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8.0 Purpose and Scope

This Chapter prescribes the DOC policy and procedures for implementing the delegations of authority under 41 CFR 102-72 from the Administrator of the General Services Administration (GSA) to the Secretary of Commerce for the operation and management of government-owned buildings and the administration of GSA leases.

8.1 General Policies

- (a) DOC is responsible for implementing delegations of authority under 41 CFR 102-72 from the Administrator of GSA to the Secretary of Commerce, contained in the signed Standard Operating Procedures for Delegated Government-Owned Real Property (Operating Procedures) and the signed Management Agreement for Lease Contract Administration between DOC and GSA (Management Agreement).

The specifics of DOC's program responsibilities for delegated Government-owned buildings are described in Section 5 (Program Responsibilities and Limitations) of the Operating Procedures.

For delegated GSA Administrative Contracting Officer (ACO) leases, DOC is accountable for the activities specified under the Delegated Responsibilities portion of the Management Agreement.

- (c) The DOC may request GSA to perform, on a reimbursable basis, any of the transferred contract or administrative program functions performed by GSA prior to the delegation. However, GSA's acceptance will be subject to its available resources, workload and existing priorities.
- (d) DOC shall ensure that each delegated building has an established cleaning and grounds maintenance program to provide a healthful and attractive environment, and to preserve and protect interior finishes and landscaping. This program includes janitorial services, pest control,

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trash removal, landscape maintenance, snow removal and the like. Cleaning for childcare centers is at the level of a clinic.

- (e) DOC shall comply with Occupational Safety and Health Administration (OSHA) Standards, Environmental Protection Agency (EPA) regulations, Executive Orders and other applicable local regulations. In addition, DOC shall maintain its delegated buildings in a manner that provides a safe and healthful work environment.
- (f) DOC shall provide full service and support to all Government building tenants housed in the delegated buildings, including the accomplishment of tenant-requested alterations. Tenants will be responsible for reimbursing DOC for the costs of any such alterations.

8.2 Roles and Responsibilities

- (a) The OAS Director is responsible for managing and coordinating the implementation of the Department's building delegation program.
- (b) The OREPMP Associate Director is responsible for developing department-wide procedures to implement DOC policies and incorporating them into this Manual; providing advice and technical assistance to DOC Bureaus and ASCs; keeping DOC Bureaus and ASCs fully informed of all changes and developments pertaining to the building delegation program; coordinating the allocation of BA-53 rental funds for ACO leases from GSA to DOC; serving as liaison with GSA's Central Office and Regional Offices on issues pertaining to the building delegation program; participating in scheduled GSA and DOC evaluations and oversight reviews of the DOC building delegation program; and coordinating the submission of requests to GSA for delegated authority to operate and manage government-owned and leased buildings.
- (c) The ASCs and Bureaus are responsible for the actual implementation of the authorities and program responsibilities described in the Operating Procedures

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and/or Management Agreement. These responsibilities will vary and are dependent upon the type of delegation granted to DOC by GSA. At a minimum, responsibilities will consist of the following:

- (1) establishing a sufficiently staffed and trained organization to carry out the delegated authorities and responsibilities described in the Operating Procedures and/or Management Agreement;
- (2) establishing and implementing effective ongoing programs for the operation, maintenance, repair, preservation, alteration, and protection of all buildings where GSA has delegated to DOC authority for real property management and operations;
- (3) appointing an Administrative Contracting Officer (ACO) to manage, enforce and administer the delegated leases and perform all required real property operations which are not included under the terms of the lease;
- (4) providing and maintaining all required cost data to monitor expenditures of management and operating funds for delegated buildings by object class and function to support the preparation of annual budget requests to the Office of Management and Budget (OMB), as required by OMB Circular A-11.
- (5) preparing and submitting information on delegation related activities as requested by OAS or OREPMP;
- (6) preparing specifications, soliciting bids and awarding any new or succeeding contracts required in operating and maintaining the delegated buildings or performing repairs and tenant alterations;
- (7) participating in all scheduled GSA evaluations and DOC policy and procedures oversight reviews;
- (8) providing all required data on their delegated buildings to their servicing data manager for entering

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into DOC's Federal Real Property Management Systems (Federal RPM); and

- (9) preparing requests to OREPMP for additional real property building delegations from GSA.

8.3 Acquisition of Building Delegations Authority

In 1982/83, GSA implemented a "pilot" building delegation program in the National Capital Area involving five Federal agencies. These five agencies were delegated authority and responsibility by GSA to operate and manage their headquarters facilities. The Herbert C. Hoover Building was one of the buildings delegated in this "pilot" program. The success of this "pilot" program paved the way for the issuance of Executive Order 12512 and the establishment of the nationwide Building Delegation Program by GSA. This Executive Order directed the Administrator of GSA, to the extent permitted by law, to delegate operational responsibility to agencies, where feasible and economical, for the management and operation of real property housing their activities.

8.4 Criteria

41 CFR 102-72.35 and 102-72.55 establish the requirements for obtaining ACO and real property management and operation authority from GSA.

8.5 Types of Building Delegations

The principal types of building delegations that DOC participates in are defined in 41 CFR 102-72.25, 102-72.30(c), and 102-72.50.

8.6 Submission of Requests for Building Delegation Authority

DOC Bureaus may request from GSA delegated authority to operate and manage GSA-controlled Government-owned and/or leased space. The Bureau is responsible for preparing the initial request. The request must be by the head administrative official of the Bureau and submitted to the Associate Director, OREPMP for review

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and preparation of the formal request to GSA. The request must provide for sufficient time for GSA to fully evaluate and act on the request. This would include development of a plan for the allocation of funding and transfer of building equipment and supplies, official records, building files, lease files, contracts, on-going building projects and delegated program functions from GSA to DOC. As a minimum, the request shall contain the following information:

- (a) The type of delegation being requested;
- (b) The name and address of the building(s) covered in the request;
- (c) A brief description of the organizational structure within the requesting ASC/Bureau that will be responsible for operating and managing the delegated building(s);
- (d) The names, titles, telephone numbers and technical and professional qualifications of the officials who will be responsible for implementing the building delegation being requested. As used in this paragraph, qualifications shall include experience, formal training and the type(s) of contracting officer warrants held.
- (e) Any additional information that indicates that the requesting ASC/Bureau meets the requirements of 41 CFR 102-72.35(b), 102-72.55(b), and 101-72.75(b).

8.7 Approval of Building Delegation Agreements

The GSA will (1) evaluate each request to see whether it meets the criteria for buildings that are eligible to be delegated and (2) assess the capability of the requesting Bureau to successfully implement the requested delegation. Upon completion of its evaluation, GSA will notify DOC. The Administrator of GSA will signify his/her approval by transmitting either the Operating Procedures or Management Agreement to the Secretary of

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Commerce for his/her signature. All approved delegation requests will remain in effect for the life of the Occupancy Agreement (OA) that is in place for each GSA assignment or lease, unless modified upon mutual agreement. As the OA expires, each delegation will be re-evaluated. Upon receipt of these approved documents, OREPMP shall provide a copy to the requesting Bureau.

8.8 Terms and Conditions of Building Delegation Agreements

8.8.1 Coordination

- (a) The OREPMP Associate Director is responsible for serving as DOC's primary liaison with GSA's Central Office on DOC's implementation of the building delegation program. This includes the submission of all required reports, data transmittals and approval requests; clarification and/or resolution of concerns and inquiries from DOC Bureaus and ASCs; and the allocation of building delegation funds to DOC. The OREPMP Associate Director is also responsible for serving as the principal liaison with GSA's Regional Offices on all building delegation matters and issues other than day-to-day operational items.
- (b) DOC Bureaus and ASCs shall be responsible for designating to each GSA Regional Office the names of their Bureau official(s) who will be responsible for providing operational coordination with GSA on day-to-day operational issues involving their respective delegated buildings.

8.9 Funding for Building Operations, Repairs and Rental Payments Funding for Government-owned Building Delegations

Policy and procedures for funding the management and operations of Government-owned buildings are contained in Section 4, Resource Management, of the Operating Procedures.

8.10 Funding for ACO lease delegations

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- (a) Payment of Rent to the Lessor and to GSA- Policy and procedures for obtaining funds to pay Rent directly to the lessor are contained in the Management Agreement, under Delegated Responsibilities, Section A, Payment of Lessor.

OREPMP will coordinate with GSA annually to make any necessary adjustments to the total amount of funds to be provided. These adjustments may be the result of changes in square footage in the lease, tax and operating cost escalations, and/or stepped rents that have been negotiated into the lease by GSA. GSA will also adjust the amount of funds that it provides based on any carryover funds that a Bureau has reported in its end-of-year Standard Form (SF) 133, Report on Budget Execution.

- b) Payment of Operating Costs - Under an ACO lease, Bureaus are responsible for budgeting and paying for all services not contained in the lease. Requests for these funds should be submitted to OMB, as required by OMB Circular A-11.
- c) Administration and Payment of Escalations - The Bureau ACO is responsible for processing Supplemental Lease Agreements (SLAs) for Operating Cost and Tax Escalations, as detailed in the Management Agreement under Delegated Responsibilities, Section D, Administration and Payment of Escalations. All fully executed SLAs and Rent Change Reports, along with supporting documentation (such as copies of tax bills), are to be forwarded to OREPMP for review and submission to GSA.