the Public Buildings Cooperative Use Act of 1976. Please follow this hyperlink to the Act: <a href="http://www.cr.nps.gov/local-law/FHPL_PblcBldgsCoopUse.pdf">http://www.cr.nps.gov/local-law/FHPL_PblcBldgsCoopUse.pdf</a>.</p> <p>Prepayment is required of all non-Federal client agencies. (Prepayment is accepted by credit card, check, or money order.) Therefore, C-type RWA client agencies do not receive billings as work progresses. It is PBS' responsibility to ensure that obligations are not incurred unless payment has been received.</p> <p>When processing C-type RWAs, a copy of the RWA must be attached to the actual check when submitting the RWA, and the RWA number must be written on the check or money order. A copy of the check or money order must also be filed in the official RWA file.</p> <p>All checks and money orders must be handled in compliance with applicable laws and regulations surrounding personally identifiable information (PII).</p>
Nonrecurring	
<b>A</b>	<p>A-type RWAs depict projects funded by both PBS and the client agency (that is, split-funded) and are for a one-time need. They support, or are associated with, a nonprospectus project or a minor repair and alteration project and are for projects in federally owned space <b>only</b>. Examples: Construction or design services.</p>
<b>B</b>	<p>B-type RWAs depict projects funded by both PBS and the client agency, or client agency-funded only, and are for a one-time need. They support, or are associated with, a prospectus project regardless of the amount. Example: Client agency-funded work for "above-standard" tenant improvements that exceed the prospectus threshold.</p>

<b>D</b>	<p>D-type RWAs are used to facilitate nonrecurring RWA services to PBS' non-Federal client agencies under the provisions of the Public Buildings Cooperative Use Act (Public Law 94-541, Title 40 of the United States Code (U.S.C.) § 601a.) The client agency must prepay D-type RWAs before PBS obligates any funds. (Prepayment is accepted by credit card, check, money order, etc.). D-type RWAs use budget activity (BA) 80 and are fully reimbursable. It is PBS' responsibility to ensure that client agency obligations are not incurred unless funds are received in advance.</p> <p>When processing D-type RWAs, a copy of the RWA must be attached to the check or money order when submitting the RWA, and the RWA number must be written on the check or money order. A copy of the check or money order must also be filed in the official RWA file.</p> <p>All checks and money orders must be handled in compliance with applicable laws and regulations for personally identifiable information (PII).</p>
<b>E</b>	<p>E-types are no longer utilized and are decommissioned in RETA. OMA now handles FEMA Mission Assignments.</p>
<b>F</b>	<p>F-type RWAs depict services for one or more miscellaneous projects not exceeding \$25,000 for each transaction, inclusive of fees. The total amount of an F-type RWA cannot exceed \$250,000 per RWA. This RWA type requires no cost estimate and must close by September 30 of the fiscal year in which originated. F-type RWAs must not include both severable and nonseverable services (see chapter 3) on the same RWA. GSA need not certify an F-type RWA as complete, and it can financially close out the RWA at any time within a fiscal year. However, all obligations and all expenditures for F-type RWAs must be incurred by fiscal year-end. Also, F-type RWAs close out automatically at the end of the fiscal year in which originated. Example: Rekeying door locks.</p>
<b>N</b>	<p>N-type RWAs depict nonrecurring services and are standalone projects for a one-time need that are fully funded by a client agency for nonprospectus projects. N-type RWAs for severable services are limited to 365 days but may cross fiscal years. Severable and nonseverable services may not be combined on a single N-type RWA. Examples: Space alterations in owned or leased space, nonprospectus repairs and alterations, or overtime utilities where the utility services are separately metered or billed.</p>