

We Do NOT Have Paranormal Abilities—But GSA Might Think We Do

Written by Nick Sanders

Tuesday, 05 June 2012 00:00



Well, it was not the best feeling in the world to learn that we'd made a mistake at the very moment we were on a larger stage with the spotlight shining on us. Not a good feeling *at all*.

As you know (because we [told you](#)), when we thought that Jeff Neely's spending spree at GSA was connected with excess Industrial Funding Fee (IFF) receipts from contractors, we were wrong. That article got picked up in a blog with a larger readership than this one has ... and then it got picked up at [Forbes.com](#). And then several people—some of them with official GSA connections—pointed out that Neely was part of GSA's Public Buildings Service while the MAS contracts that generated the excess IFF receipts were part of GSA's Federal Acquisition Service. PBS handles management duties related to Federal buildings while FAS handles MAS contracts and other procurements. Two independent silos, one agency. We got that wrong.

Both silos receive funds from the public at large that offset a large part of the agency's operating costs—PBS receives rent payments and FAS receives IFF payments. Because of those receipts, GSA requires relatively small amounts of taxpayer funds. Had we known better, we could have linked Neely's lavish spending to the general agency culture. After all, an agency that has a documented history of retaining excess funds in its reserves and not giving those funds back to the taxpayers (or to the U.S. Treasury) has a serious cultural problem, and it would not be terribly surprising to see certain individuals within the agency develop an idea that the funds were theirs to use as they wished, rather than being treated as taxpayer-provided Congressionally appropriated funds—which in large part they were *not*.

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We could have written the article around that theme, but we didn't—because we didn't understand GSA's organization well enough to see that there were two independent silos.

When our error was pointed out, we spent a fair amount of time on the GSA website. One thing we noticed was that the agency had a very complex organizational structure—it looked to us like a matrix, with operations organized by Region as well as by the independent silos. We were getting a bit defensive at that point, and we were tempted to write about the potential redundancies in the structure that we saw, and the lack of clarity (on the website) regarding why GSA needed to structure its management along both Regional and Product Line axes. But the better angels of our nature took over and we simply apologized as sincerely as we could, and then moved on as quickly as we could.

And that should have been the end of it.

But then Federal Times [ran a story](#) on May 16, 2012—exactly one week after we published our red-faced apology over mistakes in our original article (published April 23, 2012)—in which it was reported that “the agency will likely merge portions of its two main divisions — the Public Buildings Service, which manages federal buildings and building leases, and the Federal Acquisition Service, which oversees many federal contracting programs.”

The article reported recent interview remarks from acting GSA Administrator Dan Tangherlini as follows—

‘I think just integrating GSA better is one of the things we are particularly interested in,’ [Tangherlini] said. ‘As we looked at what took place at the Western Regions Conference ... we saw that we hadn't struck the right balance between autonomy and accountability. Can we maintain the benefits of autonomy and innovation and different approaches that reflect the needs of customer agencies and regions while we enhance and improve the accountability? I think integration is a part of that.’

Merging portions of GSA's buildings division and contracts division — such as the information technology, finance and contracting operations — also will bring efficiencies and cut costs, he said.

Well, that was *weird*, right? Just one week earlier, we were being taken out to the woodshed for not getting the distinctions between PBS and FAS, and now GSA was announcing that “portions” of the two silos were going to be merged together—erasing some of those

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eerie?

On May 17, Federal Times ran a [follow-up story](#) providing some more details from the Tangherlini interview. Tangherlini was quoted as saying—

Not having multiple organizations within our organization doing the same thing is going to allow us to be more efficient ourselves, deliver our services more effectively and reduce costs. I think they are closely tied together right now, but I think there are opportunities for them to work more closely together.

When we move in together into 1800 F Street ... and the renovations are completed, the two sides will be together for the first time in modern history, and there will be real opportunities for best practices across the organization and to make sure we do things once, and do it well and do it more cost effectively. ...

Are there places where we duplicate services that are being provided within the organization itself? One of the ideas we have already looked at is consolidating our internal finance shop and having one finance shop. We are looking at issues around [information technology] services within GSA and acquisition services within GSA, [and] PBS and [the Federal Acquisition Service] coming closer together and doing it once and doing it right as a way of reducing the cost of the services that we provide.

Look, we don't want you to take this the wrong way. We were wrong. Wrong, wrong, wrong. PBS was not FAS and FAS was not PBS. Nobody in FAS (that we know of) was tainted by the 2010 Las Vegas "conference". But still ... we are seriously considering claiming that our original article was impacted by visions of the future state of the GSA organization. We are trying to muster the gumption to claim (with a straight face) that we are truly psychic and we saw this coming and that's what we wrote.

Do you think anybody is gonna buy that?