



Architect of the Capitol

Performance and Accountability Report 2017



For Copies of this Report

Electronic copies of this report and its companion highlights report are available through the AOC's website: www.aoc.gov/performance-accountability-report.

For the fourth consecutive year, the AOC has released its Performance and Accountability Report in a tablet app version for both Apple and Android tablets. To download the report to your tablet device, please visit the AppStore from your iPad or Google play from your Android tablet and search for "Architect of the Capitol." The online interactive version and the tablet version include the current print edition, plus bonus photos and videos. Readers may browse each page in either landscape or portrait mode, zoom in to read individual sections, bookmark and share favorite articles, and use other interactive features.

The AOC also publishes an online interactive version of its PAR for desktop users. This electronic version features many of the same enhancements of the app version and was developed for web readers.



An Executive Summary of the AOC's Financial and Performance Results



About the Architect of the Capitol

Who We Are: The Architect of the Capitol (AOC) cares for more than 18.4 million square feet of facilities, 570 acres of grounds and thousands of works of art. The AOC's employees work behind the scenes day and night to provide Congress and the Supreme Court with facilities and infrastructure to conduct its business. We inspire the public by providing tours and exhibits of the U.S. Capitol and the surrounding grounds, as well as the U.S. Botanic Garden and the Library of Congress buildings.

Established: The AOC traces its beginnings to 1793 and was formally established by congressional legislation in 1876.

Branch of Government: Legislative

Leadership: The Honorable Stephen T. Ayers, FAIA, CCM, LEED AP, Architect of the Capitol

To find out more about the Architect of the Capitol, please see the video We Are AOC: www.aoc.gov/video/we-are 

Number of Full-Time Equivalents: 2,126 as of September 30, 2017.

FY 2017 Budget Authority: \$617.9 million

Mission: Serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable visitor experiences.

Did You Know?

The AOC serves as steward for the U.S. Capitol, the U.S. Capitol Visitor Center, the House and Senate office buildings, the Library of Congress buildings, the U.S. Supreme Court, the U.S. Botanic Garden, the Capitol Power Plant, surrounding grounds and other facilities. The major facilities on the Capitol campus that fall under the AOC's care are depicted on **Figure 1**. A virtual tour of the Capitol campus is available at www.capitol.gov.

FIGURE 1: Map of the U.S. Capitol



Performance Results in Brief

Fiscal Year (FY) 2017 was the first full year of implementation of the AOC's new Strategic Plan for FY 2017–FY 2021. The AOC tracked progress toward four strategic goals: (1) *Maintain Awe-Inspiring Facilities*, (2) *Provide Extraordinary Services*, (3) *Foster an Innovative and Empowered Workforce* and (4) *Operate as One Team, Dedicated to One Mission*, using eight strategic objectives and 36 key performance indicators (KPIs). The High-Level KPIs, measuring the agency's most critical actions taken in line with the Strategic Plan, are summarized in **Table 1**.



View the AOC's performance highlights:  www.aoc.gov/performance-accountability-report

TABLE 1: Summary of High-Level Key Performance Indicators

HIGH-LEVEL KEY PERFORMANCE INDICATOR	FY 2016 TARGET	FY 2016 ACTUAL	FY 2016 RESULTS	FY 2017 TARGET	FY 2017 ACTUAL	FY 2017 RESULTS
STRATEGIC GOAL: Maintain Awe-Inspiring Facilities						
Usage of Overtime. Reduce overtime hours to fulfill mission through improved planning and scheduling.	<139,101* Hours	171,504* Hours	Not Met	<171,504* Hours	160,939 Hours	Met
Energy and Sustainability Plan Targets. Reduce energy and water usage. Increase waste diversion, recycling and composting. Note: Only displayed Energy results in FY 2017 for comparability to prior years						
Preventive Maintenance Work Order Timeliness. Complete preventive facility maintenance work on schedule.	≥ 90.0%	91.1%	Met	≥ 90.0%	90.3%	Met
Corrective Maintenance Work Order Timeliness. Complete corrective facility maintenance work on schedule.	≥ 90.0%	94.8%*	Met	≥ 90.0%	94.5%	Met
Service Request Work Order Timeliness. Complete service request work orders on time.	≥ 90.0%	92.6%*	Met	≥ 90.0%	91.9%	Met
STRATEGIC GOAL: Provide Extraordinary Services						
Customer Satisfaction with Projects. Maintain high customer satisfaction with projects.	≥ 90.0%	95.4%	Met	≥ 90.0%	89.3%	Not Met
Adherence to Procurement Acquisition Lead Times. Timely award of contracts and procurement of supplies.						
Favorability Ratings for Best Places to Work Dimension. Maintain high ratings for best places to work questions in Federal Employee Viewpoint Survey (FEVS).	No Target in FY 2016	Biennial — Not Measured in FY 2016	N/A	≥ Prior Survey	73.0%	Met
Adherence to Hiring Cycle Time. Reduce amount of time to hire a new employee.	<150 Days	128 Days	Met	<150 Days	130 Days	Met
Injuries and Illnesses Rate. Targeted to be less than the previous year's rate.	≤ 4.26%	3.31%	Met	≤ 3.31%	2.41%	Met
STRATEGIC GOAL: Foster an Innovative and Empowered Workforce						
Favorability Ratings for FEVS Communication Dimension. Maintain high rating for communication questions in FEVS.	No Target in FY 2016	Not Measured in FY 2016	N/A	≥ Prior Survey	71.0%	Baseline Established
STRATEGIC GOAL: Operate as One Team, Dedicated to One Mission						

Note: Information adjusted from that reported in the FY 2016 PAR is marked with an asterisk (*).

Financial Results in Brief

As evidence of our commitment to financial accountability and transparency, in FY 2017 the AOC:

- Earned its 13th consecutive unmodified (clean) audit opinion on the financial statements
- Received its 6th consecutive Certificate of Excellence in Accountability Reporting from the Association of Government Accountants
- Upgraded and enhanced multiple financial systems, including Momentum® (core financial system) and Maximo® (inventory)
- Began implementation of phase one of the agency's enterprise risk management program, including the development of a risk management tool and the identification of risks for a pilot office within the agency
- Initiated a workforce study to determine the AOC's current and estimated future resource requirements

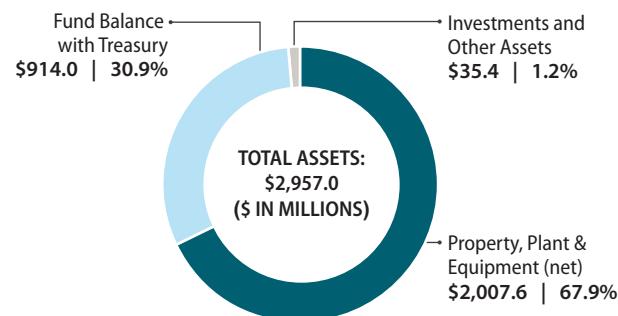
TABLE 2: Select Financial and Related Non-Financial Data (\$ in millions)

	FY 2017	FY 2016	PERCENT CHANGE
Total Assets	\$2,957.0	\$2,779.4	6%
Total Liabilities	\$356.9	\$359.2	(1%)
Total Net Position	\$2,600.1	\$2,420.2	7%
Total Revenues	\$59.9	\$48.9	23%
Total Net Cost of Operations	\$575.1	\$605.0	(5%)
Total Enacted Appropriations	\$617.9	\$612.9	1%
Facility Space Managed (sq. ft.)	More than 18,4	More than 17,4	6%
Grounds Managed (acres)	More than 570	More than 570	-%
Actual FTEs at Fiscal Year-End	2,126	2,117	-%

TABLE 3: Independent Auditor's Internal Control Findings

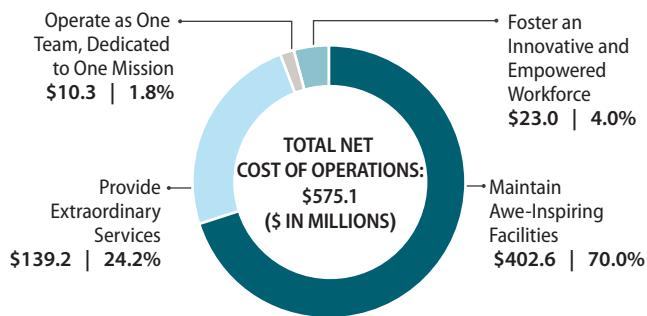
CATEGORY	AUDIT FINDINGS	
	FY 2017	FY 2016
Material Weaknesses	None	Improvements to Project Cost Capitalization Analysis (Cleared in FY 2017)
Significant Deficiencies	Incomplete Review of Service Organization Controls Reports from the National Finance Center	Contract Holdback Reconciliation (Cleared in FY 2017)

FIGURE 2: Summary of Total Assets



As of September 30, 2017, the AOC managed nearly \$3 billion in total assets to accomplish its mission. More than two-thirds of total assets were represented by property, plant and equipment.

FIGURE 3: Net Cost of Operations by Strategic Goal



The AOC's net cost of operations for the fiscal year ending September 30, 2017, amounted to \$575.1 million. Seventy percent was devoted to the strategic goal *Maintain Awe-Inspiring Facilities*.

FIGURE 4: Trend in Total Enacted Appropriations



In FY 2017, the AOC received \$617.9 million in enacted appropriations, a \$5 million or nearly 1 percent increase from FY 2016.



The Cannon Renewal Project, currently underway, will provide a comprehensive upgrade to this century-old facility serving the U.S. House of Representatives. The 10-year renewal process will address key safety, health, environmental and operational issues.

Future Challenges and Priorities

Backlog in Deferred Maintenance and Capital Renewal.

Resource constraints have deferred maintenance and delayed important capital renewal work causing significant deterioration of buildings and grounds. Significant investments are needed for preservation and to ensure the future safety of building occupants and visitors. As of September 30, 2017, the AOC's total backlog was estimated at \$1.376 billion.

Energy Stewardship and Sustainability. Last fiscal year, the AOC established a new 10-year goal to reduce energy consumption across the Capitol campus. Although the AOC did not meet the FY 2017 energy use reduction target of 34 percent, the Capitol Power Plant's West Refrigeration Plant revitalization and the cogeneration program (both underway), along with upgrades planned for the Library of Congress' facilities, will enable further energy efficiencies.

Security of Facilities. The AOC is responsible for supporting the U.S. Capitol Police and providing security functions around the Capitol campus. The AOC continues to focus on meeting security requirements, while also ensuring that safety, preservation and accessibility needs are met.

Workplace Safety and Health. The AOC is responsible for ensuring that safety and health standards are met for those who work at or visit the Capitol campus. The AOC does this while addressing operational needs, applicable regulations and challenging working conditions that are unique to Capitol Hill.

Management of Concurrent Projects. The AOC is undertaking many needed major construction and restoration projects concurrently. To be successful, the AOC must ensure that each project remains on-time and within budget with minimal disruptions to the agency's people and clients.

Retaining and Attracting a Skilled and Engaged Workforce.

The AOC requires a high-performing and engaged workforce to achieve its mission and deliver services to stakeholders. The AOC's human capital strategy includes planning staffing retirements and working to attract and retain talented staff.

In addition, the AOC's Inspector General identified five management opportunities and performance challenges facing the organization: internal control structure weaknesses, having a single person serve as liaison for multiple construction projects, improving data quality for monitoring projects, cyber security, and lack of whistleblower protection.

The AOC Performance and Accountability Highlights provides a brief summary of the AOC's FY 2017 Performance and Accountability Report, following the Citizen-Centric Reporting model established by the Association of Government Accountants. The AOC received a *Certificate of Excellence in Citizen-Centric Reporting* for FY 2016. The reports are available online at: www.aoc.gov/performance-accountability-report.

For more information about the Architect of the Capitol, visit our website at: www.aoc.gov.



This report is issued with data as of November 15, 2017.



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Message from the Architect of the Capitol



The Honorable Stephen T. Ayers,
FAIA, CCM, LEED AP, Architect of the Capitol

I am honored to share with you the Fiscal Year (FY) 2017 Performance and Accountability Report (PAR) for the Architect of the Capitol (AOC). This report provides the results of this year's independent audit of the agency's financial statements, measures our performance against the FY 2017 strategic framework identified in our five-year strategic plan, highlights our accomplishments over the past fiscal year, and identifies our agency's future opportunities and challenges.

The AOC is responsible for the operations and care of more than 18.4 million square feet of facilities, 570 acres of grounds and thousands of works of art. The Capitol campus is home to thousands of daily occupants and hosts five million visitors annually. With a current workforce of more than 2,100 employees, the mission of the AOC is to serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable experiences.

I am proud that we achieved several notable accomplishments this fiscal year. The Cannon House Office Building Renewal project progressed from installation of building utilities to rehabilitation of the west wing of the building. Budgeted at more than \$752.7 million, this is the largest construction project ever undertaken by our agency. This year the AOC constructed the 58th Presidential Inaugural platform on the U.S. Capitol's West Front, set up the seating and fencing on the grounds, and coordinated the arrangements necessary to accommodate this historic event. In addition, the AOC swiftly orchestrated the office moves of members of Congress following the November 2016 elections.

Our new strategic plan for FY 2017-2021 lays out agency priorities and sets the direction for resource allocation and

performance management. While the agency mission and strategic goals remain unchanged, we developed new objectives and strategies to better monitor our work performance. As part of this effort, we instituted new action plans for each AOC business unit — allowing us to better track agency-wide progress. Our first two strategic goals (*Maintain Awe-Inspiring Facilities* and *Provide Extraordinary Services*) keep us focused on our mission to serve, preserve and inspire. At the same time, our last two goals (*Foster an Innovative and Empowered Workforce* and *Operate as One Team, Dedicated to One Mission*) keep us focused on our core agency values. Together, the strategic goals chart a path for us to leverage our core competencies and achieve our vision as a trusted partner of Congress and the Supreme Court.

Maintain Awe-Inspiring Facilities

Central to the AOC's mission is our stewardship of the facilities and grounds of the Capitol campus. We must ensure the stakeholders and visitors to Capitol Hill experience the grandeur of these historic treasures while meeting the needs of a modern workforce. In FY 2017, we made progress on several stone preservation projects at the U.S. Capitol, U.S. Supreme Court, Russell Senate Office Building and U.S. Botanic Garden (USBG) Conservatory. We completed the conservation of the U.S. Capitol's Brumidi Corridors and restored and installed the plaster models of *War* and *Peace* at the east entrance to the Capitol Rotunda. In collaboration with the General Services Administration, the AOC also took on full stewardship responsibility of the O'Neill House Office Building.

Provide Extraordinary Services

We support our building occupants in their critical mission to govern our country by operating 24 hours a day, seven days a week. What's more, we welcome millions of visitors to the Capitol campus each year and provide programs for our visitors to celebrate the U.S. Capitol, the symbol of American democracy. Over the course of the last year, our staff provided exemplary support for high-profile special events such as the Supreme Court nomination hearings, the Presidential Inauguration and congressional office moves. We introduced a new automated system for congressional staff to quickly and easily obtain passes for their tour groups and provided inspiring educational exhibits at the U.S. Capitol Visitor Center and USBG. We continued construction of a cogeneration system, a mission-critical system that will improve the resilience of the Capitol Power Plant by providing necessary redundancy for power requirements and help ensure the agency can maintain the operational status of our data centers and other critical equipment.

Foster an Innovative and Empowered Workforce

In FY 2017, the AOC worked to sustain an environment that retains and attracts highly qualified employees. An empowered workforce will exercise greater responsibility for its performance and proactively apply well-informed judgement and innovation to solve problems. According to feedback received via the Federal Employee Viewpoint Survey, the AOC ranked 11th out of 27 mid-size agencies and scored an average of 5 percent higher than the federal government-wide survey average. This year, we focused on providing employees with the tools needed to excel in their fields, including training in safety, ethics, appropriations law and contract management.

Operate as One Team, Dedicated to One Mission

A culture of learning, sharing and teamwork is essential to the effectiveness of our agency. This year, we began implementing an enterprise risk management program to identify and mitigate risks that could affect the achievement of our mission. We strategically plan, allocate and manage our resources across the agency to support events, projects and the daily needs of our jurisdictions. For example, following the U.S. Capitol Dome restoration, the AOC coordinated the work among multiple entities to re-open the area for congressional tours in December 2016.

Our Challenges

While we have achieved many important milestones this year, our success is made possible by responsibly facing the many challenges that could impact our performance. Looking ahead, the AOC's most significant challenge continues to be our deferred maintenance and capital renewal backlog — currently estimated at \$1.376 billion. Viewed from a distance, our historic buildings are inspiring and impressive. However, up close, the facilities are distressed as weather has destroyed stone exteriors and aging infrastructure within the walls threatens further damage to the buildings. In order to maintain our iconic buildings and address this backlog, we continue to work with Congress to prioritize and support critical investments in stone preservation and our infrastructure.

Additional management challenges include the coordination of multiple major construction projects, the need for facility security enhancements, the obligation to manage the Capitol campus in a sustainable and fiscally disciplined manner, our responsibility to maintain the safety and health of all who use our facilities, and the desire to retain and attract an engaged workforce. To meet these challenges, the agency requested a funding increase in the upcoming year's budget submission. These funds would allow the AOC to fund key preservation projects across the campus and maintain a secure and safe work environment for our stakeholders.

In addition, our Inspector General identified five management opportunities and performance challenges — internal control structure weaknesses, having a single AOC liaison for multiple construction projects, improving data quality for monitoring projects, cyber security, and lack of whistleblower protection — as reported in the Other Information section in this report. We acknowledge and thank the Inspector General for his recommendations. Our staff is committed to work diligently to address these items in a timely manner.

Sound Financial Management

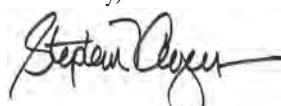
One of the most important ways we have advanced our work performance is by strengthening our financial management. The AOC has a proven record of responsible and transparent financial stewardship. This year we received an unmodified opinion on our financial statements — the 13th consecutive year with a clean audit opinion. In addition, for the sixth consecutive year, the Association of Government Accountants awarded us with their *Certificate of Excellence in Accountability Reporting*, along with a *Certificate of Excellence in Citizen-Centric Reporting*. We also successfully addressed our prior year audit material weakness and significant deficiency.

We recognize that the independent auditor's report for FY 2017 noted a significant deficiency related to incomplete reviews of Service Organization Controls reports provided by our service providers. The AOC concurs with the finding and is committed to resolving this matter in FY 2018. The auditors identified no instances of noncompliance with the laws and regulations applicable to the AOC and its financial statements. I provide my assurance that the financial and performance data presented herein are complete, reliable and accurate, with the exception of the significant deficiency identified in my Statement of Assurance. The Statement of Assurance may be found in this report's Management's Discussion and Analysis section.

Conclusion

This report reflects the dedication of everyone at the agency to our core values and mission. I am confident that we have identified the critical challenges that we may face in the years ahead and we will develop effective action plans to address them. We also thank Congress for its support and investment. We remain committed to serving Congress and the Supreme Court, preserving America's Capitol, and inspiring memorable experiences.

Sincerely,



Stephen T. Ayers, FAIA, CCM, LEED AP
Architect of the Capitol
November 15, 2017

Performance and Accountability Report

About this Report

The Performance and Accountability Report (PAR) is the Architect of the Capitol's (AOC's) principal report communicating to Congress and the American public its commitment to sound financial management and stewardship for the public property, heritage assets and resources under its care. The PAR reports on the agency's financial and programmatic achievements for Fiscal Year (FY) 2017. The AOC uses the PAR to promote transparency and accountability over the public funds it receives and to demonstrate how well it is executing its mission.

As a legislative branch agency, the AOC is not required to comply with the financial reporting regulations established for the federal executive branch agencies. Nonetheless, the AOC refers to this executive branch legislation, and related guidance, to develop its financial management best practices. Such guidance includes:

- Federal Managers' Financial Integrity Act of 1982
- Chief Financial Officers Act of 1990
- Government Performance and Results Act (GPRA) of 1993 (as amended by the GPRA Modernization Act of 2010)
- Government Management Reform Act of 1994
- Federal Financial Management Improvement Act of 1996
- Reports Consolidation Act of 2000
- Accountability of Tax Dollars Act of 2002
- Improper Payments Information Act of 2002 (as amended by the Improper Payments Elimination and Recovery Act of 2010 and the Improper Payments Elimination and Recovery Improvement Act of 2012)
- Office of Management and Budget Circular No. A-136 Revised, Financial Reporting Requirements and A-123, Management's Responsibility for Enterprise Risk Management and Internal Control

To creatively spotlight the major projects, events, exhibits, accomplishments and challenges that help to tell the AOC's story, the PAR includes "Capitol Highlights" feature articles

with website hyperlinks, charts and tables, visually appealing photographs, and links to online videos.

This Performance and Accountability Report, along with the agency's prior year reports, are available electronically on the AOC website at: www.aoc.gov/par. In addition, the AOC publishes its PAR in a convenient and innovative mobile application (app) version for Apple or Android tablets. The use of multiple platforms for the PAR expands the AOC's reach to readers accustomed to mobile searching and makes learning about the agency more convenient.

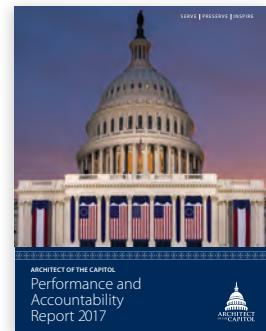
How this Report is Organized

The FY 2017 PAR provides the AOC's financial and performance information for the period beginning on October 1, 2016, and ending on September 30, 2017. The report offers candid insight into the organization's operations, accomplishments and challenges. By way of introduction, the report includes an executive summary, followed by a Message from the Architect of the

About the Cover

Every four years, the AOC plays a crucial role in planning, managing and executing the construction and logistics activities for the inauguration — including the construction of the platform and supporting infrastructure. The 58th

Presidential Inauguration was held on the West Front of the U.S. Capitol on January 20, 2017. For the ceremony, five flags were displayed with current flag of the United States in the center and, to its immediate left and right, were the 13-star flags adopted after New York, President Donald Trump's home state, entered the union. The two outer flags, with a ring of stars, are popularly known as the "Betsy Ross flags."



Capitol, the Honorable Stephen T. Ayers, FAIA, CCM, LEED AP. The report is divided into four main sections plus appendices.

Section I: Management's Discussion and Analysis (MD&A)

Section I presents an overview of the entire PAR. The MD&A provides a summary of the history, mission and organization of the AOC, presents concise and balanced highlights of the agency's performance and financial results, and summarizes its financial management systems and controls. In addition, Section I includes the Architect of the Capitol's internal control assurance and management's assessment of the agency's future challenges.

Section II: Performance Information

Section II provides a detailed analysis of the AOC's annual performance information, as required by Office of Management and Budget Circular A-11 and the GPRA Modernization Act. This section identifies the AOC's strategic planning framework, describes how the AOC verifies the accuracy of its performance data, and summarizes the AOC's four strategic goals and the indicators used to evaluate its performance results.

Section III: Financial Information

Section III details the agency's finances for FY 2017 and FY 2016. The section opens with a Message from the Chief Financial Officer, followed by the Office of Inspector General commentary on the agency's FY 2017 audit, the independent auditor's reports, audited financial statements (and related notes) and required supplementary information.

Section IV: Other Information

Section IV presents a Combined Schedule of Spending, the Inspector General's Statement of Management Opportunities and Performance Challenges, plus a summary of the AOC's financial statement audit and management assurances. It also provides information pertaining to improper payments, real property management, and small business and energy management programs.

Appendices

The appendices provide supplemental data for the reader. These include a list of the 11 individuals who have held the title Architect of the Capitol, the major facilities and grounds under the AOC's care, a summary of the accomplishments and priorities for each AOC jurisdiction, U.S. Capitol campus visitation statistics, a glossary of key terms, and other supplemental information.

Certificate of Excellence in Accountability Reporting

In May 2017, the AOC received the *Certificate of Excellence in Accountability Reporting* (CEAR) from the Association of Government Accountants (AGA) for the FY 2016 *Performance and Accountability Report*. This represents the sixth consecutive year the AOC has won the CEAR award. The CEAR Program, which celebrated its 20th anniversary in 2017, was established by the AGA, in conjunction with the Chief Financial Officers Council and the U.S. Office of Management and Budget, to enhance financial and program accountability. The CEAR represents the highest form of recognition in federal government reporting.

In addition, the AOC received a *Certificate of Excellence in Citizen-Centric Reporting* from the AGA for its FY 2016 *Performance and Accountability Highlights*. This initiative encourages government at all levels to improve how they present financial and performance information to taxpayers, so that it is clear, accurate, up-to-date and easily accessible.





In FY 2017, the AOC continued an ambitious and necessary program to preserve the deteriorating stone on many of its most treasured multi-use heritage assets, including the U.S. Capitol Building.



SECTION I

Management's Discussion and Analysis

Overview

The Architect of the Capitol's (AOC) Management's Discussion and Analysis (MD&A) serves as an overview of the agency's history, mission, organizational structure, strategic goals, key program and financial performance, management assurances, and management challenges. A brief overview of each sub-section is provided.

The History of the AOC. Provides background on the AOC's origins and responsibilities.

The Mission and Organization of the AOC.

Explains the AOC's mission, vision, values and organizational structure.

Performance Highlights. Outlines the AOC's strategic and performance planning framework, provides an overview of the process used to verify and validate the performance results, displays operating costs by strategic goal and highlights the performance results by strategic goal.

Financial Highlights. Provides an overview of the AOC's financial information, including an analysis of the financial data presented in the audited financial statements, the limitations of the financial statements, and the sources and uses of the AOC's funds.

Financial Management Systems Framework and Strategy. Provides an overview of the AOC's financial management systems, part of the shared Legislative Branch Financial Management System.

Management Assurances and Other Financial Compliances. Provides management's assessment and assurances on the AOC's internal controls under the Federal Managers' Financial Integrity Act of 1982 and the AOC's conformity with other financial laws and regulations.

Management Challenges and Looking Ahead.

Details the agency's most significant challenges, as determined by management, and the specific actions developed to address them.

The History of the AOC

The Architect of the Capitol has origins rooted in the first U.S. Congress and the very beginnings of the capital city of the United States. The Architect of the Capitol's responsibilities for the care and maintenance of the U.S. Capitol were authorized in the *Residence Act of 1790*, which required the appointment of commissioners "to provide suitable buildings for the accommodation of Congress."¹ In 1791, President George Washington appointed a Board of Commissioners to oversee the development of the new federal city. The Commissioners staged a national competition for the design of the U.S. Capitol and selected Dr. William Thornton's entry. His design depicted a grand, two-winged structure topped by a central dome. In 1793, construction of the U.S. Capitol began when President Washington ceremoniously laid the building's cornerstone. The AOC marks its origins with this notable event and, for his architectural design, Dr. Thornton is honored as the first Architect of the Capitol.

In 1802, Congress consolidated the duties of the Board of Commissioners and placed the care of the U.S. Capitol Building — which at the time housed not only Congress but also the Library of Congress, the Supreme Court, the district courts and other offices — and its grounds under a single superintendent, the Commissioner of Public Buildings. In 1867, the Commissioner's responsibilities were combined with those of the Architect of the Capitol Extension,² a position previously created to oversee the addition of both the north and south extensions to the U.S. Capitol and the cast-iron dome during the 1850s and 1860s. The U.S. Capitol's grounds were expanded from 1874 through 1888 when work began on noted landscape architect Frederick Law Olmsted's grand design. In 1876, Congress passed legislation that formally established the Architect of the Capitol as a permanent office under the legislative branch of the federal government.

¹ 1 STAT 130 (July 16, 1790)

² The word "Extension" was subsequently dropped, simplifying the title to the Architect of the Capitol.

The responsibilities of the AOC grew alongside the growth of the nation and, correspondingly, the expansion of Congress. Throughout the 20th century, the AOC oversaw new construction on Capitol Hill and took stewardship responsibility for multiple new facilities. On the southern, or House, side of the U.S. Capitol Building, the Cannon, Longworth and Rayburn House Office Buildings were constructed and placed in service between 1908 and 1965. Likewise, on the northern, or Senate edge of the U.S. Capitol, the Russell, Dirksen and Hart Senate Office Buildings were completed between 1909 and 1982. The AOC is responsible for the Capitol Power Plant, which has been serving the Capitol campus since 1909. The AOC assumed administrative responsibility for the Library of Congress' Thomas Jefferson Building in 1922 and later oversaw the construction and facility management of the John Adams and James Madison Memorial Buildings in 1938 and 1982, respectively. The AOC received the responsibility for the U.S. Botanic Garden (USBG) facilities, including the Conservatory and the surrounding gardens, in 1931. When the Supreme Court of the United States moved from the U.S. Capitol, where it had been meeting since 1801, to its own building in 1935, facility management responsibilities were assigned to the AOC and the Marshal of the Supreme Court. When a judicial branch facility was to be constructed to house the Administrative Office of the U.S. Courts and other agencies, Congress turned to the AOC. Once this facility — the Thurgood Marshall Federal

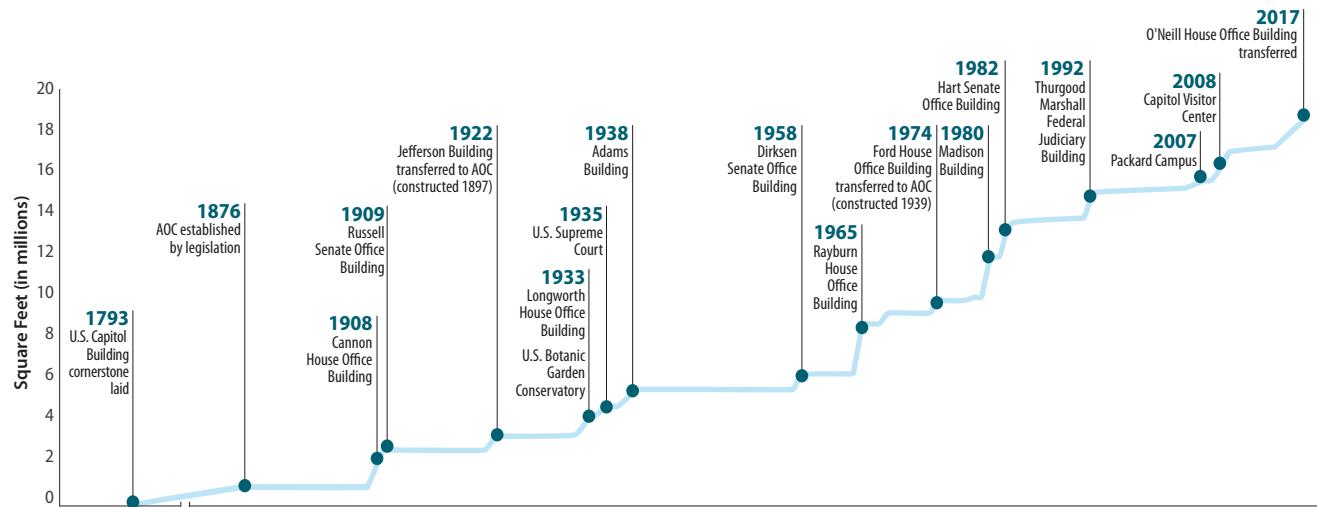
Judiciary Building — was completed in 1992, the AOC was given responsibility for its maintenance and preservation.

In recent years, the AOC oversaw the construction of the U.S. Capitol Visitor Center. This 710,000-square-foot facility was the largest expansion to the U.S. Capitol Building in its history. In addition, in 2011, the AOC received responsibility for the care of Union Square, a 12-acre site between the U.S. Capitol Building and the National Mall. More recently, a FY 2017 continuing resolution transferred the O'Neill House Office Building to the AOC. Although most of the AOC's facilities are on or near Capitol Hill, the AOC also maintains support facilities in nearby locations beyond the limits of the District of Columbia.³ Appendix B of this report provides a list of the major facilities under the AOC's care. Today, under the leadership of Architect of the Capitol, the Honorable Stephen T. Ayers, the AOC's employees maintain and improve more than 18.4 million square feet of building space and more than 570 acres of grounds.

Figure 1 (page i) provides a map of the major facilities on Capitol Hill for which the AOC is responsible. In addition, **Figure 5** illustrates the growth of the AOC's facility stewardship responsibilities from 1793 through the present.

³ For example, off-site support facilities include the Packard Campus for Audio-Visual Conservation in Culpeper, Virginia, and five Library of Congress Book Storage Modules in Fort Meade, Maryland.

FIGURE 5: Growth in Major Facilities Under AOC's Care



Note: This figure tracks the square footage for all owned and leased buildings as they were added over time. Only the major facilities are named in the figure, although the square footage of smaller buildings is included.

The Mission and Organization of the AOC

Who We Serve

Serving Congress and the Supreme Court, the AOC is the builder and steward of the landmark buildings and grounds of the Capitol campus. The AOC is responsible for the operations and care of more than 18.4 million square feet of buildings, more than 570 acres of grounds on the Capitol campus and thousands of works of art. Today, there are more than 2,100 AOC employees working effectively behind the scenes day and night to provide Congress and the Supreme Court with the facilities and infrastructure to conduct its business. The Capitol campus is home to thousands of daily occupants and hosts five million visitors annually.

The AOC's Mission

The AOC's mission is to **serve** Congress and the Supreme Court, **preserve** America's Capitol and **inspire** memorable experiences.

The AOC's Vision

The AOC is a trusted partner of Congress and the Supreme Court. The employees of the AOC are an exceptional team, acclaimed for superior service, recognized as trusted stewards and renowned for enriching people's lives.

The AOC's Core Values

Every day, AOC employees demonstrate their commitment to our five core organizational values: teamwork, integrity, professionalism, pride and safety (TIPPS).

- **Teamwork** — We work and communicate with each other cooperatively and respectfully to achieve the greater goals of the AOC.
- **Integrity** — We demonstrate our honesty, sincerity and dependability to earn the trust of those we serve.
- **Professionalism** — We adhere to the highest standards of quality and competency for the work we do.
- **Pride** — We derive great satisfaction from the work we do and in the honor of serving Congress, the Supreme Court and the American people every day.
- **Safety** — We exercise responsibility for ourselves and those around us to promote the safety, security and well-being of our team and our customers.

CAPITOL HIGHLIGHTS

2017 Presidential Inaugural Support

The Presidential Inauguration ceremony is perhaps the most widely known special event held at the U.S. Capitol. Every four years, the AOC plays a crucial role in constructing the inaugural stands and coordinating activities with the Joint Congressional Committee on Inaugural Ceremonies (JCCIC).

The 58th Presidential Inaugural was held on January 20, 2017. Planning began more than a year in advance. The platform was designed and constructed from the ground up and was built entirely of lumber to protect the building's surfaces. The 2017 Inaugural platform covered more than 10,000 square feet in area and was configured in a stadium design to optimize accessibility and comply with life-safety codes.

The AOC also performed a variety of behind-the-scenes duties, including the purchase or rental of elements for the ceremony (e.g., flag bunting, audience chairs, security and snow fencing, barricades, jumbotrons and sound system). The AOC prepared the U.S. Capitol Grounds by installing 800 yards of mulch for walkways and over seven miles of fencing. On Inauguration Day, Capitol Visitor Center staff assisted at locations inside the U.S. Capitol, on the West Front and at security screening gates. Throughout January, the Capitol Visitor Center celebrated the event through educational programs, inauguration-themed merchandise and restaurant menu options. After this event concluded, the Inaugural stands were dismantled and removed, and the West Front re-opened by mid-February.

Inter-agency collaboration is a critical factor in the success of the Inauguration. In addition to the JCCIC, the AOC partnered with multiple agencies — the Presidential Inaugural Committee, U.S. Secret Service, U.S. Capitol Police, Senate Sergeant at Arms, House Sergeant at Arms, Smithsonian Institution, National Park Service and others.

More information is available at: www.aoc.gov/nations-stage/inauguration-us-capitol.



The AOC's Customer Service Philosophy

The AOC's employees affect the lives of thousands of people every day. Through the responsive ownership and courteous (ROC) program, we demonstrate our commitment to delivering ROC star customer service to our colleagues and external stakeholders.

- **Responsive.** We immediately acknowledge our customers and their needs; we ensure they receive a timely resolution.
- **Ownership.** We provide a personalized and proactive service; we anticipate needs and implement solutions.
- **Courteous.** We treat others as we want to be treated; everyone is a very important person.

The AOC's Organization

The AOC is a U.S. government legislative branch agency led by the Architect of the Capitol. The Architect of the Capitol serves as an agent of the U.S. Congress.⁴ Current Architect

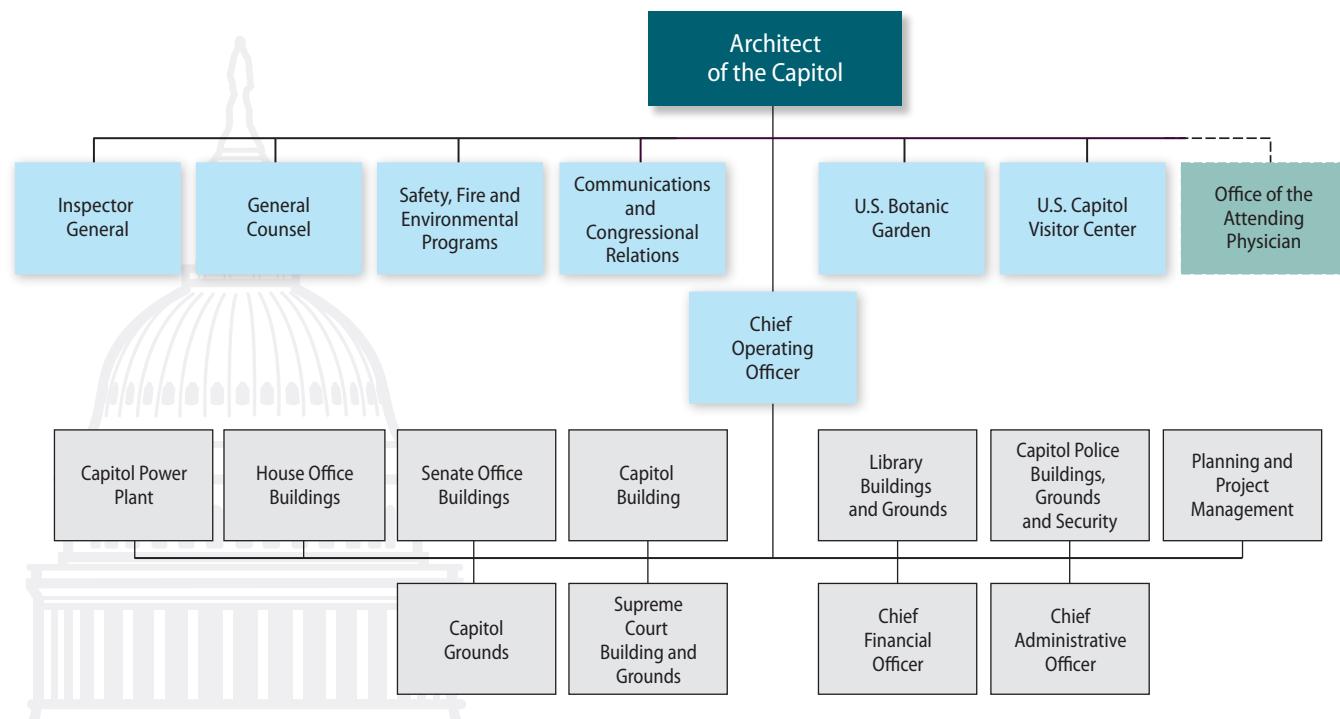
⁴ The Architect of the Capitol also serves as a member of several governing or advisory bodies, including the U.S. Capitol Police Board, Congressional Accessibility Services Board, Advisory Council on Historic Preservation, National Capital Memorial Advisory Commission and the District of Columbia Zoning Commission. The Architect of the Capitol serves as an ex-officio member of the United States Capitol Preservation Commission and the National Building Museum and as the Acting Director of the U.S. Botanic Garden under the Joint Committee on the Library.

of the Capitol, Stephen T. Ayers, FAIA, CCM, LEED AP, was unanimously confirmed to this position on May 2010, after serving as the Acting Architect since February 2007. Prior to his appointment as Acting Architect, Mr. Ayers served the AOC in several capacities between 1997 and 2007, including Deputy Superintendent for the Senate Office Buildings, Superintendent of the Library Buildings and Grounds, Acting Deputy Architect/Chief Operating Officer and Deputy Architect/Chief Operating Officer. A complete list of the 11 individuals who have been credited with the title Architect of the Capitol is contained in Appendix A.

To achieve its mission, the AOC is organized into 10 primary jurisdictions as well as a Capital Construction and Operations office in charge of centrally managed functions. **Figure 6** presents the AOC's organization chart. The AOC's leadership directory may be found online at: www.aoc.gov/organizational-directory/leadership.

Each of the AOC's jurisdictions is directly funded by a separate appropriation, with one exception (see "Supreme Court Building and Grounds" later in this section). The agency's Capital Construction and Operations appropriation funds common central services supporting the AOC's specialized construction, curatorial, design, energy and sustainability, facilities planning, historic preservation,

FIGURE 6: AOC Organization Chart



Note: The AOC provides administrative support to the Office of the Attending Physician, represented by a dotted line on the organization chart. In addition, although the AOC's Diversity, Inclusion and Dispute Resolution Office falls under the Chief Administrative Officer, it has a direct reporting relationship to the Architect of the Capitol.

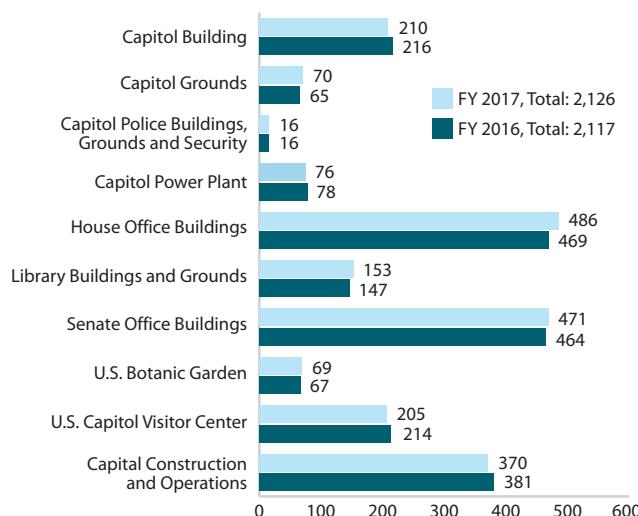
project management, safety, fire and environmental, technical support, and business needs. This structure allows the AOC to establish economies of scale that increase efficiency and reduce operating costs.

The AOC's mission responsibilities have steadily increased throughout its history. As of September 30, 2017, the AOC's staff included more than 2,126 full-time equivalents (FTEs), as well as temporary and seasonal staff. The AOC uses temporary and seasonal staff as cost-saving measures for activities of limited duration (e.g., construction projects and the biennial congressional office moves) or for programs with fluctuating demands (e.g., visitor services). The AOC's workforce serves in diverse roles applying modern techniques and historic tradecrafts in the care and preservation of the Capitol campus. The employees include architects, carpenters, custodians, electricians, engineers, gardeners, laborers, masons, mechanics, painters, plumbers, sheet metal workers, upholsterers, woodcrafters and other craftspeople. An infographic on page 8 (*Getting to Know AOC*) displays notable information about the agency and the U.S. Capitol. **Figure 7** shows the distribution of the AOC's FTEs by jurisdiction.

AOC Jurisdictions

Responsibilities for each AOC jurisdiction are summarized herein. For more information, see Appendix B, which lists the major facilities under each jurisdiction's stewardship and Appendix C, which highlights each jurisdiction's FY 2017 accomplishments and FY 2018 priorities.

FIGURE 7: Actual FTEs by AOC Location



NOTE: The total AOC FTEs and the chart exclude the FTEs on board at the Supreme Court Building and Grounds jurisdiction (43 in FY 2017 and 39 in FY 2016). These FTEs are not included in the AOC appropriations and are separately funded via the Jurisdiction Branch appropriation.

Capital Construction and Operations

The AOC's Capital Construction and Operations jurisdiction includes the positions of the Architect of the Capitol, along with several offices that provide essential construction, central management, and operational and professional support. The following list provides a description for the central offices depicted in the Organization Chart (see **Figure 6**).

Chief Administrative Officer

The Chief Administrative Officer (CAO) provides administrative and business support and includes the Acquisition and Material Management Division, Curator Division, Human Capital Management Division, Information Technology Division and Office Services Division. The CAO also manages the Policy Program Office. The Curator Division, which is responsible for the care and conservation of the architectural, fine and decorative arts under the AOC's stewardship, also manages the Records Management and Archives Branch and the Photography Branch. Although the AOC's Diversity, Inclusion and Dispute Resolution Office falls under the CAO, it reports directly to the Architect of the Capitol.

Chief Financial Officer

The Chief Financial Officer (CFO) ensures sound financial stewardship and provides analysis into the financial implications of program decisions. CFO activities include accounting operations, budget formulation and execution, financial reporting, financial systems management, fiscal policy and managerial cost accounting. The internal control and enterprise risk management function is managed by the Chief Financial Officer.

Chief Operating Officer

The Chief Operating Officer (COO) is responsible for the overall direction, operation and management of the Architect of the Capitol, including implementing the agency's goals and mission, providing overall organization management to improve performance, and assisting in promoting reform and measuring results.

Communications and Congressional Relations

Communications and Congressional Relations (CCR) is responsible for strategic communication initiatives, legislative affairs, and media and community relations. The office oversees internal and external communications to members of Congress and their staff, external parties such as the press, government agencies and the public. CCR also creates a variety of resources for agency stakeholders including graphics, videos, publications and web content.

Did You Know?

The Architect of the Capitol is appointed by the president and subject to Senate confirmation. The Legislative Branch Appropriations Act, 1990, established a 10-year term for the position. The Architect of the Capitol is eligible for reappointment after the completion of the term.

General Counsel

General Counsel (GC) provides legal counsel to the Architect of the Capitol, senior staff and others within the organization on matters involving procurement, contract claims, litigation, real property, the environment, employment, labor, occupational safety, occupational health and torts. The GC serves as the AOC's supervising ethics office, reviews financial disclosure forms, represents the organization in administrative hearings and arranges for legal representation by the Department of Justice in judicial proceedings.

Inspector General

The Architect of the Capitol Inspector General Act of 2007 established the Office of the Inspector General (IG) of the AOC as a statutory office within the agency. The IG is responsible for promoting the integrity, efficiency and effectiveness of agency operations and programs. The IG conducts independent audits and investigations, reviews existing and proposed legislation and regulations that may impact agency activities, and recommends policies to detect and prevent fraud, waste and abuse.

Planning and Project Management

Planning and Project Management (PPM) provides consolidated services to all jurisdictions across the AOC including long-range facility planning, architectural and engineering design and construction services, project, risk and program management, energy and sustainability, historic preservation and other technical services in support of projects. The division conducts campus master planning, leads facility condition assessments and manages the Building Automation System network. Additionally, PPM provides project funded in-house construction services and supports critical campus-wide systems that span jurisdictions — including electrical, electronic and building automation systems.

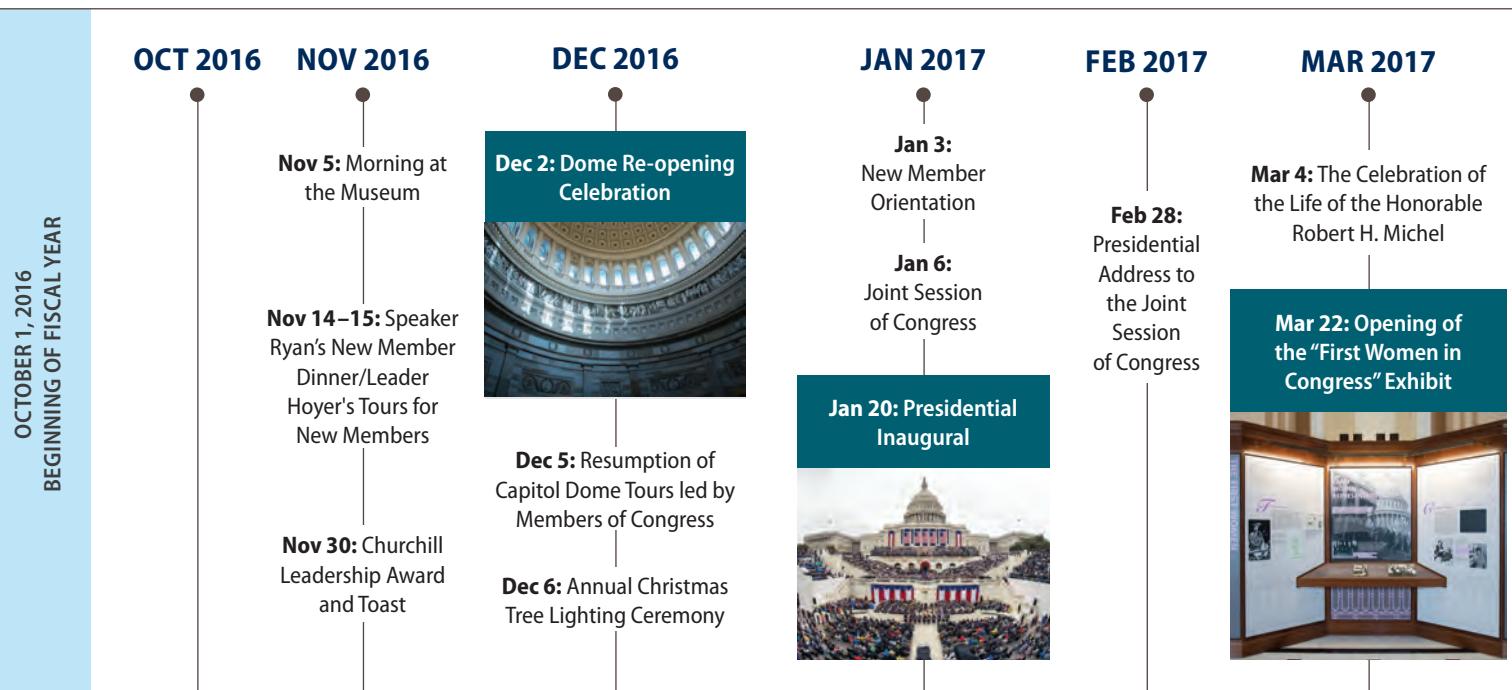
Safety, Fire and Environmental Programs

Safety, Fire and Environmental Programs (SFEP) is responsible for ensuring that the AOC complies with safety, fire and environmental regulations. This office establishes safety policy, conducts oversight, and coordinates emergency planning and preparedness. SFEP serves as the AOC's point of contact with external regulatory agencies for occupational safety and health, fire protection, and environmental matters. As a part of an agency reorganization in FY 2017, SFEP now directly reports to the Architect of the Capitol.

Office of the Attending Physician

The Office of the Attending Physician, comprised of several health units throughout the Capitol campus, provides primary care, emergency, environmental and occupational health services in support of the congressional community,

FIGURE 8: Timeline of Special Events at the U.S. Capitol, Fiscal Year 2017



the Supreme Court, visiting dignitaries, staff and visitors to the Capitol. The AOC provides administrative support to the Office of the Attending Physician.

Capitol Building

The Capitol Building jurisdiction is entrusted with the care and stewardship of the U.S. Capitol, one of the most iconic and historically significant buildings in the world and the centerpiece of the Capitol campus. The jurisdiction is responsible for carpentry, construction, custodial, electrical, elevator, heating and air conditioning, insulation, labor, masonry, painting, plumbing, and sheet metal services. The jurisdiction also manages a flag office and supports special events. A timeline of special events at the U.S. Capitol may be found in **Figure 8**. It also provides support for programs related to occupational health and safety, sustainability and recycling, energy management and fire detection, and protection management, and manages the facility maintenance at the Capitol Visitor Center (CVC). More information is available at: www.aoc.gov/us-capitol-building.

Capitol Grounds

The Capitol Grounds jurisdiction is responsible for preserving and maintaining over 290 acres of landscape and infrastructure across Capitol Hill, including Union Square — the 12-acre site situated between the Capitol's West Front and the National Mall. The jurisdiction performs routine and periodic landscape maintenance, mowing, comprehensive tree care, and upkeep of the supporting infrastructure, vehicles and equipment. The jurisdiction maintains 18.5 miles of sidewalks; 8.5 miles of driveways, parking lots and irrigation systems; and preserves and maintains the historic stone walls,

ornamental fountains and other decorative features. Snow and ice removal, trash collection and support of major events also fall under this jurisdiction's responsibilities. More information is available at: www.aoc.gov/capitol-grounds.

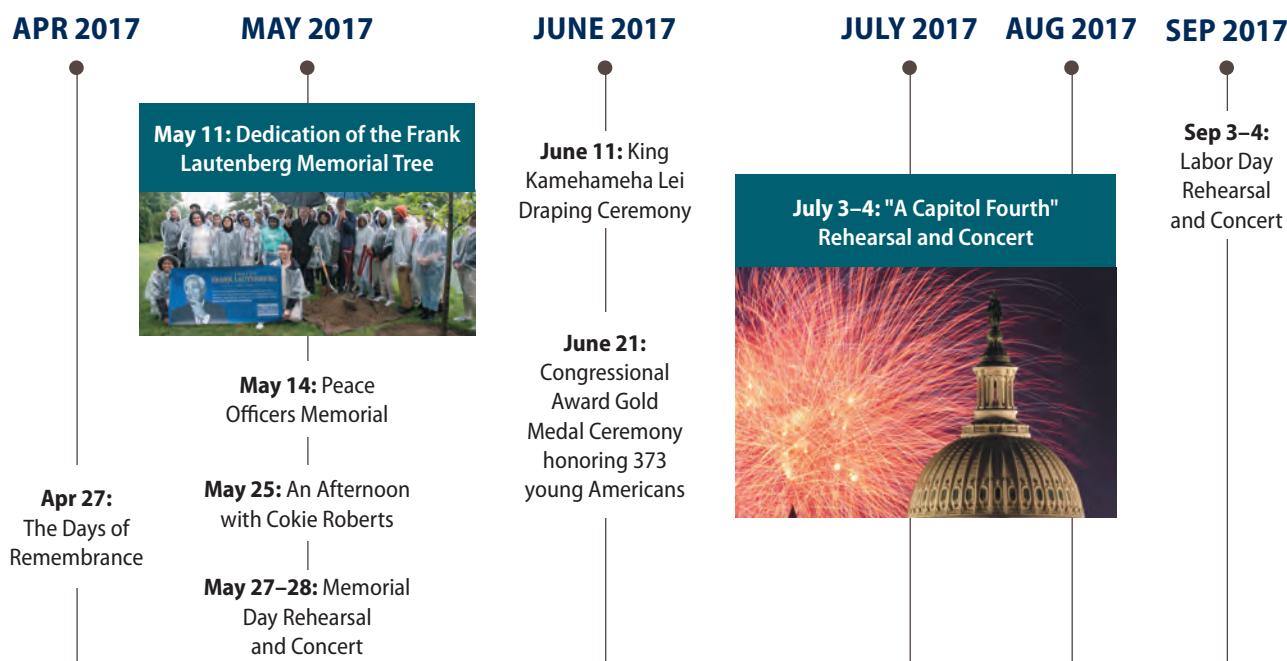
In October 2017, the AOC released a video showcasing the history and mission of the U.S. Capitol Grounds: www.aoc.gov/video/celebrate-grounds. 

Capitol Police Buildings, Grounds and Security

The Capitol Police Buildings, Grounds and Security jurisdiction is managed by the Office of Security Programs (OSP) and is responsible for the maintenance, care and operation of the buildings, grounds and security enhancements of the U.S. Capitol Police (USCP), the Alternate Computer Facility (ACF) and related facilities. It provides centralized security and resilience operations for the U.S. Capitol, manages the AOC's internal security programs and perimeter security, coordinates interagency emergency preparedness, and supports the USCP in protecting, policing and providing security for the congressional community and its visitors. More information is available at: www.aoc.gov/capitol-police-buildings-grounds-and-security.

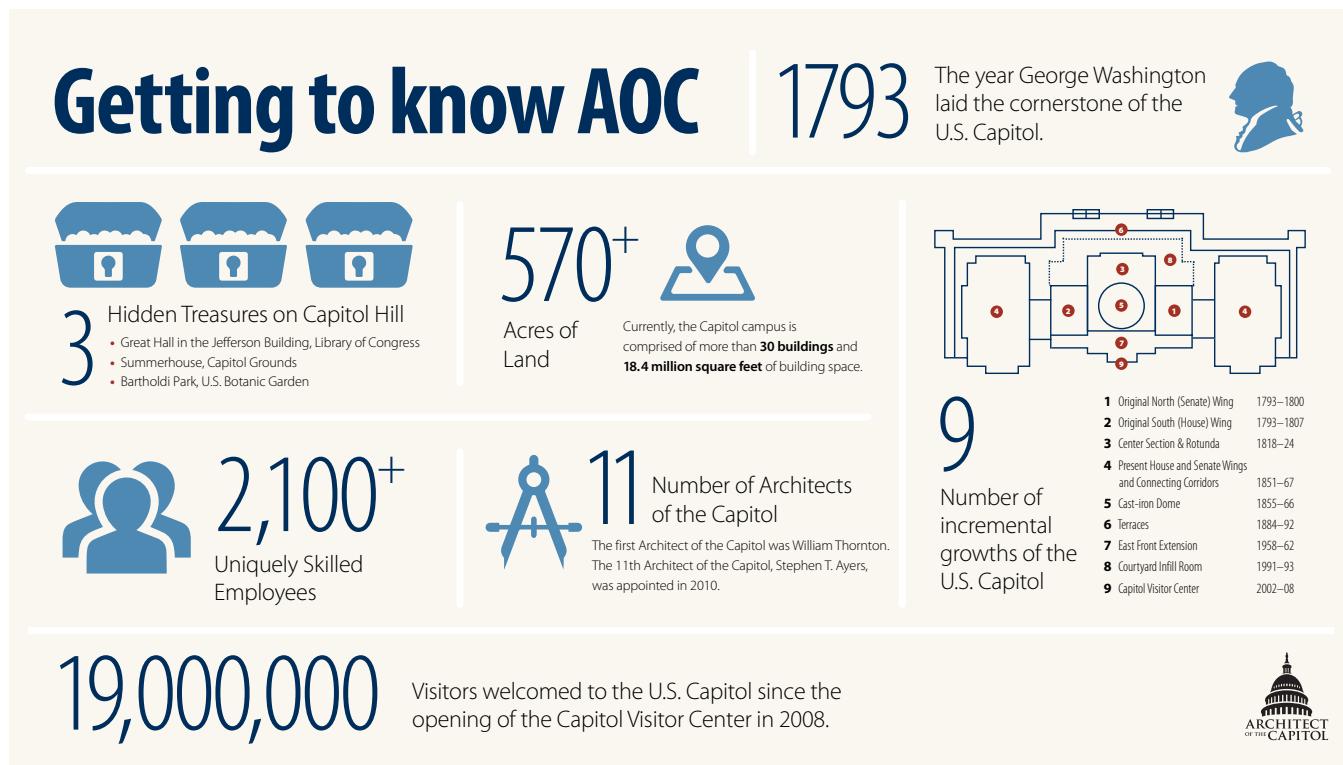
Capitol Power Plant

The jurisdiction manages the year-round operation of the Capitol Power Plant providing steam and chilled water to heat and cool the U.S. Capitol and 22 other facilities on or around Capitol Hill. In addition to the central steam and refrigeration plants, it also maintains an administration building and the utility tunnel distribution and metering



SEPTEMBER 30, 2017
END OF FISCAL YEAR

INFOGRAPHIC: Getting to Know AOC



system. The Capitol Power Plant operates on a reimbursable basis to non-congressional facilities and procures electricity from commercial suppliers. In support of the AOC's long-term energy program, the Capitol Power Plant is the site of two of the agency's major construction projects: the West Refrigeration Plant Revitalization and the Cogeneration Plant. More information is available at: www.aoc.gov/capitol-buildings/capitol-power-plant.

House Office Buildings

The House Office Buildings jurisdiction oversees the office and committee space for the members of the U.S. House of Representatives and their staff. It is responsible for the operation, maintenance and preservation of the Cannon, Longworth, Rayburn and Ford House Office Buildings, underground garages, annexes, and subways. As part of the Continuing Resolution of 2017, Congress transferred custody of the O'Neill House Office Building to the AOC. The jurisdiction oversees daily domestic care, repairs and maintenance for these facilities and performs client services, preventive maintenance, building inspector surveys, compliance issues abatement, energy savings initiatives, and safety inspections. The jurisdiction also manages the biennial office move process for House members. More information is available at: www.aoc.gov/house.

Library Buildings and Grounds

The Library Buildings and Grounds jurisdiction is responsible for the day-to-day structural, mechanical and grounds care

for the Library of Congress. Its duties include heating, ventilation, air conditioning, electrical, fire systems and trade work such as masonry, painting, plumbing, refinishing, sheet metal and wood crafting. The Library of Congress is the largest library in the world at over 4.3 million square feet and houses millions of books, recordings, photographs, maps and manuscripts. The library's four buildings on Capitol Hill include Jefferson, Adams and Madison Buildings as well as the St. Cecilia Special Services Facilities Center. Facilities beyond Washington, D.C. include the book storage modules in Maryland and the Packard Campus for Audio-Visual Conservation in Virginia. More information is available at: www.aoc.gov/library-congress.

A **Behind the Scenes** section of this PAR includes photographs showcasing the facilities and wide-ranging services performed in the House Office Buildings jurisdiction.

Senate Office Buildings

The Senate Office Buildings jurisdiction oversees the office and committee space for the United States Senate. The jurisdiction is responsible for the daily care, maintenance, repair and operations of 2.9 million square feet of facility space, including the Russell, Dirksen and Hart Senate Office Buildings, restaurants, an employees' child care center, a congressional page school and student dormitory, and subway systems. The jurisdiction also manages five leased

facilities housing off-site Senate support organizations and coordinates the office move process for senators and staff. More information is available at: www.aoc.gov/senate.

Supreme Court Building and Grounds

The Supreme Court Building and Grounds jurisdiction operates and maintains the U.S. Supreme Court and the Thurgood Marshall Federal Judiciary Building (TMFJB). Its staff provides a variety of trades including plumbing and electrical, heating and air conditioning, office and decorative painting, landscape design, and mechanical work. Whereas the other AOC jurisdictions receive direct appropriations from Congress, the funding to care for the U.S. Supreme Court and the TMFJB is appropriated by Congress to the judicial branch, which then reimburses the AOC for its operating costs. The duties required for the operation and care of the U.S. Supreme Court are performed under the direction of both the Marshal of the Supreme Court and the AOC's Facility Manager's Office. More information is available at: www.aoc.gov/us-supreme-court.

U.S. Botanic Garden

The U.S. Botanic Garden jurisdiction is responsible for the maintenance, operations and construction for USBG facilities, including the Conservatory and approximately eight acres of surrounding gardens encompassing the National Garden and Bartholdi Park. It is also responsible for an administration building and a plant production and support facility with 36 greenhouse bays, outdoor nurseries, and areas for storage and maintenance. The USBG is the steward of a diverse plant collection and provides educational programs, tours, exhibits and consultations, as well as training for youth. The USBG is a leader in plant conservation efforts and helped found the Sustainable Sites Initiative (SITES) program to encourage sustainable landscaping. Effective in FY 2017, the Executive Director of the U.S. Botanic Garden reports directly to the Architect of the Capitol. More information is available at: www.usbg.gov.

U.S. Capitol Visitor Center

The CVC jurisdiction manages the U.S. Capitol Visitor Center, the main entrance for visitors to the U.S. Capitol. The facility is located underground on the east side of the U.S. Capitol, and it provides informational exhibits, a restaurant, two orientation theaters, a large auditorium and two gift shops to enhance the visitor experience. The CVC has increased public access to the U.S. Capitol, welcoming more than 19 million visitors since opening in 2008. The CVC's Chief Executive Officer reports directly to the Architect of the Capitol. The CVC informs and inspires guests even before they arrive at the U.S. Capitol through partnerships, outreach, and a vibrant web presence at: www.visitthecapitol.gov.

CAPITOL HIGHLIGHTS

U.S. Supreme Court Confirmation Hearings Support

Throughout the year, the AOC hosts a number of high-profile special events that occur on the Capitol campus, including the Presidential Inauguration, the State of the Union address, joint sessions of Congress and committee events. This fiscal year, the agency diligently worked behind the scenes to prepare for the U.S. Supreme Court confirmation hearing for the Honorable Neil M. Gorsuch.

The hearing was held over four consecutive days from March 20-23, 2017. Each day, the AOC's Senate Office Buildings jurisdiction, in partnership with the Senate Committee on the Judiciary, prepared room SH-216 in the Hart Senate Office Building for the nomination hearing of Associate Justice Gorsuch.

For this special event, the jurisdiction set up the main queuing and ticket distribution area in Senate Park, just north of the Russell Senate Office Building, at the corner of First Street and C Street, NE. Passes were distributed to the public on a first-come, first-served basis starting at 8 a.m. each morning, with admittance to the hearings only available for portions of each session to allow more people to attend.

The jurisdiction also prepared an indoor queuing area, just outside the entrance to the hearing room, with one section reserved for press and another section for public ticketholders, escorted by staff members, waiting to observe the nomination hearing.

AOC employees were present throughout the event to ensure that the congressional hearing proceeded seamlessly. Due to the diligence and teamwork of the AOC and its partners, the high-profile confirmation hearing was successfully held.

For more information about the AOC's special events see: www.aoc.gov/capitol-campus-events.



Performance Highlights

Strategic Planning Framework

The AOC's organizational framework for performance reporting is guided by its five-year strategic plan, using its mission, vision and values as a foundation. The strategic plan outlines the goals, objectives, strategies and performance indicators that provide direction for the agency.

In March 2017, the AOC unveiled a new *Strategic Plan FY 2017–FY 2021*. With this five-year plan, the AOC retained the strategic goals from its previous *Strategic Vision* document for FY 2012–FY 2016. The goals focus on efforts to execute the agency mission, as well as to leverage core competencies, incorporate industry best practices, live the agency's values and pursue its vision. The strategic plan is based on a three-tiered hierarchy — strategic goals (the highest tier) followed by strategic objectives (the middle tier) and strategies (the lowest tier). While the goals are unchanged, the new strategic plan introduced fresh objectives and strategies to support them. Both the strategic objectives and strategies are monitored by key performance indicators (KPIs) that will drive agency accountability and resource allocation. The new strategic plan also launched bi-monthly operational performance meetings and two-year action plans for each business unit.

Strategic Goals and Objectives

The AOC's strategic plan outlines four strategic goals. The first two strategic goals, Maintain Awe-Inspiring Facilities and Provide Extraordinary Services, guide principal program areas related to facilities maintenance, operational support, project delivery, heritage asset preservation, and client and visitor services. The final two goals, Foster an Innovative and Empowered Workforce and Operate as One Team, Dedicated to One Mission, focus on promoting a culture of integrity, teamwork and accountability. **Table 4** identifies

the relationship between the AOC's strategic goals and the objectives that support them, followed by a brief description of each. For a copy of the AOC's strategic plan, please visit the AOC website at: www.aoc.gov/publications and click on "Strategic Plan 2017–2021."

Strategic Goal: Maintain Awe-Inspiring Facilities

The goal to Maintain Awe-Inspiring Facilities reflects the agency's commitment to its core mission. The AOC's mission centers on the stewardship of the structures and grounds of the Capitol campus. This goal ensures every visitor to the Capitol campus experiences the grandeur of these historic treasures at their very best.

- **Objective 1.0: Reliably deliver high-quality capital projects.** Ensure that high-quality capital projects are delivered safely, on time, within budget and with minimal client disruption.
- **Objective 2.0: Preserve, maintain and operate facilities, cultural and natural resources at the highest quality levels.** Attain best-in-class levels of performance according to industry standards with minimal client disruption for the AOC's key operational functions.

Strategic Goal: Provide Extraordinary Services

The goal to Provide Extraordinary Services supports the facilities' prestigious occupants in their critical mission to govern our country. In addition, the AOC will fulfill the journey of visitors from across the nation and around the world to celebrate and discover the center and symbol of American democracy.

- **Objective 1.0: Demonstrating our expertise while exhibiting responsiveness, ownership and courtesy to all internal and external customers.** Achieve high customer confidence in all (internal and external) service

TABLE 4: Strategic Goals and Objectives

STRATEGIC GOALS		STRATEGIC OBJECTIVES
PROGRAM-ORIENTED GOALS	Maintain Awe-Inspiring Facilities <i>Unsurpassed Craftsmanship and Stewardship</i>	1.0. Reliably Deliver High-Quality Capital Projects 2.0. Preserve, Maintain and Operate Facilities, Cultural and Natural Resources at the Highest Quality Levels
	Provide Extraordinary Services <i>Going the Extra Mile</i>	1.0. Demonstrating our Expertise While Exhibiting Responsiveness, Ownership and Courtesy to All Internal and External Customers
LONG-TERM SUPPORT GOALS	Foster an Innovative and Empowered Workforce <i>Leading Change Together</i>	1.0. Strengthen Employee Performance through Improved Development and Accountability Practices 2.0. Cultivate High Employee Engagement in the Workplace 3.0. Provide for the Security and Safety of Every AOC Employee
	Operate as One Team, Dedicated to One Mission <i>United in Excellence</i>	1.0. Support the Success of Others by Prioritizing the AOC's Mission, Values, Vision and Goals Ahead of the Interests of Any Individual, Work Group or Business Unit 2.0. Strategically Plan, Allocate and Manage Resources AOC-wide

providers' capabilities, resulting in highly satisfied customers and a strengthened position as a trusted partner.

Strategic Goal: Foster an Innovative and Empowered Workforce

The goal to Foster an Innovative and Empowered Workforce helps the organization's staff exercise greater responsibility for its performance, and proactively apply well-informed judgement and innovation to solve problems with solutions that focus on results.

- **Objective 1.0: Strengthen employee performance through improved development and accountability practices.** Ensure that all employees regularly receive training and development, resulting in stronger performance in technical competency and desired workplace behaviors. Managers, supervisors and coworkers will hold low performers accountable for substandard technical competency or substandard workplace behaviors.
- **Objective 2.0: Cultivate high employee engagement in the workplace.** Safeguard that employee engagement remains strong and improves over time, affirming the AOC's standing among the *Best Places to Work in the Federal Government*.
- **Objective 3.0: Provide for the security and safety of every AOC employee.** Employees are trained and consider themselves prepared for emergencies. Pledge that AOC employee behaviors and work environments are continuously improved to ensure employee safety on the job.

Strategic Goal: Operate as One Team, Dedicated to One Mission

The goal to Operate as One Team, Dedicated to One Mission is designed to recognize and value the priorities for various AOC functions that serve the agency's mission, values and vision.

- **Objective 1.0: Support the success of others by prioritizing the AOC's mission, values, vision and goals ahead of the interests of any individual, work**

TABLE 5: Key Performance Indicators Breakdown

STRATEGIC GOAL	STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATORS
Maintain Awe-Inspiring Facilities	2	7
Provide Extraordinary Services	1	4
Foster an Innovative and Empowered Workforce	3	19
Operate as One Team, Dedicated to One Mission	2	6
Total	8	36



In FY 2017, the AOC unveiled its new Strategic Plan FY 2017-FY 2021. The document lays out the agency's strategic priorities and sets the direction for resource allocation and performance management.

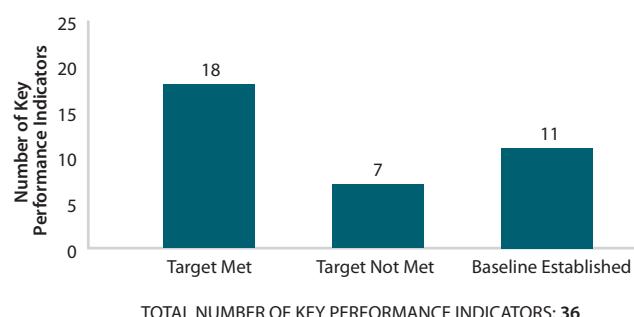
group or business unit. Continuously improve employee collaboration, communication and alignment to a shared purpose across the organization.

- **Objective 2.0: Strategically plan, allocate and manage resources AOC-wide.** Ensure that the AOC's approach to resource planning, allocation and management is fully deployed in a systematic manner by the end of FY 2021.

The AOC identified 36 key performance indicators to demonstrate and monitor progress against its strategic goals for FY 2017. All indicators measure performance against an established target. Where available, up to five years of historic data is provided for trend comparison. **Table 5** breaks down the strategic goals to the number of associated objectives and KPIs.

In FY 2017, the AOC met or exceeded its targets for 18 of the 36 indicators, did not meet the targets for 7 indicators and 11 indicators represent new KPIs for which the AOC is collecting baseline data. A summary of the KPI results by goal and fiscal year is presented in **Figure 9**. As FY 2017 is the first year under the new strategic plan, the AOC will

FIGURE 9: Key Performance Indicator Results



CAPITOL HIGHLIGHTS

U.S. Capitol Grounds is Now an Accredited Arboretum

This fiscal year, the U.S. Capitol Grounds was named an accredited arboretum. The grounds are listed in the Morton Register of Arboreta, a comprehensive list of arboreta and public gardens that have a substantial focus on woody plants for the benefit of the public, science and conservation.

As a Level II accredited arboretum, the U.S. Capitol Grounds is recognized as an area with at least 100 species of woody plants, dedicated staff, enhanced educational and public programs, and a documented collections policy. The trees are managed under the guidance of a collection policy supported by a records management database that includes the geographic information system (GIS) coordinates for over 4,200 trees on campus, including memorial trees to commemorate members of Congress and other notable citizens, national organizations and special events. The GIS tool also enables the AOC to survey tree health throughout the Capitol campus. The AOC's Capitol Grounds jurisdiction often collaborates with the U.S. Botanic Garden and the U.S. Capitol Visitor Center on interpretation and education programs.

The U.S. Capitol Grounds encompasses more than 270 acres of land, tended to by six full-time arborists. The grounds immediately surrounding the U.S. Capitol cover an area of approximately 58 acres and provide a park-like setting for visitors, staff and members of Congress. The grounds were designed in the late 1870s by Frederick Law Olmsted, a pioneer in the development of public parks in America.

The Morton Arboretum created ArbNet, an Arboretum Accreditation Program to establish and share a widely recognized set of industry standards for the purpose of unifying the arboretum community. Through this program, the AOC may work collaboratively as part of a broad network to share best practices and will have access to helpful resources.

More information is available at:
www.aoc.gov/capitol-grounds/about-grounds.



be adopting additional indicators between FY 2018 and FY 2021 (for more detail, each strategic objective's future strategies are provided in *Section II*).

Data Validation and Verification

In accordance with the GPRA Modernization Act of 2010, the AOC strives to ensure the completeness, reliability and quality of all performance measurement data, and has the mechanisms in place to validate and verify the accuracy of information collected and reported. Validation and verification of performance data supports the accuracy and reliability of the performance information, reduces the risk of inaccurate data and provides a sufficient level of confidence that the information is credible. At the AOC, these efforts primarily entail internal agency assessments that address standards and procedures, data entry and transfer, data integrity, data quality, data limitations, and oversight.

High-Level Key Performance Indicators

Within this *Management's Discussion and Analysis*, highlights of the AOC's performance are represented by high-level key performance indicators. The high-level KPIs are a subset of the key performance indicators monitored under the strategic plan and represent the agency's most critical performance indicators. Each high-level KPI displays the FY 2017 performance results, targets and, where applicable, past performance results for comparison. The results are organized by strategic goal and displayed in **Tables 6** through **9**. In addition, for each goal, narrative highlights are presented to describe other major program and project results (both successes and shortfalls). A narrative discussion of the AOC's results is particularly critical to understanding the agency's performance.

Net Cost of Operations

The AOC uses a cost accounting system to track and summarize costs by work activity and business unit. Work activities are mapped to the four strategic goals or to an overhead pool (for indirect costs). Overhead costs are then allocated among the four goals to arrive at a total cost per strategic goal. The AOC's cost of operations (net of revenue) for each strategic goal is provided in these *Performance Highlights* for the current fiscal year and the five prior fiscal years.

For More Information

A complete discussion of the AOC's performance results is presented in this Performance and Accountability Report's *Section II: Performance Information*. For reference, Appendix H provides a listing of KPIs that were added or no longer used in FY 2017 and Appendix I provides a detailed profile for the KPIs currently in use.

Maintain Awe-Inspiring Facilities

The AOC's strategic goal of *Maintain Awe-Inspiring Facilities* ensures that the AOC provides outstanding stewardship of the assets that are entrusted to its care and promotes a safe, healthy and secure environment through the efficient use of resources, integrated facility planning and sustainable practices. This strategic goal addresses the AOC's core facilities maintenance, stewardship and sustainability responsibilities.



As seen in **Table 6**, there are five high-level key performance indicators associated with this strategic goal. These high-level KPIs track overtime usage, sustainability, preventive maintenance, corrective maintenance and work order timeliness. As shown, the agency reached its targeted performance for four out of five high-level KPIs. An in-depth discussion of these indicators and others is included in *Section II: Performance Information*.

In addition to these high-level KPIs, the AOC attained several accomplishments for the programs aligned with the strategic goal *Maintain Awe-Inspiring Facilities*. These programs include: facilities maintenance, facilities operations, capital project delivery, cultural preservation, safety and compliance, security and resilience, and sustainability and energy.

TABLE 6: Maintain Awe-Inspiring Facilities — Results for High-Level Key Performance Indicators

HIGH-LEVEL KEY PERFORMANCE INDICATOR	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 TARGET	FY 2017 RESULT
Usage of Overtime. Reduce overtime hours to fulfill mission through improved planning and scheduling.	139,517* Hours Not Met	121,427* Hours Met	128,299* Hours Not Met	139,101* Hours Met	171,504* Hours Not Met	<171,504 Hours	160,939 Hours Met
Energy and Sustainability Plan targets. Reduce energy and water usage. Increase waste diversion, recycling and composting. <i>Note: Only displayed Energy results in FY 2017 for comparability to prior years</i>	-22.0% Met	-26.0% Met	-25.5% Not Met	-30.8% Met	-32.2% Met	≤ -34.0%	-33.7% Not Met
Preventive Maintenance Work Order Timeliness. Complete preventive facility maintenance work on schedule.	92.8% Met	90.9% Met	82.9% Not Met	89.3% Not Met	91.1% Met	≥ 90.0%	90.3% Met
Corrective Maintenance Work Order Timeliness. Complete corrective facility maintenance work on schedule.	90.6% Met	92.1% Met	92.2% Met	93.9% Met	94.8%* Met	≥ 90.0%	94.5% Met
Service Request Work Order Timeliness. Complete service request work orders on time.	90.3% Met	89.7% Not Met	92.9% Met	92.8% Met	92.6%* Met	≥ 90.0%	91.9% Met

Note: Information adjusted from that reported in the FY 2016 PAR is marked with an asterisk (*).

Programs related to *Maintain Awe-Inspiring Facilities*

KEY:

Facilities Maintenance
Facilities Operations

Capital Project Delivery
Cultural Preservation

Safety and Compliance
Security and Resilience

Sustainability and Energy

The FY 2017 major accomplishments, and the programs they support follow:

■ **Completion of the U.S. Capitol Dome Restoration:**

The AOC completed the final phase of the U.S. Capitol Dome restoration. The project consisted of repairing more than 1,000 cracks to make the Dome watertight and included the restoration and replacement of cast iron and ornamentation. After the removal of the existing paint, a new paint system was installed to protect the structure from corrosion and effects from the elements. The project also included the restoration of the Rotunda. The work, which began in January 2014, was completed in time for the fully restored Dome to serve as the backdrop for the 2017 Presidential Inauguration. ● ● ● ● ● ●

■ **Supreme Court Exterior Façade Restoration:** The AOC completed the restoration of three of the four exterior marble façades of the U.S. Supreme Court and the two statues on the Supreme Court's West Front Plaza. The project cleaned all stone surfaces, repointed and caulked mortar joints, and repaired damaged stone. The FY 2017 East Façade phase, scheduled for completion in FY 2018, has been the most challenging, as it is adjacent to residences along Second Street, NE. ● ● ● ● ●

■ **Cannon Renewal:** The AOC completed the initial phase of the renewal of the historic Cannon House Office Building, which consisted of infrastructure work, on time and within budget, and began phase one, which will renovate an entire wing of the facility while the building remains 75 percent occupied. During this fiscal year, the

AOC coordinated swing space moves, renovated and constructed suites for committees and staff, developed and implemented a preventive maintenance plan, and participated in system commissioning and testing. See also **Infographic** for an illustration of the project phases.



■ **Dirksen Post Office Renovation:** The AOC renovated the full-service post office in the Dirksen Senate Office Building, transforming the highly visible space into a modern postal facility. The project involved tremendous coordination, has been praised for its exceptional design and craftsmanship, and resulted in major improvements to a space which is critical to the Senate community.



■ **Alternate Computer Facility Chiller Repair:** The AOC repaired two broken chillers at the Alternate Computer Facility (ACF) with the used parts removed from salvaged chillers. The ACF is operating on 30-year-old infrastructure systems that have supported the facility since its opening. These chillers are well past their lifecycle and have experienced various levels of failure.



■ **Ulysses S. Grant Memorial Conservation:** The AOC completed the conservation of the bronze statuary of the Grant Memorial, a highly visible monument near the Capitol Reflecting Pool, by the close of calendar year 2016. In FY 2017, the AOC continued restoration efforts to address a number of deficiencies, including deck waterproofing, structural repair of the north terrace and

INFOGRAPHIC: Cannon House Office Building Renewal Project Phases



surrounding balustrade, and cleaning and removing stains in the marble. ● ● ●

- **Court of Neptune Fountain Restoration:** The AOC completed the conservation of the Thomas Jefferson Building's Neptune Fountain. During the five-week conservation, the bronze statuary was thoroughly cleaned to remove corrosion and mineral deposits, repatinated (as required) and treated with wax to protect the finish. The AOC also cleaned the granite and repaired and painted the fountain basin. ● ●

- **John Flanagan Clock Maintenance:** The AOC completed maintenance of the Thomas Jefferson Building Main Reading Room's John Flanagan Clock, which was sculpted in 1896. After its reinstallation, a horologist provided operation and maintenance training to the electrical shop staff and a recommended inspection and maintenance schedule. ●

- **Stone Preservation Program:** The AOC continued an ambitious program to restore and preserve the deteriorating stone and metal features on many of the agency's most treasured multi-use heritage assets, including the U.S. Capitol, the U.S. Supreme Court, the U.S. Botanic Garden Conservatory and others. See also *Stone Repair and Preservation*. ● ● ● ● ● ●

- **Cogeneration Project:** The AOC oversaw major milestones in the project including completion of system design documents, major equipment installation, and the initial installation of connection piping, wiring and auxiliary systems to prepare for equipment startup and commissioning efforts. The AOC mitigated hazardous materials at the primary worksite and executed additional contracts to complete the abatement. The cogeneration system will replace the aging utility infrastructure and generate electricity and steam for the Capitol campus. ● ● ●

For a time-lapse video documenting the installation of the cogeneration equipment at the Capitol Power Plant, see: www.aoc.gov/video/cpp-delivery. 

- **Recognition of Capitol Grounds as Accredited Arboretum:** The U.S. Capitol Grounds earned recognition as a nationally recognized and accredited arboretum. This achievement acknowledges the efforts of the AOC's professional arborist staff. See also *U.S. Capitol Grounds is now an Accredited Arboretum*. ● ●
- **Thomas Jefferson Building Colonnade Renovation:** The AOC completed a major renovation project in one

of the Thomas Jefferson Building colonnades. This project involved a complete renovation of the office areas for nearly 40 Library of Congress staff members. ● ● ●

- **Children's Garden Upgrade:** The second of a two-phased upgrade of the U.S. Botanic Garden Children's Garden was completed on time and within budget in May 2017. The upgrades included a platform discovery structure, child-sized seating and composting areas. See also *Updated Children's Garden Opens at the U.S. Botanic Garden*. ● ●

- **Bartholdi Park Renovation:** The AOC completed the renovation of Bartholdi Park, the first major restoration since its inception in 1933. The project included accessibility, infrastructure and sustainability upgrades. A redesign of the original concept resulted in a significant cost reduction, and this project was completed on time and within budget. The park is currently going through a sustainable SITES certification process. ● ● ●

- **Brumidi Corridors Restoration:** The AOC completed the Brumidi Corridors restoration on the first floor of the Senate wing in the U.S. Capitol. The final phase focused on the ornately decorated North Corridor and East Inner Corridor ceilings and was completed in June 2017. See also *The Brumidi Corridors and Other Conservation Work*. ● ●

- **Library of Congress Book Storage Module 5:** The AOC substantially completed construction of Book Storage Module 5 located at Fort Meade, Maryland. The project's \$19.4 million budget funded site preparation, building infrastructure and superstructure including security systems, customized shelving, integrated fire safety systems and dedicated preservation-quality HVAC systems for permanent long-term collection storage. ● ● ● ● ●

- **Library of Congress Energy Savings Performance Contract (ESPC):** The AOC completed the source selection for its fourth ESPC and began work on the preliminary assessment phase of the contract. Potential improvements include upgrades to the building envelope, mechanical, electrical, building automation systems, plumbing, and renewable energy applications. ● ● ● ● ●

- **Performance Monitoring:** The AOC continued to expand and enhance data analytics for building systems to identify performance anomalies of HVAC systems. This campus-wide system provides the capability for immediate identification and evaluation of inefficiencies and specific corrective actions to the jurisdictions' operations personnel. ● ●

Provide Extraordinary Services

The AOC's strategic goal *Provide Extraordinary Services* is intended to ensure the delivery of proactive, professional and integrated services that exceed clients' and visitors' expectations. This goal addresses the AOC's core functions as a support organization for Congress and the Supreme Court, as well as a provider of visitor services for the public.



Programs related to *Provide Extraordinary Services*

KEY:

● Client Services

● Visitor Services

As seen in **Table 7**, there are two high-level key performance indicators associated with this strategic goal. These high-level KPIs track the AOC's customer satisfaction and adherence to procurement acquisition lead times. As shown, the agency did not reach its targeted performance for the two high-level KPIs. An in-depth discussion of these indicators and others is included in *Section II: Performance Information*.

The AOC attained several accomplishments for the programs aligned with the strategic goal *Provide Extraordinary Services*. These programs include client services and visitor services. The FY 2017 major accomplishments, and the programs they support, follow:

- **Presidential Inauguration:** The AOC played a crucial role in planning, managing and executing the construction and logistical activities for the 58th

Presidential Inauguration. This included installing the inaugural platform and over seven miles of event fencing to support physical security. See also *2017 Presidential Inaugural Support*. ● ●

■ **War Gardens at the Library of Congress:** The AOC, in collaboration with the Library of Congress, recreated three war gardens (also referred to as "Victory Gardens") in commemoration of the centennial of America's entrance into World War I. These gardens helped increase the food supply during wartime. For the project, the AOC used typical seeds and plants that would have been available to the public in 1917 and adopted planting schedules and methods from period publications. The AOC donated more than 400 pounds of harvested crops to DC Central Kitchen, a local nonprofit enterprise. ●

■ **Election-year Congressional Moves:** The AOC completed the Senate and House office and committee moves for the 115th Congress. For this effort, the agency upgraded the "Senate Suites" online suite selection tool with 360-degree photos of offices to allow for virtual tours of Senate office suites. Also, to replace suites

TABLE 7: Provide Extraordinary Services — Results for High-Level Key Performance Indicators

HIGH-LEVEL KEY PERFORMANCE INDICATOR	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 TARGET	FY 2017 RESULT
Customer Satisfaction with Projects. Maintain high customer satisfaction with projects.	98.8% Met	97.8% Met	98.2% Met	96.5% Met	95.4% Met	≥ 90.0%	89.3% Not Met
Adherence to Procurement Acquisition Lead Times. Timely award of contracts and procurement of supplies.	81.6% Met	74.8% Not Met	80.3% Met	76.5% Not Met	77.0% Not Met	≥ 80.0%	76.9% Not Met

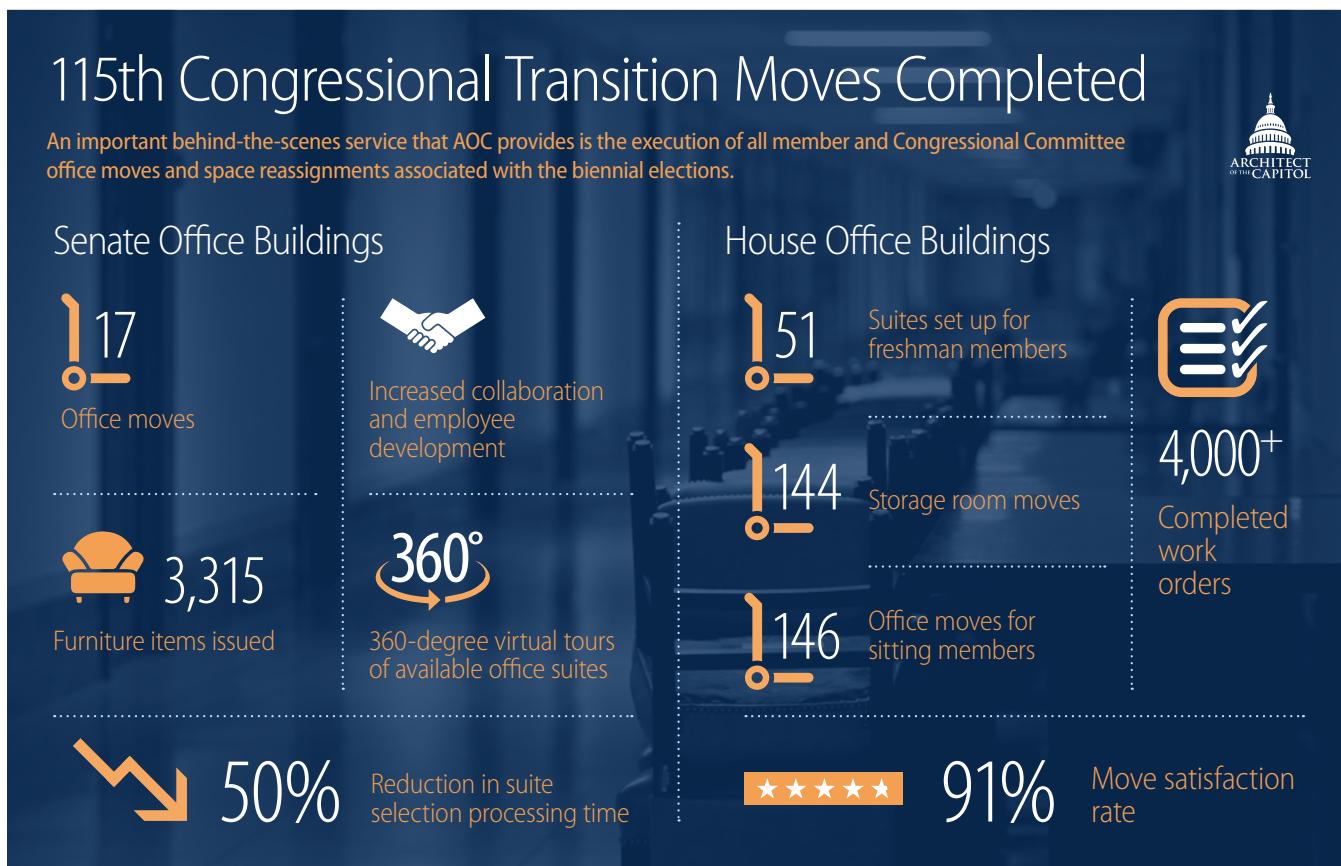
affected by phase one of the Cannon Building Renewal, the AOC constructed 31 additional member suites. See also Infographic: *115th Congressional Transition Moves Completed*. ●

- **Grounds Support and Maintenance:** The AOC provided continuous support to ensure the U.S. Capitol Grounds were properly maintained and ready for large-scale events. For example, in January 2017, to support the Presidential Inauguration and the Million Women March, the AOC restructured miles of fencing, restored the landscape and provided a variety of other services. ● ●
- **New Programs Focusing on National Parks:** In collaboration with the National Park Service (NPS) and the Library of Congress, the AOC presented new programs highlighting the 100th anniversary of the NPS' establishment and the passage of the National Historic Preservation Act of 1966. At the CVC, visitors began a two-hour walking tour in Exhibition Hall, proceeded to the Capitol Rotunda for a discussion of the AOC's preservation of the U.S. Capitol Dome, continued to the Library of Congress' Great Hall to highlight the Jefferson Building's preservation, and concluded with a tour of the USBG's *Season's Greenings: National Parks and Historic Places* holiday-themed exhibit, which included models of buildings

and sites on the National Register of Historic Places reconstructed with plant materials. Another program, the USBG exhibit *Flora of the National Parks*, celebrated the native plants that occur within national parks. ●

- **Exhibitions:** The AOC offered a number of exemplary exhibitions and programs to educate and inspire the public. These included the *You Can Grow It!* exhibit at the USBG and *Congress and the World Wars* exhibit at the CVC. See *Appendix E* for an annotated list and description of the major exhibitions held during FY 2017. ●
- **Capitol Campus Visitation:** In July 2017, the AOC welcomed its 19-millionth visitor to the Capitol Visitor Center (CVC) since its December 2008 opening. During FY 2017, the agency's CVC, USBG and the Library Buildings and Grounds jurisdictions welcomed approximately 2.5 million, 0.9 million and 1.6 million visitors, respectively. See **Figure 10** for the Capitol campus visitation trend from FY 2012 through FY 2017. In addition, monthly and annual visitation data is contained in *Appendix F*. ●
- **Special Events:** The AOC planned, designed and provided set up for numerous special events in the U.S. Capitol during FY 2017. These events included an orientation for new members, a U.S. Capitol Dome

INFOGRAPHIC: 115th Congressional Transition Moves Completed





As part of the AOC's *Provide Extraordinary Services* strategic goal, the AOC plays a key role in planning, logistics and construction for the Presidential inaugural ceremonies. For the 58th Presidential Inauguration held on January 20, 2017, the Capitol Building trade divisions provided outstanding craftsmanship for a variety of tasks.

re-opening celebration, the presidential address to a joint session of Congress, a celebration of the life of the Honorable Robert H. Michel and many others. See also *2017 Presidential Inaugural Support* and *U.S. Supreme Court Confirmation Hearings Support*. ● ●

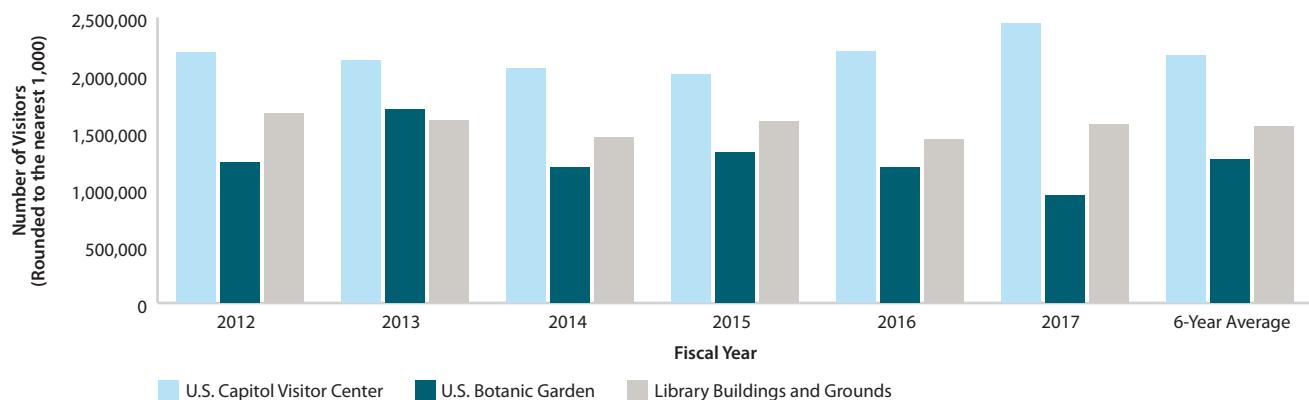
■ **Black History Month Programs:** The CVC presented programs throughout February 2017 to commemorate Black History Month including stories and art projects focused on the legacy of Frederick Douglass. A popular *Seen on Screen* program in Exhibition Hall featured a short film highlighting the 1963 "March on Washington for Jobs and Freedom." The USBG continued its tradition of highlighting influential African American botanists with the presentation, *More than the Peanut Wizard: The George Washington Carver We Forgot (...And Perhaps Never Knew)* by Dr. Kobinah Abdul-Salim. ● ●

■ **Photographic Documentation of the Presidential Inauguration:** In support of the Presidential

Inauguration, the AOC produced publishable-quality still photographs of the event. In collaboration with the Joint Congressional Committee on Inaugural Ceremonies, the AOC rapidly processed the photographs in support of keepsake photo books for the president, vice president and House and Senate leaders. ●

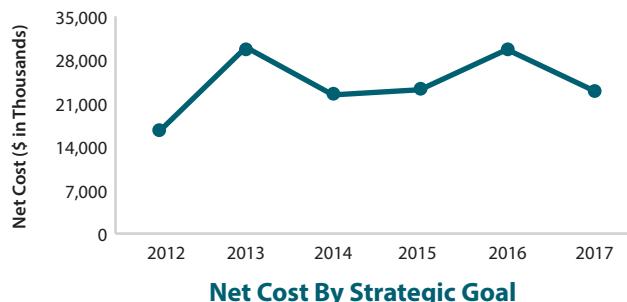
■ **Horticultural Therapy Program:** The AOC continued a horticultural therapy program for active duty soldiers recovering at the Walter Reed National Military Medical Center. The monthly classes provided therapeutic connections to plants for recovering soldiers as they visited the USBG and learned about the care and diversity of plants. ●

FIGURE 10: Capitol Campus Visitation from FY 2012 through FY 2017



Foster an Innovative and Empowered Workforce

The AOC's strategic goal to *Foster an Innovative and Empowered Workforce* is intended to facilitate an organizational culture that attracts, develops and retains exceptional employees, empowers its workforce to be innovative, and advances new programs and processes to accomplish its mission. This goal encourages the organization to embrace change through outstanding leadership and continuous improvement.



As seen in **Table 8**, there are three high-level key performance indicators associated with this strategic goal. These high-level KPIs track favorability ratings in the Federal Employee Viewpoint Survey, adherence to hiring cycle time and the injuries and illnesses rate. As shown, the agency reached its targeted performance for all three high-level KPIs. An in-depth discussion of these indicators and others is included in *Section II: Performance Information*.

In addition to these high-level KPIs, the AOC realized several accomplishments for the strategic goal *Foster an Innovative and Empowered Workforce*. The FY 2017 major accomplishments follow:

■ **Capitol Building Leadership Development:** The AOC strengthened staff leadership skills in the Capitol Building jurisdiction by engaging in a Myers-Briggs type indicator training. This training provided the team with the framework in which team members can better understand and manage communication, team culture, leadership,

change, problem solving/conflict resolution and stress. This understanding will help to maximize each member's talents and, ultimately, help the team to succeed.

- **CVC Professional Development:** The CVC provided staff professional development opportunities including a number of internal detail positions to offer staff opportunities to expand upon their current work experience and duties. These opportunities included mentoring positions to facilitate onboarding of new employees, positions in support of the reservations team and assignments to help develop a new public program focused on Congress' role during World War II.
- **Legislative Lecture Series:** The CVC partnered with the Library of Congress' Law Library and the Congressional Research Service to develop a lecture series aimed at helping staff better understand the legislative process. The lecture series also included the AOC Curator, whose talks supported Brumidi Corridor tour training and provided

TABLE 8: Foster an Innovative and Empowered Workforce — Results for High-Level Key Performance Indicators

HIGH-LEVEL KEY PERFORMANCE INDICATOR	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 TARGET	FY 2017 RESULT
Favorability Ratings for Best Places to Work Dimension. Maintain high ratings for best places to work questions in Federal Employee Viewpoint Survey (FEVS).	N/A	N/A	N/A	70.0% Baseline Established	Not Measured-Biennial Metric	≥ Prior Survey	73.0% Met
Adherence to Hiring Cycle Time. Reduce amount of time to hire a new employee.	118 Days Met	107 Days Met	122 Days Met	114 Days Met	128 Days Met	<150 Days	130 Days Met
Injuries and Illnesses Rate. Targeted to be less than the previous year's rate.	3.85% Not Met	3.07% Met	2.82% Met	4.40% Not Met	3.31% Met	≤ 3.31%	2.41% Met



This fiscal year, the agency fabricated large, framed prints to display the commemorative quarters of all 50 states, the District of Columbia and the U.S. territories in the pedestrian and subway tunnel system connecting the Rayburn House Office Building to the U.S. Capitol Building.

historical information about the Statue of Freedom. The CVC videotaped the series and posted the recordings to the AOC training portal on the AOC website to make the lectures available to all staff.

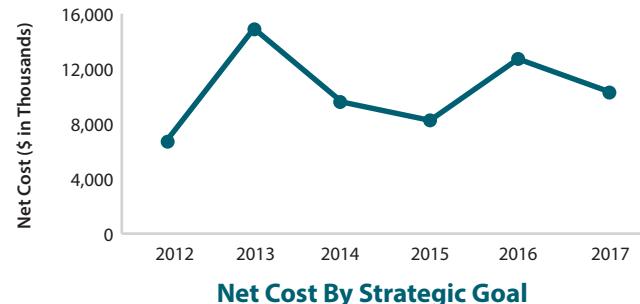
- **Electronic Logs for Maintenance Work:** The House Office Buildings jurisdiction transitioned from hardcopy journals to electronic logs in the Building Transportation Systems Branch to record information regarding the preventive and corrective maintenance performed on conveyor equipment. As a result, mechanics were able to identify relevant historical data when addressing current issues with equipment.
- **Environmental Policies:** The AOC updated policies for Environmental Planning and Review to more efficiently identify potential environmental effects and reduce impacts at an early stage in project development. The AOC also updated policies for Erosion and Sediment Control, as well as Stormwater Management to ensure consistency with regulations.
- **Positive Workplace Initiatives:** The AOC implemented the new "AOC Chooses CIVILITY" initiative aimed at engaging all employees and emphasizing positive and respectful workplace behavior. The 10 Principles of Civility serve as reminders of action AOC employees can take daily to positively impact the work environment.
- **Project Management Division Reorganization:** The AOC executed a reorganization of the Project

Management Division in order to improve coordination between projects, implement and enforce best practices and standard procedures, better share resources, improve communication, and to implement lessons learned. The reorganization also provides for more effective oversight of subordinates, coaching, mentoring and support for project execution.

- **Environmental Program Outreach:** To further improve and strengthen environmental practices, the AOC developed outreach materials including posters, pamphlets, articles and new training materials which include two-minute instructional videos and manuals. These materials were distributed throughout the AOC and made available during Earth Day and sustainability events.
- **Lean Six Sigma Review of the AOC's Hiring Process:** The AOC analyzed its recruitment and selection processes and has begun re-engineering efforts to create a leaner, more agile hiring process by reducing hiring time lines to 80 days and implementing a strategic talent acquisition approach to meet AOC's workforce needs.
- **Inspections and Compliance:** To increase facility and occupant safety and environmental compliance, the AOC conducted annual fire, occupational safety and environmental inspections; published reports on schedule; posted results to the AOC's safety dashboard; and reviewed finding focus areas and abatement progress quarterly with jurisdiction managers.

Operate as One Team, Dedicated to One Mission

The AOC's strategic goal of *Operate as One Team, Dedicated to One Mission* is intended to foster a culture of learning, sharing, cooperation and teamwork that improves efficiency and effectiveness throughout the AOC. Collaboration across the organization and between jurisdictions has allowed the AOC to improve efficiency and reduce costs.



As seen in **Table 9**, there is one high-level key performance indicator associated with this strategic goal. The high-level KPI tracks the favorability ratings for communication in the Federal Employee Viewpoint Survey. As shown, the agency established the baseline for the high-level KPI. An in-depth discussion of this indicator and others is included in *Section II: Performance Information*.

In addition to the high-level KPI, the AOC realized several accomplishments for the strategic goal *Operate as One Team, Dedicated to One Mission*. The FY 2017 major accomplishments follow:

- **Transfer of the O'Neill House Office Building:** Multiple AOC jurisdictions collaborated with other legislative branch agencies and GSA to develop and execute a detailed plan to transition the O'Neill Building to the full custody of the AOC. A highly effective cross-agency/jurisdictional tiger team was established to lead this effort. The team efficiently managed the transfer of more than 3,000

Did You Know?

The Senate Office Buildings jurisdiction's Ride-Along Program involves the jurisdiction's leadership team spending a shift working as an apprentice in one of the Senate's 27 shops to better understand shop practices, work routines and job hazards.

facility documents, identified additional personnel, and developed the necessary operating resources required for the transition.

- **Enterprise Risk Management Implementation:** The AOC implemented an enterprise risk management (ERM) program to identify and mitigate the risks that could affect the achievement of its mission. The CFO office hired an enterprise risk manager, implemented an agency-wide risk profile and, in coordination with the Office of Inspector General, conducted a risk assessment.

TABLE 9: Operate as One Team, Dedicated to One Mission — Results for High-Level Key Performance Indicators

HIGH-LEVEL KEY PERFORMANCE INDICATOR	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 TARGET	FY 2017 RESULT
Favorability Ratings for FEVS Communication Dimension. Maintain high rating for communication questions in FEVS.	N/A	N/A	N/A	N/A	N/A	≥ Prior Survey	71.0% Baseline Established

CAPITOL HIGHLIGHTS

First Women in Congress Exhibit

The AOC supported the installation of a new interactive exhibit in the House wing of the U.S. Capitol entitled "The First Women in Congress." The exhibit, which opened March 22, 2017, celebrates the 100th anniversary of Jeanette Rankin taking her seat as the first woman in the U.S. House of Representatives. The exhibit also highlights women members of Congress who followed Jeanette Rankin and their congressional achievements.

To construct the exhibit, the AOC collaborated with the House Clerk's curators on a design concept. From there, the AOC created detailed construction drawings for the exhibit. The AOC developed the details to allow the graphic panels to be easily changed so that the exhibit can be updated with minimal down time. The construction was executed in such a way that the exhibit is free standing so that the U.S. Capitol's historic building fabric was not damaged. In addition, the wood and detailed finishing on the exhibit is similar to the cabinetry used throughout the U.S. Capitol, so the display easily blends with its architectural surroundings. For ease of use, the panels below the horizontal exhibit elements are removable and give access to the electrical equipment and digital informational screens.

The exhibit speaks to contributions from women in Congress, including their support for the decades-long struggle for women's suffrage and the ratification of the 19th Amendment, responses to Prohibition, the crafting of legislation that guaranteed benefits for veterans and the fresh perspective brought to U.S. social and domestic reform legislation in the first half of the 20th century.

For more information see: <http://history.house.gov/Exhibitions-and-Publications/>.



■ Support for Capitol Christmas Tree Lighting

Ceremony: The AOC supported the annual lighting of the Capitol Christmas Tree on December 6, 2016, including the selection of the 80-foot Engelmann Spruce from Payette National Forest in Idaho, developing the event schedule, scheduling musical accompaniment and coordinating ceremony speakers. Shuttles transported guests to and from the platform, while staff provided wayfinding assistance. Leading up to the event, the lighting and its history were promoted on social media channels.

■ Capitol Grounds Mobile App Released:

The AOC launched the U.S. Capitol Grounds App in January 2017. The mobile app, created following a year-long collaboration with the Superintendent of the Capitol Grounds jurisdiction, the Capitol Visitor Center, the AOC's Curator, and Communications and Congressional Relations staff, helps visitors learn more about the historic landscape of the U.S. Capitol Grounds. Users can explore memorial and commemorative trees, sculptural monuments, fountains and architectural features.

■ Partnering for Police Memorial Event:

The AOC's staff partnered together to support the annual Police Memorial event, which was scheduled to take place mid-May during a particularly rainy time of the year. As the weather was deteriorating, the Capitol Grounds jurisdiction contacted the Capitol Building jurisdiction for help. Together, the staff on-site responded with enthusiasm and worked side by side to protect the newly laid sod.

■ Team Building:

The AOC held team-building partnering sessions on a number of its large, high-profile projects including the Cannon Renewal Project, Capitol Stone and Metal Preservation project, the Collection Storage Module 5 project, the Russell Exterior Envelope Repair project, the Capitol Power Plant Cogeneration project, and the Senate Underground Garage Renovation project. Participants included jurisdiction staff, project management and construction management staff, as well as contractors and consultants.

■ Support for Job Rotation Programs:

The AOC's Senate Office Buildings jurisdiction fully implemented a job rotation program to place eligible employees in a participating trade shop of their choice for a month-long detail so they have an opportunity to apply their skills in a different setting, learn new job-related skills, further their professional development and assist with the work of a trade shop. Participants assist shop employees with job-related tasks, gain experience with shop tools, learn work processes, and practice proper material handling and safety procedures.



The Architect of the Capitol, Stephen T. Ayers, FAIA, CCM, LEED AP, accompanied by AOC staff from the Capitol Building jurisdiction, announced the successful completion of the U.S. Capitol Dome Restoration at a news event in November 2016.

Did You Know?

For its work on the exterior stone of the U.S. Capitol Building, the Architect of the Capitol was awarded the Washington Building Congress' *Craftsmanship Award for Masonry: Exterior Stone*.

The AOC's Strategic Plan in Action

In FY 2017, the AOC began implementing its new five-year strategic plan. This document lays out the strategic priorities for the organization and sets the direction for resource allocation and performance management over the coming half-decade. One of the more noteworthy changes in the plan was the addition of a new value: safety, which has long been a focus of the AOC's organizational culture, but had not been identified as a corporate value. In addition, a new process was initiated that includes the annual preparation of a two-year action plan by each business unit to align its work to the priorities of the strategic plan. Progress against the action plans will be monitored and reported between now and FY 2021.

Over the next five years, the AOC will remain committed to the four goals previously identified in its FY 2012–FY 2016 Strategic Vision. This continuity will reinforce the strategic direction already understood by the agency workforce, meet new and increasing demands, and maintain the momentum of our many recent accomplishments. Together, the goals chart a path for the AOC to leverage core competencies and achieve its vision as a trusted partner of Congress and the Supreme Court.

Within this strategic framework, however, the AOC determined that the new strategic plan should take a more proactive approach and be more measurable. As a result, the AOC revised the strategic objectives and strategies for each goal and added several new key performance indicators. With its FY 2017 KPIs, the agency was better able to measure safety, sustainability, internal business services and other areas. Additional indicators are being researched and baselined and will be implemented over the next four fiscal years. Between now and FY 2021, the AOC will continue its efforts to execute its mission, leverage core competencies, live its values and pursue its vision during a time of continued growth in facilities, visitors and capital construction.



This fiscal year, care of the O'Neill House Office Building was transferred from the General Services Administration to the AOC, where its unique architectural details will be maintained and preserved along with the other facilities of the Capitol campus.

Financial Highlights

Introduction

This section provides a summary overview and analysis of the financial statements of the Architect of the Capitol (AOC). The principal financial statements, independently audited by Kearney & Company, include the Balance Sheet for the fiscal year ending September 30, 2017, along with the accompanying Statements of Net Cost, Changes in Net Position and Budgetary Resources. A summary of key data from the AOC's financial statements is presented in **Table 10**. Among the highlights discussed herein:

- The assets of the AOC exceeded the liabilities at the close of FY 2017 by \$2.6 billion, an increase of \$180 million over FY 2016.
- General property plant and equipment (net), the AOC's largest asset, totaled \$2.0 billion at the close of FY 2017. Of this total, buildings and building improvements represented nearly \$1.6 billion (79 percent), an increase of \$212 million from the prior year.
- The AOC's contingent and environmental liabilities at the close of FY 2017 totaled \$78 million, a net increase of \$2 million from the prior year's balance.
- The AOC's financial activities resulted in a \$180 million positive change in net position from the prior year. Of this total, unexpended appropriations increased \$14 million and the cumulative results of operations raised \$166 million.

Independent Financial Statement Audit

The AOC received an unmodified (clean) financial statement audit opinion for FY 2017. This represents the 13th consecutive year in which the AOC has received a clean audit opinion. The AOC considers the annual independent audit an integral part of its financial management and oversight. An unmodified opinion provides reasonable assurance that the financial statements are free of material misstatement. Reasonable assurance, while not absolute, is nonetheless a high level of assurance. The audit resulted in one significant deficiency. This finding is discussed in detail in Section I under *Management Assurances and Other Financial Compliances*. The complete financial statements and audit reports are presented in *Section III: Financial Information*. **Figure 11** shows the number of audit material weaknesses for each fiscal year that the AOC's four principal financial statements have been subject to audit.

Guide to the Financial Statements

Federal government efforts to improve financial transparency and accountability led to the enactment of mandatory uniform accounting and reporting standards for executive branch agencies, along with the tools to manage financial resources. Although a legislative branch agency, as a best business practice, the AOC voluntarily implemented policies that comply with the spirit of the executive branch requirements. The financial statements have been prepared from the AOC's accounting records in conformity

TABLE 10: Financial Statement Summary Data (dollars in thousands)

BALANCE SHEET: SUMMARY DATA	FY 2017	FY 2016	PERCENT CHANGE
Fund Balance with Treasury	\$914,018	\$886,248	3%
Investments	31,428	28,761	9%
General Property Plant and Equipment, Net	2,007,638	1,860,824	8%
Other Assets	3,955	3,616	9%
Total Assets	\$2,957,039	\$2,779,449	6%
Debt Held by the Public	\$89,492	\$98,445	(9%)
Contingent and Environmental Liabilities	77,683	75,929	2%
Federal Employee Benefits	85,900	84,841	1%
Advances from Others	45,829	47,793	(4%)
Contract Holdbacks and Other Liabilities	58,030	52,241	11%
Total Liabilities	\$356,934	\$359,249	(1%)
Unexpended Appropriations	\$717,962	\$704,276	2%
Cumulative Result of Operations	1,882,143	1,715,924	10%
Total Net Position	\$2,600,105	\$2,420,200	7%
Total Liabilities and Net Position	\$2,957,039	\$2,779,449	6%
STATEMENT OF NET COST: SUMMARY DATA	FY 2017	FY 2016	PERCENT CHANGE
Gross Cost	\$634,952	\$653,836	(3%)
Less: Earned Revenue	(59,875)	(48,861)	23%
Net Cost of Operations	\$575,077	\$604,975	(5%)
STATEMENT OF BUDGETARY RESOURCES : SUMMARY DATA	FY 2017	FY 2016	PERCENT CHANGE
Unobligated Balance Brought Forward	\$514,952	\$528,229	(3%)
Appropriations*	632,831	597,023	6%
Spending Authority from Offsetting Collections	42,014	107,205	(61%)
Other Resources (Adjustments)	59,927	21,957	173%
Total Budgetary Resources	\$1,249,724	\$1,254,414	0%

* Appropriations, as reported on the Statement of Budgetary Resources, will not agree with the total enacted appropriations. References to total enacted appropriations in this PAR reflect legislative branch appropriations only and, as a result, exclude the appropriations for the Supreme Court Building and Grounds jurisdiction (which is funded separately via the judiciary branch appropriations). Additional variances result due to differences between proprietary and budgetary accounting concepts.

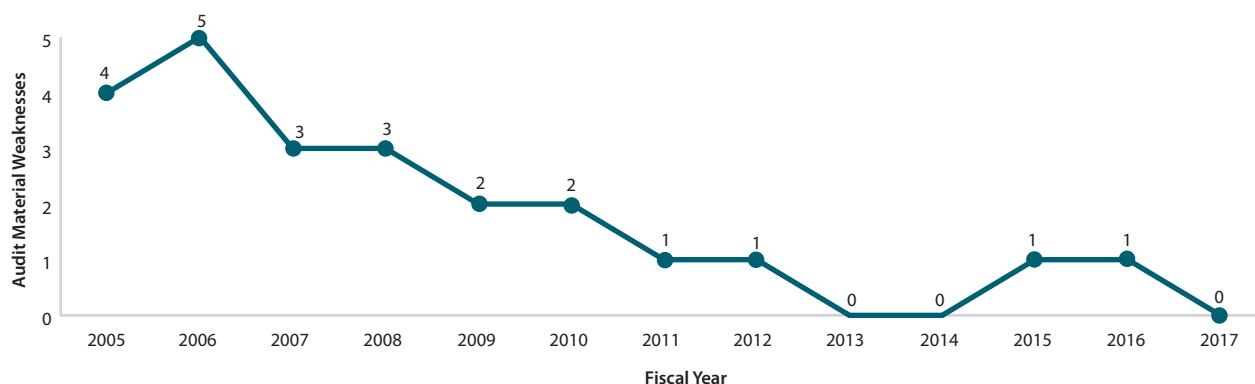
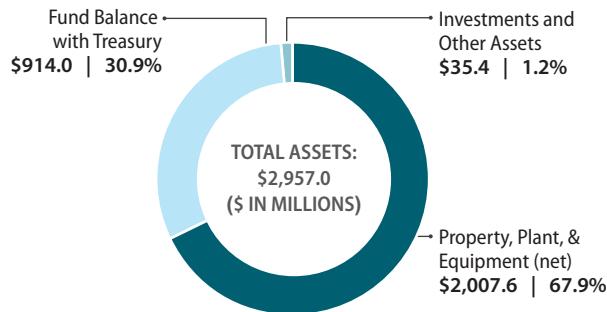
FIGURE 11: Audit Material Weaknesses

FIGURE 12: Summary of Total Assets

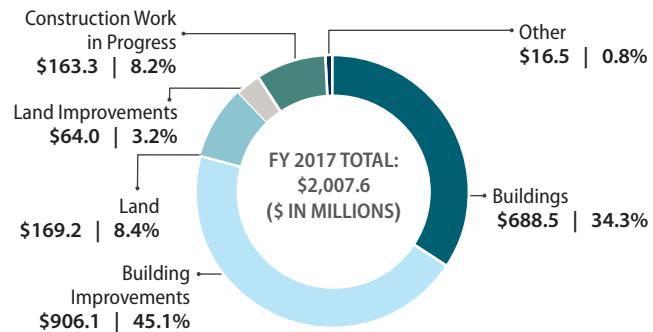
with generally accepted accounting principles (GAAP). GAAP, for federal entities, are the standards prescribed by the Federal Accounting Standards and Advisory Board (FASAB). To facilitate discussion and analysis, the AOC breaks out its financial highlights as follows:

- Financial Position Overview: Balance Sheet
- Operational Results: Statement of Net Cost
- Cumulative Overview: Statement of Changes in Net Position
- Investments to Preserve Our National Treasures: Statement of Budgetary Resources
- Limitations of the Principal Financial Statements

Financial Position Overview: Balance Sheet

The Balance Sheet provides a snapshot of the AOC's financial position at a fixed point in time. The Balance Sheet displays amounts of current and future economic benefits owned or available for use (Assets), amounts owed (Liabilities) and the residual amounts (Net Position) at the end of the fiscal year.

Assets: As of September 30, 2017, the AOC reported total assets of nearly \$3 billion. This represents an increase of \$178 million (6 percent) over FY 2016 total assets of \$2.8 billion. This change is primarily due to the \$28 million increase in fund balance with treasury (FBWT) and \$147 million increase in property, plant and equipment (PP&E), net. These two asset classes account for 99 percent of the agency's total assets. The increase in FBWT is due to additional multi-year/no-year project funding received for major campus restoration projects (including \$62 million for the Cannon Building Renewal, \$17 million for the House Historic Buildings Revitalization Trust Fund and others), while the PP&E increase is primarily due to the capitalization of major restoration projects (discussed below) and the transfer of the O'Neill House Office Building from the General Services

FIGURE 13: Net PP&E by Asset Class

Administration (GSA). **Figure 12** summarizes the FY 2017 total assets by major component.

Figure 13 breaks down the PP&E further, summarizing the FY 2017 balances by asset class. PP&E remains the AOC's largest asset class, representing 68 percent of total assets. PP&E, net of accumulated depreciation, equaled \$2.0 billion at fiscal year-end and increased due to the transfer of the O'Neill Building, valued at \$155 million, as well as capitalized building improvements of more than \$226 million, resulting primarily from the capitalization of costs related to phase zero of the Cannon House Office Building Renewal project, the façade work on the U.S. Supreme Court, the stonework repair at the U.S. Capitol Building and others.

The largest class of the AOC's PP&E balance is not buildings, but rather building improvements (\$906 million, 45 percent of total PP&E). This is because the majority of the AOC's building portfolio is made up of historic buildings whose age exceeds the standard 40-year accounting useful life. During FY 2017, the asset construction work-in-progress decreased from \$187 million to \$163 million. This change was a result of additional in-progress construction work such as at the Capitol Power Plant, phase one of the Cannon Building, the Rayburn House Office Building underground garage rehabilitation, the Russell Senate Office Building exterior envelope restoration and many other projects. This additional work-in-progress was reduced by the reclassified costs of the completed construction projects or project phases. Upon completion, construction work-in-progress costs are moved to building improvements, where they are depreciated over their estimated useful life.

The remainder of the AOC's assets is comprised of investments, accounts receivable, retail inventory held for sale in the CVC gift shops and other asset categories. Investments are composed of two primary instruments: the Capitol Visitor Center Revolving Fund held with the U.S. Treasury (\$21 million) and an escrow balance held with the public related

FIGURE 14: Trend in Total Assets

to the Thurgood Marshall Federal Judiciary Building⁵ (\$10 million). Total investments equaled \$31 million, representing a net increase of \$3 million, or 9 percent from FY 2016. The increase is primarily a result of increased Treasury security holdings from monies received from sales by the CVC gift shops, net of expenses and commissions from vendor food service operations at the CVC.

The annual trend in the AOC's total assets for FY 2012 through FY 2017 is presented in **Figure 14**. The AOC's total assets have increased by \$440 million, or 17 percent, since FY 2012. This increase is principally the result of a \$286 million increase (46 percent) in the Fund Balance with Treasury. The largest single component of this increase is related to the appropriations designated for the AOC's House Historic Buildings Revitalization Trust Fund. Since FY 2012, more than \$225 million in appropriations were enacted to support the revitalization of major historic buildings and assets of the U.S. House of Representatives which the AOC is responsible for maintaining and preserving. Multi-year/no-year appropriations to the AOC's jurisdictions makes up the remaining component of this FBWT increase. The AOC uses multi-year/no-year appropriations to fund many of its long-term construction projects and, for example, the FY 2017 and 2016 budgets each included an additional \$62 million in direct appropriations for the restoration and renovation of the Cannon Building.

The AOC maintains an important collection of heritage assets (including artwork, architectural features, reference and library materials, historic records, and living botanical assets at the U.S. Botanic Garden) and stewardship land

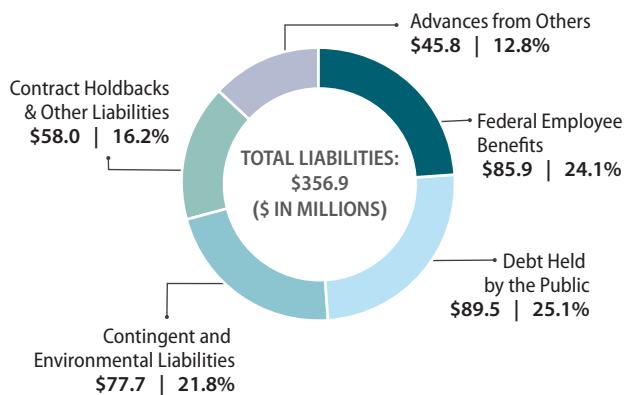
⁵ The AOC has funds invested by a trustee outside of Treasury as a result of financing the construction of the Thurgood Marshall Federal Judiciary Building. Congress did not appropriate funds for this building's construction but, instead, authorized the use of private financing to cover its cost. In 1989, the AOC entered into a development management agreement with Boston Properties for its design, development and construction. Shearson Lehman Hutton, Inc. and Kidder, Peabody, & Co., Inc., issued 30-year Serial Zero Coupon Certificates of Participation to finance the construction. Pursuant to a Trust Agreement, the proceeds were received by a trustee, The United States Trust Company of New York (now the Bank of New York Mellon). The Operating Reserve Fund is held in reserve to cover the future renovation needs of the building.

TABLE 11: Multi-Use Heritage Assets at the AOC

FACILITY	AOC JURISDICTION
U.S. Capitol Building	Capitol Building
Main Boiler Building	Capitol Power Plant
East Refrigeration Plant	Capitol Power Plant
Old Generator Building	Capitol Power Plant
Cannon House Office Building	House Office Buildings
Longworth House Office Building	House Office Buildings
Rayburn House Office Building	House Office Buildings
East and West House Underground Garages	House Office Buildings
Ford House Office Building	House Office Buildings
Thomas Jefferson Building	Library Buildings and Grounds
John Adams Building	Library Buildings and Grounds
James Madison Memorial Building	Library Buildings and Grounds
Russell Senate Office Building	Senate Office Buildings
Dirksen Senate Office Building	Senate Office Buildings
Hart Senate Office Building	Senate Office Buildings
Senate Underground Garage	Senate Office Buildings
Daniel Webster Page Residence	Senate Office Buildings
U.S. Supreme Court	Supreme Court Building and Grounds
Thurgood Marshall Federal Judiciary Building	Supreme Court Building and Grounds
Conservatory	U.S. Botanic Garden
Administration Building	U.S. Botanic Garden

(including the U.S. Capitol Grounds). Heritage assets and stewardship land have historic or natural significance, are of cultural, educational or artistic importance, or have significant architectural characteristics. In accordance with the Statement of Federal Financial Accounting Standards (SFFAS) No. 29, Heritage Assets and Stewardship Land, the Balance Sheet does not include a value for its heritage assets and stewardship land. These assets are generally expected to be preserved indefinitely and, as such, are required to be carried at a zero dollar amount⁶. An exception to the SFFAS reporting standard is for multi-use heritage assets — namely, those heritage assets which are primarily used for general government operations. See **Table 11** for a list of the AOC's multi-use heritage assets. These assets are included on the AOC's Balance Sheet and assigned a cost.

⁶ In addition, federal entities are required to provide a description of major heritage asset categories, physical unit information at the end of the reporting period, physical units added or withdrawn during the year, a description of the methods of acquisition and withdrawal, and condition information. For further detail, see the *Notes to the Financial Statements* (Note 9) and *Required Supplementary Information*, both in *Section III*.

FIGURE 15: Summary of Total Liabilities

Liabilities: As of September 30, 2017, the AOC's total liabilities amounted to \$357 million, a \$2 million decrease from last year. Major changes in liabilities were composed of increases in other liabilities of \$7 million and environmental liabilities of \$2 million. The increase in other liabilities includes steam and chilled water collections in excess of the congressional cap and an increase in custodial liabilities, such as flag fees, while the increase in environmental liabilities is the result of an annual quantity adjustment and revision of underlying cost factors. Offsetting these increases was a decline in advances from others of \$2 million and debt held by the public of \$9 million. The decrease in advances from others is due to a decline in advance collections received for various construction projects such as façade work at the U.S. Supreme Court. The decrease in debt held by the public was a result of payments on the 30-year Certificates of Participation which were sold in 1989 to finance the cost of the TMFJB construction.

Figure 15 provides the FY 2017 total liabilities by component. Debt held by the public remains the AOC's largest single component of total liabilities (\$90 million

or 25 percent). Other major liabilities included contingent and environmental liabilities (\$78 million or 22 percent), liabilities for federal employee benefits (\$86 million or 24 percent) — which includes the liabilities associated with the Federal Employees' Compensation Act (FECA) (\$65 million) and accrued payroll and annual leave (\$21 million).

The annual trend in total liabilities for FY 2012 through FY 2017 is presented in **Figure 16**. Since FY 2012, the AOC's total liabilities have increased by \$56 million or 19 percent. This change was primarily driven by a \$77 million increase in contingent and environmental liabilities to record the estimated environmental liability related to asbestos cleanup, a \$34 million increase in advances from others, mainly due to funding advanced for the TMFJB, and a \$1 million increase in other liabilities. These increases were offset by a \$38 million decrease in debt held by the public to record payments on the bonds used to finance the TMFJB construction, along with a \$9 million decline in capital lease liability, a \$3 million decline in accounts payable and a \$7 million decrease in contract holdbacks.

Operational Results: Statement of Net Cost

The Statement of Net Cost presents the AOC's total net cost of operations, by responsibility segment (jurisdiction). Net cost includes total program costs less all earned revenues attributed to and permitted to be offset against those costs. The AOC's net cost of operations in FY 2017 totaled \$575 million, a decrease of \$33 million or 5 percent from FY 2016. Despite a \$5 million increase in total enacted appropriations, this decline in net costs reflects the increase in major capital projects being funded on the Capitol campus. In accordance with GAAP standards, the costs of construction are recorded as a capital asset on the Balance Sheet rather than recorded as a program cost if the amounts exceed the agency's capitalization threshold (\$500,000 for real property and improvements at the AOC). This trend is displayed in **Figure 17**.

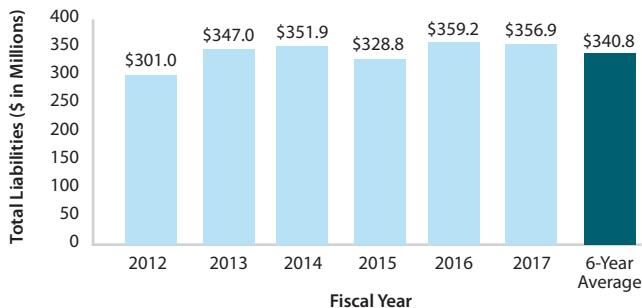
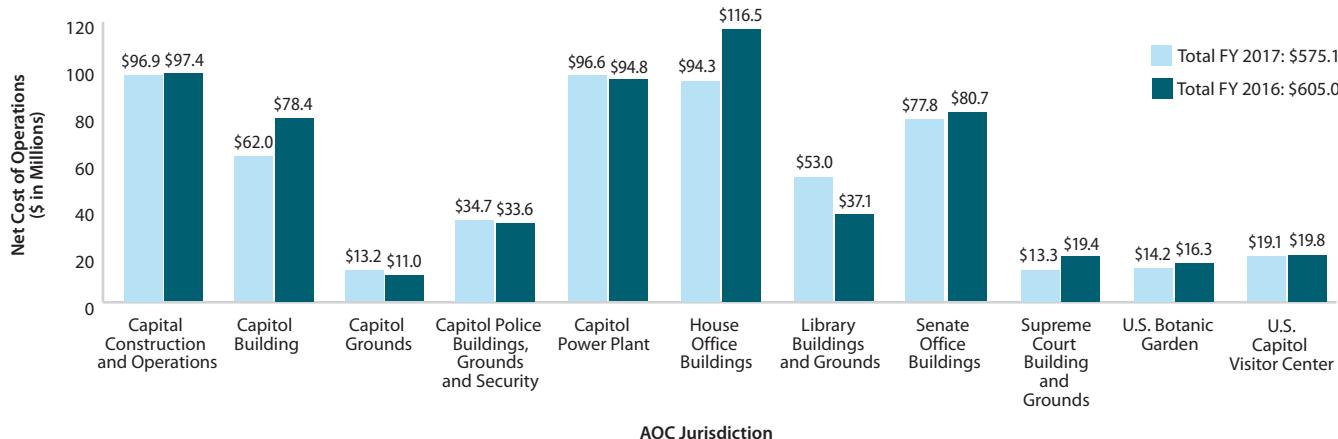
FIGURE 16: Trend in Total Liabilities**FIGURE 17: Trend in Net Cost of Operations**

FIGURE 18: Summary of Net Cost of Operations by AOC Responsibility Segment

A comparison of the AOC's total net cost by responsibility segment for FY 2017 and FY 2016 is displayed in **Figure 18**. Material increases, year over year, included:

- **Library Buildings and Grounds:** Net costs increased by \$16 million (43 percent). The FY 2016 costs were low due to a one-time \$19 million downward adjustment in their asbestos liability owing to an estimation methodology change. FY 2017 costs returned to its expected level.
- **Capitol Power Plant:** Net costs increased by \$2 million (2 percent) due to increased operating and program costs, including non-capitalized repairs to the AOC's utility infrastructure such as concrete repairs throughout the utility tunnel system.
- **Capitol Grounds:** Net costs increased by \$2 million (19 percent) due to increased operating and program costs, especially the West Front turf renovation to address normal wear plus the wear from numerous special events and construction projects.

At the same time, major decreases in the net cost of operations included:

- **House Office Buildings:** Net costs declined by \$22 million (19 percent) due to a decline in operating and program costs. In particular, the jurisdiction was in the initial stages of phase one of the Cannon House Office Building Renewal project during FY 2017 in comparison to the prior year's major construction.
- **Capitol Building:** Net costs declined by \$16 million (21 percent) due to the non-recurrence of prior year non-capitalized costs associated with the completion of the U.S. Capitol Dome restoration and the construction of the Presidential Inauguration stands and supporting infrastructure.

■ **U.S. Supreme Court Building and Grounds:** Net costs increased by \$7 million due to an increase in revenue for services provided related to projects including façade renovations, space realignment and building management.

■ **Senate Office Buildings:** Net costs declined by \$3 million (4 percent) due to a decline in operating and program costs.

Resources Used to Achieve Strategic Goals

To accomplish its mission, the AOC's strategic plan identifies four strategic goals. Although a new strategic plan was adopted by the agency in FY 2017, its strategic goals did not change from the previous five-year Strategic Vision. **Figure 19** displays the breakdown of the agency's cost by strategic goal for FY 2017. The AOC utilizes an activity-based cost framework⁷ to obtain the cost per goal.

⁷ Under this framework, a series of cost accounting codes are used to record direct labor, material and contract costs. All direct costs are mapped to its respective goal. Indirect costs are assigned to an overhead pool and allocated among the four goals to arrive at the total cost per strategic goal.

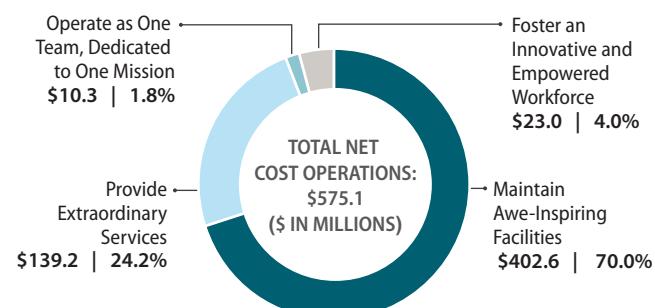
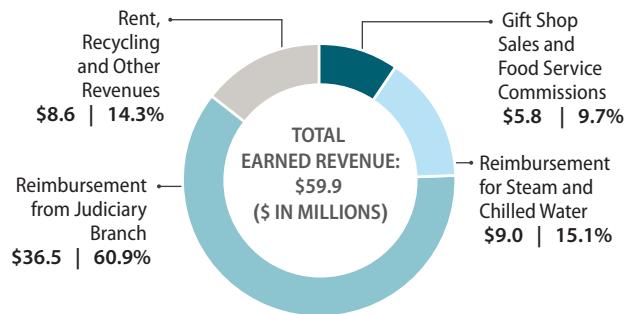
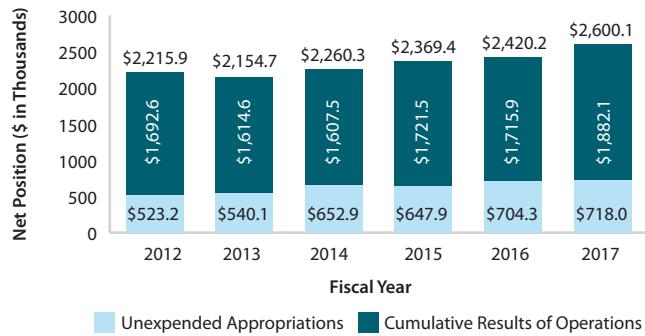
FIGURE 19: Net Cost of Operations by Strategic Goal

FIGURE 20: Earned Revenue by Source

The great majority of the AOC's expenditures (94 percent) were attributed to its two operational goals — *Maintain Awe-Inspiring Facilities* (70 percent) and *Provide Extraordinary Services* (24 percent). These areas form the core of the AOC's mission to serve Congress and the Supreme Court, preserve America's Capitol, and inspire memorable visitor experiences. For comparison, 93 percent of the AOC's FY 2016 expenditures were attributed to these same goals. The remainder of the agency's resources was devoted to the two support goals: *Operate as One Team, Dedicated to One Mission and Foster an Innovative and Empowered Workforce*.

Earned Revenues by Source

As depicted in **Figure 20**, the AOC's principal revenue sources are from the provision of steam and chilled water to non-legislative branch entities near the Capitol campus, reimbursements for U.S. Supreme Court facility operating and maintenance costs, rent from the Administrative Office of the U.S. Courts in the Thurgood Marshall Federal Judiciary Building, and CVC gift shop sales and restaurant sales commissions. For the fiscal year ending September 30, 2017, the AOC's two major sources of revenue were intra-governmental reimbursements from the judiciary branch for facility operations in the U.S. Supreme Court and Thurgood Marshall Federal Judiciary Building (\$36.5 million) and reimbursements paid to the Capitol Power Plant for steam and chilled water (\$9.0 million). Though the combined total for these two categories amounted to \$45 million and \$38 million in FY 2017 and FY 2016 respectively, their percentage of total earned revenues diluted from 77 percent in FY 2016 to 76 percent in FY 2017 as a result of the growth of other sources of earned revenue. These include the Capitol Visitor Center's gift shop sales and food service commissions (up from \$4.8 million in FY 2016 to \$5.8 million in FY 2017), project cost reimbursements at the Library Buildings and Grounds jurisdiction (up from \$4.8 million to \$7.1 million), as well as rent, recycling proceeds and miscellaneous revenues.

FIGURE 21: Trend in Net Position by Category

Cumulative Overview: Statement of Changes in Net Position

One of the most important questions asked about an agency's finances is: "Is the agency, as a whole, better off as a result of the year's activities?" The Statement of Changes in Net Position reports information about the agency in a way that helps to answer this question. One may think of the Statement of Changes in Net Position as the difference between all financing sources available to and used by the AOC to support its net cost of operations. Increases or decreases in the entity's net financial position is one indicator of whether its financial health is improving or deteriorating. Net position is the sum of two components: cumulative results of operations and unexpended appropriations. Each component is displayed separately to facilitate more detailed understanding of the changes to net position as a whole.

The AOC's net position at the end of FY 2017, shown on both the Balance Sheet and the Statement of Changes in Net Position, was \$2.6 billion, a \$0.2 billion increase from the prior fiscal year due to a \$14 million increase in unexpended appropriations and a \$166 million increase in the cumulative results of operations. As depicted in **Figure 21**, with the exception of a small 3 percent decline in FY 2013, the AOC's net position has steadily increased over the past six years — from \$2.2 billion to \$2.6 billion, a 17 percent increase.

Investments to Preserve Our National Treasures: Statement of Budgetary Resources

The Statement of Budgetary Resources (SBR) reports how the AOC obtained its budgetary resources and the status of these resources at the end of the fiscal year. This statement displays the key budgetary equation, Total Budgetary Resources equals Total Status of Budgetary Resources — providing information on the status of the AOC's spending authority.

The AOC develops its budget request to make the long-term investments necessary to preserve and maintain the national

treasures entrusted to its care. The AOC's appropriations consist of two main components: an operating and a capital projects budget component. Separate appropriations are enacted for each of the AOC's jurisdictions. Annual operating budgets fund the day-to-day operations of all the AOC jurisdictions. Payroll, at \$218 million, was the largest single component of the AOC's operating budget, representing 35 percent of the AOC's total FY 2017 budget. Other operating expenses, at \$202 million (33 percent) in FY 2017, included equipment, utilities, supplies and general support contracts. The capital projects budget, \$180 million (29 percent) in FY 2017, included funds for construction, upgrades, improvements and preservation of the facilities under the AOC's stewardship.

Congress created the House Historic Buildings Revitalization Trust Fund⁸ (the Fund) in FY 2010 to help fund the revitalization of the major historic buildings and assets of the U.S. House of Representatives which the AOC is responsible for maintaining and preserving (including the Cannon House Office Building, among others). Amounts deposited into the Fund are available until expended. Although the AOC is not required to prepare stand-alone financial statements for the Fund, its balance and activity is contained within the House Office Buildings responsibility segment and, thus, included in the consolidated AOC financial statements. In the six fiscal years between FY 2012 and FY 2017, appropriations of more than \$245 million have been deposited into the Fund to address the deferred maintenance priorities of the House's historic buildings.

An important aspect of the AOC's mission is managing the deferred maintenance and capital renewal backlog, which reached \$1.376 billion in FY 2017. The age of the AOC's facilities and continued fiscal constraints make it increasingly challenging to maintain the historic buildings and grounds of the Capitol campus. While the AOC continues to enhance the efficiency of its operations, the ability to sustain the present level of building operational effectiveness declines with continued flat budgets. For more information, please refer to *Management Challenges and Looking Ahead* in the MD&A section of this report.

Figure 22 breaks out the AOC's enacted appropriations over the last six years. The AOC's FY 2017 appropriations level of \$617.9 million reflects a \$5 million increase from FY 2016. The enacted spending levels reflects Congress' goal to hold the line on operational spending, while allowing the AOC to prioritize the critical deferred maintenance and life-safety

⁸ The House Historic Buildings Revitalization Trust Fund, despite its name, is actually a general appropriation fund. As a result, this account is not classified as "Funds from Dedicated Collections" on the Balance Sheet.

FIGURE 22: Trend in Total Enacted Appropriations



NOTE: Excludes Supreme Court Building and Grounds (included in the Judiciary Branch)

projects, such as the repairs to the exterior envelope of the Russell Building. Differences between the enacted spending levels and the SBR are due to activity from expired funds and offsetting collections. In addition, while the AOC is responsible for the Supreme Court Building and Grounds jurisdiction, its appropriations are excluded from the legislative branch appropriations (rather, they are included in the judiciary branch appropriations). Such items are included in the AOC's SBR, but omitted from the agency's enacted spending levels.

Limitations of the Principal Financial Statements

The principal financial statements are prepared to report the financial position and results of operations of the AOC pursuant to the requirements of 31 U.S.C. §3515(b). The statements are prepared from the AOC's books and records in accordance with federal GAAP and in the spirit of the formats prescribed by OMB. Reports used to monitor and control budgetary resources are prepared from the same books and records. The financial statements should be read with the realization that they are for a component of the U.S. government, a sovereign entity. One implication is that unfunded liabilities cannot be liquidated without legislation that provides the resources to do so.



As part of the Cannon Renewal Project, the AOC erected a protective roof covering system on the Cannon Building's west wing. The temporary system will surround the existing roof during the demolition of the facility's fifth floor.

Financial Management Systems Framework and Strategy

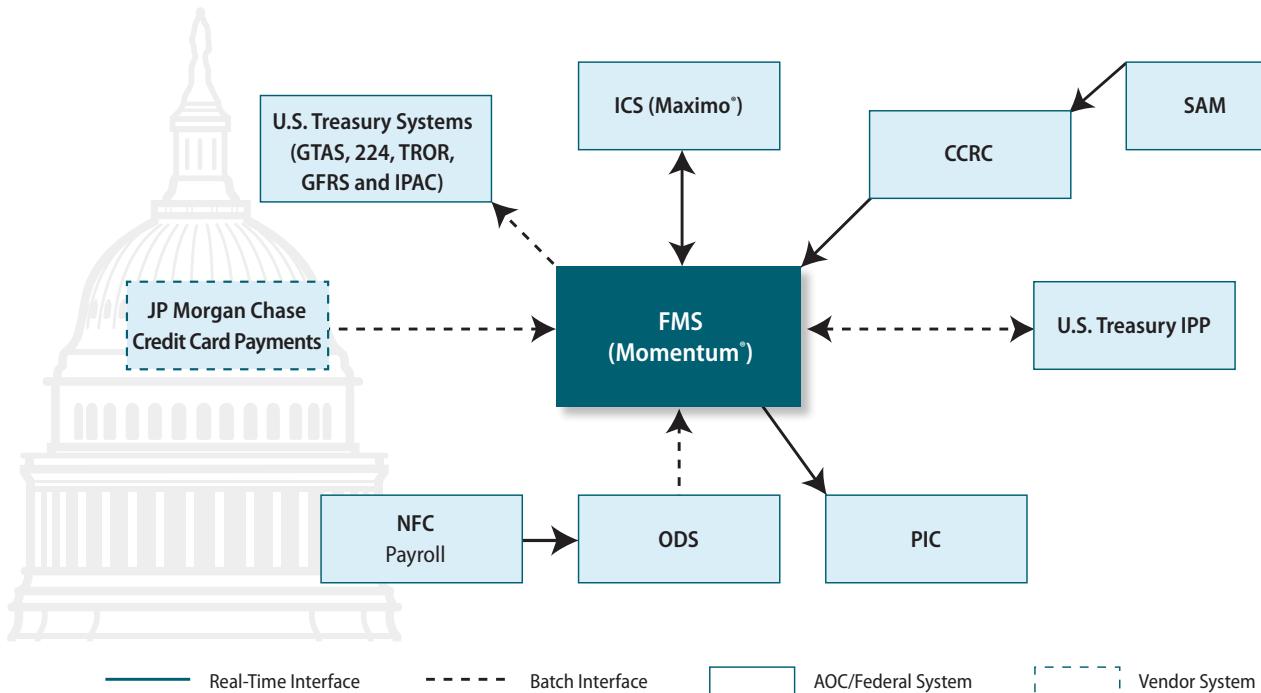
The AOC's core financial management system centrally accounts for over \$500 million through the processing of approximately 240,000 transactions annually by 300 users. **Figure 23** depicts the current system architecture.

Key Financial Reporting Systems

The AOC's core Financial Management System (FMS) conforms to the requirements of the Federal Financial Management Improvement Act of 1996 (FFMIA). FMS utilizes commercial-off-the-shelf (COTS) software (Momentum[®]) designed for the federal government and the AOC's Financial Systems and Reporting Division manages the system. The FMS provides core financial system functionality to the AOC that includes the following Momentum[®] modules: Budget Execution,

Acquisitions, Purchasing, Receiving, Accounts Payable, Automated Disbursements, General Ledger, Credit Card, Fixed Assets, Workload and Contract Closeout. In addition to FMS, the AOC's key financial and reporting systems include:

- **Capitol Visitor Center Point of Sale System (CVC POS)** is a standalone back office retail inventory management system used to record CVC gift shop sales and inventory transactions.
- **Central Contractor Registration Connector (CCRC)** is a part of Momentum[®] that downloads the latest vendor information from the System for Award Management (SAM) and updates FMS vendor records.
- **Inventory Control System (ICS)** is COTS software (Maximo[®]) used to track the AOC's inventory of materials, supplies and accountable property. With 134 users, ICS uses a lifecycle and asset management system. FMS obligations, the receipt of transactions and inventory draw-downs are integrated via batch interfaces.

FIGURE 23: Financial Management Systems Framework

- **Invoice Processing Platform (IPP)** is a secure web-based electronic invoicing system provided by the Department of Treasury. IPP allows federal agencies to simplify the management of vendor invoices and intra-governmental transactions. IPP is interfaced with FMS in real-time; the IPP interface with FMS is managed by FSD while IPP system administration is managed by both the Accounting Division and FSD.
- **JP Morgan Chase** credit card interface is used to transmit credit card payment data to FMS via a batch file.
- **National Finance Center (NFC)**, as part of a cross-servicing agreement with the Department of Agriculture, provides payroll and personnel services to the AOC. Managed by the AOC's Human Capital Management Division, payroll transactions are interfaced via a batch file through the Operational Data Store (ODS) to FMS.
- **Operational Data Store (ODS)**, maintained by the AOC's Information Technology Division, is the AOC's payroll and personnel database and is used as a warehouse for detailed employee payroll information. The ODS receives a batch file of NFC payroll data and creates a batch file of payroll transactions for interfacing to FMS.
- **Project Information Center (PIC)** is an AOC-developed system used to track the status of projects. Budget and obligation data is interfaced from FMS to PIC.
- **System for Award Management (SAM)** was created by the GSA to consolidate legacy acquisition and award support systems into one government-wide system. These legacy systems include Central Contractor Registration, Federal Agency Registration and others. Central Conactor Registration, the only system within SAM used by the AOC, provides information on vendors that do business with the federal government.
- **U.S. Treasury Systems** are utilized by the AOC to reconcile and report the agency's funds. These include the Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS) for monthly trial balance reporting, Statement of Transactions (224) system for monthly detailed accounting reconciliations, Treasury Report on Receivables (TROR) for debt collection reporting, Governmentwide Financial Report System (GFRS) to support governmentwide financial statements, and Intra-Governmental Payment and Collection (IPAC) supporting intra-agency transactions.



The U.S. Capitol Exterior Stone and Metal Preservation Project is a multi-phased project designed to address deferred maintenance, extend the life expectancy of the deteriorated stone and replace missing elements of the U.S. Capitol Building.

Financial Systems Strategy

The AOC's financial systems strategy is guided by a desire to support mission performance, facilitate interagency planning and improve transparency and accountability. Continued standardization of financial activities within a shared services environment will improve the agency's business processes, leading to greater efficiencies. In the short term, however, this necessitated multiple system upgrades.

During FY 2017, the AOC worked with the Library of Congress (LOC), and the other participating agencies in the Legislative Branch Financial Management System (LBFMS), to upgrade the core financial management system from Momentum® version 7.0 to 7.4. This resulted in multiple challenges, including delayed payments and contracts, owing to system defects and a recent software customization. The last Momentum® upgrade took place in FY 2013, four years ago, and covered only the AOC. This upgrade, on the other hand, involved multiple agencies with significant customizations. A key element of this migration involved moving all parties to baseline software standards in order to simplify and lower the cost of future upgrades.

This fiscal year, the Maximo® Inventory Control System upgraded (from version 7.2 to 7.6) and the responsibility for managing this LBFMS sub-system transitioned from

the LOC to the AOC. The U.S. Capitol Police migrated to LBFMS Maximo® as part of this process. In yet another upgrade, the U.S. Treasury Invoice Payment Platform moved from version 2.1 to 4.5 to implement vendor interface changes and improve the payment data functionality.

Legacy financial reporting tools, which will no longer be supported by software vendors, continue to be replaced at the AOC. The AOC migrated over 75 percent of its Hyperion financial, credit card, user security, payroll and other reports to Microsoft® SQL Server Reporting Services (SSRS). These tools enable users to access financial data from standard reports. Final completion of the migration is targeted for early FY 2018.

Next fiscal year, the AOC will deploy the Project Cost Accounting System (PCAS) module within Momentum®. The functionality of PCAS will allow the agency to more efficiently track and manage the costs of construction projects, streamline existing business process and improve controls. Moreover, the AOC will join the GSA SmartPay 3 program in FY 2018. The migration will entail a transition from JP Morgan Chase to one of the two banks permitted by GSA (Citibank or U.S. Bank). Agency purchase card holders will benefit from federal-wide, standardized processes and portals, including on-line training.

Management Assurances and Other Financial Compliances

Implementation of the Federal Managers' Financial Integrity Act

The AOC's leadership is responsible for establishing and maintaining effective internal control and financial management systems that meet the objectives of the Federal Managers' Financial Integrity Act of 1982 (FMFIA). The FMFIA requires agencies to establish internal control and financial systems that provide reasonable assurance that the following objectives are achieved: effective and efficient operations, compliance with applicable laws and regulations, and financial reporting reliability. The Office of Management and Budget (OMB) Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*, implements the FMFIA and defines management's responsibilities for enterprise risk management and internal control. The FMFIA requires agencies to provide an annual statement addressing internal accounting and administrative controls and to perform ongoing evaluations and reporting of the adequacy of the controls within the agency.

As a legislative branch agency, the AOC is not subject to the FMFIA requirements. Nonetheless, the AOC considers internal control to be an integral part of the systems and processes it uses to manage daily operations in support of its strategic goals and objectives. The AOC holds its managers accountable for efficiently and effectively performing their duties in compliance with applicable laws and regulations and for maintaining the integrity of their activities through the use of internal controls.

Within the AOC, the internal control program is managed by the Chief Financial Officer. An enterprise risk program manager has the responsibility to manage the ongoing internal control components of the organization-wide program that follows the principles of OMB Circular A-123, Appendix A, *Internal Control over Reporting (ICOR)* and the Government Accountability Office's (GAO) Green Book. The internal control components under evaluation include the following: control environment, risk assessment, control activities, information and communication, and monitoring. The AOC also provided a Summary of Financial Statement Audits and Management Assurances, as required by OMB Circular A-136, *Financial Reporting Requirements*, revised, in this report's *Section IV: Other Information*.

The AOC's organizational structure for internal control includes two oversight committees. The Senior Management Council (SMC) is long-term oriented and forward-thinking about internal control, risk management and strategic



Proper internal control and risk management is critical to the stewardship and preservation of the national treasures under the AOC's care. This fiscal year, the AOC installed bronze lantern tops at the U.S. Capitol Building's West Front to match the original lanterns designed by Frederick Law Olmsted.

opportunities. This body is primarily concerned with agency-level exposure to external risks arising from changes in legislation, security concerns and acts of nature. At the same time, the Senior Advisory Team (SAT) assists the SMC in fulfilling the AOC's management responsibilities by overseeing the daily operations of ICOR and the efficiencies of program operations.

Financial Reporting

The SAT's management plan addresses risk concerns that are assigned by the SMC and is responsible for ensuring compliance with legal and regulatory matters that may have an operational or financial impact. In turn, the SAT provides advisory recommendations to the SMC toward improving the AOC's business, financial and operations processes. Accordingly, the accounting and finance operations division ensures the integrity of the AOC's financial statements while the enterprise risk program manager oversees the testing and monitoring of controls in the major business processes, tracking corrective action plans to their conclusion, and facilitating organizational-wide ERM processes.

Risk Management

During FY 2017, the AOC continued to increase its risk management footprint by establishing an ERM Program. The AOC is developing and managing an agency-level risk profile, which will support a continuous process that identifies, accesses, communicates and monitors risk within the agency. Additionally, the Office of Inspector General, in coordination with the CFO and Executive Leadership Team, stood up a risk assessment team to identify risks across the AOC in areas of strategy, programs, human capital, oversight, operations, cyber security, compliance and fraud. The risk assessment



Every four years, the AOC prepares the U.S. Capitol Building for the Presidential inaugural ceremonies. The AOC staff oversees the construction of the stands and media towers, installs cabling and security fencing, sets up chairs, installs flags and bunting, and performs countless additional tasks for this event.

team's efforts will support the agency's risk profile, provide a tool for jurisdictions to track and address risks, and support risk mitigation strategies. Further implementation of an ERM program will build upon the AOC's strategic review process established by the GPRA Modernization Act (GPRAMA) and the internal control process required by FMFIA and GAO's Green Book.

Financial Systems

As discussed in the *Federal Financial Management Improvement Act* section, this Act requires federal agencies' financial management systems to provide reliable financial data that complies with federal financial system requirements, applicable federal accounting standards and the U.S. Government Standard General Ledger at the transaction level. To assess conformance, the agency uses internal control assessments based on implementation guidance from OMB, results of OIG reports and reports from the annual independent financial statement audit. The overall assessment relies upon the evaluations made under the OMB Circular A-123, Appendix A. When applicable, particular importance is given to any material weakness or significant deficiency identified during the internal control assessments.

Overall Assessment

Based on the procedures performed, the AOC does not consider any identified deficiencies to be material weaknesses in internal controls that would warrant a less than unqualified assertion on ICOR or significant deficiency reporting for FMFIA systems purposes. However, as part of the FY 2017 independent audit of the AOC's financial statements, a significant deficiency was identified for incomplete reviews of Service Organization Controls (SOC 1) reports provided by the National Finance Center (see also *Summary of Financial Statement Audit Material Weaknesses and Non-Conformances*, which follow). Management concurs and has accepted this significant deficiency. Management shall prepare and monitor corrective action plans to address the open deficiencies identified in its testing, plus the significant deficiency identified in the independent audit, and will continue to periodically review the plans until they are fully implemented.

Other Information

A summary of the management assurances is provided in *Section IV: Other Information*. For additional information, please refer to *The AOC Inspector General's Statement of Management Opportunities and Performance Challenges*, also located in Section IV.

Architect's Statement of Assurance

ARCHITECT'S STATEMENT OF ASSURANCE

The Architect of the Capitol's (AOC) management is responsible for managing risks and maintaining effective internal control and financial management systems that meet the objectives of Sections 2 and 4 of the Federal Managers' Financial Integrity Act (FMFIA). The FMFIA requires federal agencies to establish controls that reasonably ensure obligations and costs are in compliance with applicable laws; funds, property and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation; and revenues and expenditures are properly recorded and accounted for to permit the preparation of accounts and reports and to maintain accountability. The FMFIA also requires agencies to annually assess and report on the controls that protect the integrity of federal programs and whether financial systems conform to its requirements.

While the AOC is a legislative branch agency and is not subject to the FMFIA, the AOC considers internal control to be a critical element of the processes and systems used to manage its operations in support of Congress and the Supreme Court. The AOC embraces the FMFIA principles as a best practice and is committed to assessing the effectiveness of its internal control environment.

The AOC conducted its assessment of risk and internal control in accordance with Office of Management and Budget Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*. Based on the results of the assessment, the AOC can provide reasonable assurance that its internal control over the effectiveness and efficiency of operations, reporting and compliance were operating effectively as of September 30, 2017, except for one internal control significant deficiency regarding the *Incomplete Review of Service Organization Controls Reports from the National Finance Center*. No material weaknesses were found in the design or operation of internal control. In addition, based on its assessments, the AOC determined that its financial management system conforms to applicable financial system requirements.

Sincerely,



Stephen T. Ayers, FAIA, LEED AP
Architect of the Capitol
November 10, 2017

Doc. No. 171030-04-01

Updated Children's Garden Opens at the U.S. Botanic Garden

The AOC updated the Children's Garden in the United States Botanic Garden (USBG) Conservatory. The Children's Garden is a favorite exploration space for families from around the D.C., Maryland and Virginia area and visitors with children from across the globe.

The project took place during winter and spring when the Children's Garden is normally closed. The pathways throughout the Conservatory remained open for visitors during the project. The Children's Garden reopened to the public in June 2017. Improvements to the garden include:

- **New platform discovery structure** — a series of terraced platforms create a climbing structure, with overhead arching aluminum posts that mimic the architectural style of the Conservatory
- **Leaf trellis and watering can seats** — a series of fabric and metal leaf shapes provide overhead interest and shade for a group of seats that resemble oversized watering cans
- **Kiwifruit tunnel** — a metal arbor with cables positioned to resemble spider webs will soon be covered by newly planted kiwifruit plants as the vines grow and enclose the tunnel
- **Digging area** — an area defined by metal and wood walls provides children a space to dig with child-sized tools and learn about composting
- **Dandelion sculptures** — metal sculptures appear as oversize dandelions, with steel "seeds" attached at the tips of wires

Previous favorites remain, such as the motion-activated misting poles, watering and planting stations with digging tools and watering cans, and small-sized fruiting plants such as banana, apple and fig.

More information is available at: www.usbg.gov.



Summary of Financial Statement Audit Material Weaknesses and Non-Conformances

At the close of FY 2017, the AOC had no material weakness and one reportable condition in internal control over program operations and compliance with applicable laws and regulations. Material weaknesses and reportable conditions are determined by management. Using a variety of information sources, the AOC managers and staff continuously assess and improve the effectiveness of internal control for program operations. These information sources include, but are not limited to, management knowledge gained from the daily operation of programs and systems, management reviews, program evaluations, as well as the annual independent financial statement audit.

Material Weaknesses Summary

A material weakness is defined as a reportable condition that the agency head determines to be significant enough to be reported outside the agency. At the close of FY 2017, the AOC had no material weaknesses identified in its financial statement audit. Based on management's testing performed during FY 2017, the AOC did not identify any additional deficiencies that it considers to be a material weakness.

Non-Conformances Summary

A reportable condition is defined as a control deficiency, or combination of control deficiencies, that in management's judgment represent significant deficiencies in the design or operation of internal control that could adversely affect the organization's ability to meet its internal control objectives at the close of FY 2017, the AOC had one reportable condition identified in the financial statement audit. The audit found that the AOC had not identified conclusions on the effectiveness of internal controls from reviews of service provider SOC 1 reports from the U.S. Department of Agriculture National Finance Center. Management concurs with and accepts this finding and, to address this reportable condition, the AOC has already assigned responsibilities for evaluation of SOC 1 reports and within the next six months plans to begin mapping the AOC's internal control activities to key controls performed by service providers, determine if any control gaps exist and begin to evaluate the need for complementary user entity controls. Based on the testing performed during FY 2017, AOC management did not identify any additional control deficiencies that it considers to be a reportable condition.

All Other Financial Compliances

Federal Financial Management Improvement Act

The Federal Financial Management Improvement Act of 1996 (FFMIA) requires that federal agencies' financial management systems comply with federal accounting standards, federal system requirements and the U.S.

Standard General Ledger (USSGL) at the transaction level. Substantial compliance is achieved when an agency's financial management systems routinely provide reliable and timely financial information for managing day-to-day operations, as well as producing reliable financial statements. Although the recent shared Legislative Branch Financial Management System (LBFMS) upgrade created challenges for fourth quarter reporting, operations and statements, the AOC substantially complied with the FFMIA for FY 2017.

Federal Information Security Modernization Act

The *Federal Information Security Management Act* of 2002 (FISMA) required each executive branch agency to develop, document and implement an agency-wide program to provide information security for the information and information systems that support the agency's operations and assets. The AOC, as a legislative branch agency, is not required to comply with FISMA. Nonetheless, the AOC strives to comply with FISMA principles, as amended by the *Federal Information Security Modernization Act* of 2014 (also known by the acronym FISMA). The AOC references the U.S. Government Accountability Office (GAO) Federal Information System Controls Audit Manual (FISCAM) and the National Institute of Standards and Technology (NIST) Special Publications for guidance to create and maintain a risk-based information security program.

The AOC, with support from an independent third party, reaccredits all of its information systems every three years and tests approximately one-third of all controls each intermediate year. This effort evaluates the information security controls consistent with the AOC's policies. The AOC's risk management and continuous monitoring strategy is based on current NIST guidelines.

In FY 2017, the AOC improved its information systems security posture by regularly testing controls and procedures, improving computer security awareness training, enforcing procedures and processes for detecting, reporting and responding to security incidents, vulnerability scanning and remediation, patch compliance and continuous monitoring. Also, the AOC monitored the incident response program utilizing internal procedures in conjunction with managed security monitoring and management of its enterprise infrastructure provided by the managed Security Event and Information Management (SEIM) enterprise security

services. Independent tests verify that the managed SEIM helps protect the AOC against external and internal threats, provides immediate assessment and response to security incidents, and adheres to regulatory requirements for log auditing, security and compliance reporting. The AOC also enhanced its security by adding industrial security controls to its security standard.

The AOC's information systems and the AOC's information system security programs are evaluated each year through independent assessments and multiple audits. Through these activities, the AOC improves information system documentation and mitigates security risks and weaknesses.

Digital Accountability and Transparency Act

The *Digital Accountability and Transparency Act* of 2014 (DATA Act) was implemented in May 2017 for the federal executive branch. The DATA Act set the standards for federal financial data to, ultimately, make federal spending data more accessible, searchable and reliable. As a legislative branch agency, the AOC is not required to comply with the DATA Act and, as of September 30, 2017, is not participating in the report submissions.

Anti-Deficiency Act

The Anti-Deficiency Act, as amended, prohibits federal agencies from obligating or expending federal funds in advance or in excess of a congressional appropriation, and from accepting voluntary services. The AOC had no Anti-Deficiency Act violations for FY 2017.

Fraud Reduction and Data Analytics Act

The *Fraud Reduction and Data Analytics Act* of 2015 was implemented to identify and assess fraud risks and design and implement control activities in order to prevent, detect and respond to fraud. For three years beginning with FY 2017, each agency must report on its fraud reduction efforts and its progress in identifying risks and vulnerabilities to fraud and establishing strategies and procedures to curb fraud. As a legislative branch agency, the AOC is statutorily excluded from the *Fraud Reduction and Data Analytics Act* and has not formally incorporated aspects of this law into its policy.

Grants Oversight and New Efficiency (GONE) Act

The GONE Act requires all agencies to report a listing of all federal grants awarded and closeout status of each awarded. The AOC does not administer any federal grant programs, and therefore does not have any information to report pursuant to the act.

Improper Payments Information Act

Please refer to *Section IV: Other Information* of this report for a brief summary of the Improper Payments Information Act and its applicability to the AOC.



The Supreme Court Façade Restoration, to repair the marble North, South and East Façades of the U.S. Supreme Court, is underway. Managing multiple concurrent construction projects is a key management challenge for the agency.

Management Challenges and Looking Ahead

The AOC faces unique challenges in meeting its mission to serve Congress and the Supreme Court, preserve America's Capitol, and inspire memorable visitor experiences. By identifying and defining the most difficult challenges facing the agency, the AOC's management is able to mitigate barriers to operational success and identify opportunities for improvement. This sub-section of the report outlines the AOC's most significant challenges, as determined by management, and the steps the AOC has taken to address them. The management challenges at the close of FY 2017 include:

- Backlog in Deferred Maintenance and Capital Renewal
- Energy Stewardship and Sustainability
- Security of Facilities
- Workplace Safety and Health
- Managing Concurrent Projects
- Retaining and Attracting a Skilled and Engaged Workforce

In addition to these challenges, the AOC continuously monitors emerging issues for possible inclusion on its list of management challenges. One potential future challenge is growth in square footage managed by the agency. In just

FY 2017, the AOC added the O'Neill Building and Library Storage Module No. 5 to its portfolio. Looking ahead, the addition of further square footage could strain available resources, if budgets are not adjusted to reflect these new responsibilities. In addition to these challenges identified by management, the AOC's Inspector General (IG) has identified management opportunities and performance challenges facing the agency. These five issues are discussed in *Section IV: Other Information*. Together, these sections identify the short-term and long-term challenges facing the AOC.

Backlog in Deferred Maintenance and Capital Renewal

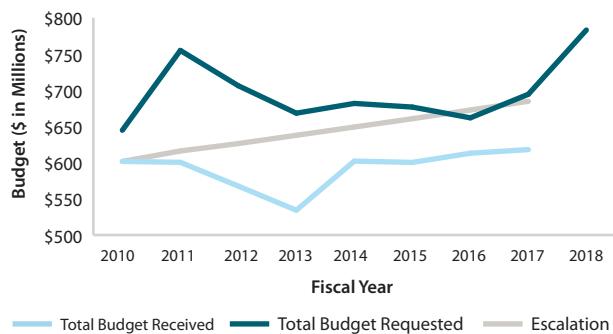
Challenge: An important aspect of the AOC's mission is managing the agency's backlog of deferred maintenance and capital renewal. Through facility asset planning and risk assessment processes, the AOC has avoided major failures of the agency's building systems. However, due to the age of many of the AOC's facilities and continued fiscal constraints, it is progressively more challenging to proactively manage the work required to maintain the historic buildings and grounds of the Capitol campus. Decades of reduced and phased investment created a backlog that is estimated to be \$1.376 billion at the close of FY 2017. While this amount represents a reduction over the FY 2016 level, the majority of the reduction is due to

the extension of equipment life cycle through maintenance activities and the elimination of an infrastructure upgrade following a detailed forensic analysis. Of the total backlog, approximately \$401 million represents the deferred maintenance and repair amount needed to bring “poor” and “fair” facilities to “good” condition, based on the Facility Condition Index (FCI), as disclosed in the Required Supplementary Information section. Continued deferral will increase the effort, time and cost required to resolve the agency’s deferred maintenance and capital renewal backlog.

AOC Initiatives: The AOC generally receives funding through appropriations that include annual operating funds for payroll, facilities maintenance, power plant operations, grounds maintenance, visitor services, other operations and multi-year/no-year construction projects such as the Cannon House Office Building Renewal. Managing within limited resources requires using best-practice tools and methods to prioritize and oversee the deferred maintenance and capital renewal needs of the Capitol campus in both the short and long term. In the short term, the AOC incorporated risk analysis into the facility condition assessment program and project prioritization process to better assign a priority to needed maintenance projects.

As shown in Figure 24, the AOC’s annual appropriation from FY 2010 (\$601.58 million) through FY 2017 (\$617.89 million) has been relatively flat (a 2.7 percent increase over eight fiscal years). Over this period, the agency’s yearly budget would have had to increase a total of \$411.5 million, and \$66.7 million in FY 2017 alone, just to keep pace with OMB’s annual escalation factors (OMB factors)⁹. Simply

FIGURE 24: Total Budget Requested, Received and Annual Escalation (Base Year FY 2010)



stated, flat budgets reduce the AOC’s ability to operate and keep up with the capital renewal and maintenance of building systems.

While the AOC continues to enhance its operations to do more with less, the ability to sustain the present level of service and effectiveness declines with flat budgets and reduced purchasing power. The AOC was able to reduce the backlog by \$222 million from FY 2014 to FY 2017. However, despite this reduction, the total agency backlog still increased by \$100 million over this four year period. This negative trend could potentially increase the cost of labor, contracts, materials and additional costs to maintain building systems that have passed their useful life.

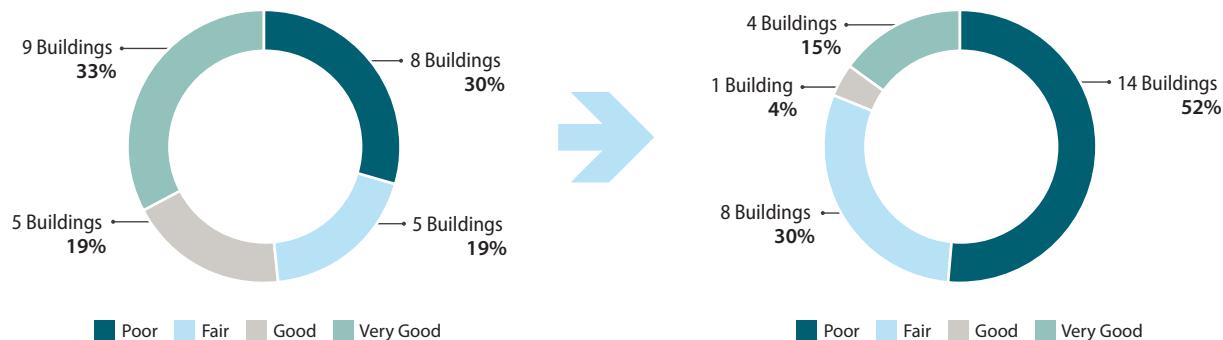
To mitigate the risk of building system failures, the AOC’s FY 2018 budget request totaled \$782.96 million. If approved and sustained, the increased investment would immediately have a positive effect in reducing deferred maintenance and further our efforts to move the FCIs for buildings currently rated as “poor” or “fair” to a “good” or “very good” rating.

⁹ For this analysis, the AOC utilized OMB’s FY 2010 Annual Baseline Adjustment Factors for Non-Pay Costs of Discretionary Programs, herein referred to as the “OMB factors.”



Stone preservation across the Capitol campus remains a top priority for the AOC, as nearly every building is enveloped in stone and have significant problems. To address these issues takes a team of historic preservationists, structural engineers, stonemasons and others.

FIGURE 25: Number and Percentage of AOC Major Buildings in Each FCI Rating Category, FY 2017 versus FY 2022 (Projected)



Continued flat budgets, on the other hand, lead to increases in deferred maintenance and capital renewal and increase the risk of key building system failures.

As part of the AOC's stewardship responsibilities, available resources are spent where they are most needed. The AOC uses several tools to determine an asset's condition and assign a maintenance priority. The agency identifies and ranks its deferred maintenance and capital renewal projects using tools such as facility condition assessments (FCA), the Five-Year Capital Improvements Plan (CIP) and the Capitol Complex Master Plan. This approach allows the AOC to weigh the risks and costs of deferring projects and address the most pressing facility needs.

While the AOC manages its operations within the available budget, the overall building condition continues to decline as indicated by FCAs and measured by the FCI. The FCI¹⁰ is a standard facility management benchmark that is used to objectively assess the current and projected condition of a building asset. Its purpose is to provide a means for the objective comparison of facility or building condition and to allow senior leadership to understand building renewal funding needs. FCAs include reviews of each major building system and components of the structure that factor into an overall building FCI score. Figure 25 shows the number and percentage of the AOC's major buildings in each FCI category (poor, fair, good, very good) for FY 2017 as well as a projection of the AOC's major buildings in FY 2022 assuming no further funding of deferred maintenance.

The Capitol campus facilities pass through a number of stages during their life cycle including planning, design, construction, commissioning, occupancy, operation and use,

and renewal/revitalization. With an aging facility portfolio to manage — one-third of the agency's managed square footage exceeds 75 years old — the AOC's work prioritization process considers project risk, classification, importance, sequencing and other factors to facilitate the timing of major projects. The AOC also applies a risk decision model to the list, resulting in an ordered list of projects.

Looking ahead, the AOC continues to prioritize and manage deferred maintenance and capital renewal work aggressively. For instance, the AOC has developed long-term action steps to strengthen the application of the facility condition assessments, enabling the AOC to better identify, schedule and develop projects to be placed in the Capital Improvements Plan. While the AOC continues to explore ways to mitigate its deferred maintenance and capital renewal backlog in an innovative, strategic and cost-effective manner, the agency has concluded that its facilities' requirements exceed available resources and an annual budget investment is required to arrest the further decline of the historic buildings it is responsible for maintaining.

Energy Stewardship and Sustainability

Challenge: Last fiscal year, the AOC established a new 10-year goal to reduce energy consumption and improve efficiency across the Capitol campus. After successfully meeting a legislatively mandated 10-year, 30 percent energy reduction target in FY 2015, the agency set a new challenge and established an additional 20 percent (or an aggregate 50 percent) reduction target by the end of FY 2025. To achieve this goal, the agency will require an annual energy consumption reduction of 2 percent. While the AOC maintains a strong record in energy stewardship, it believes that further reductions will be less abundant and require a greater diversity of resources and persistent savings. Further, future sustainability improvements must compete with other agency requirements for limited fiscal resources.

¹⁰ The AOC defines a facility's FCI as the cost of deferred maintenance divided by the current replacement value. A ratio of less than 0.02 is considered "very good." A ratio of 0.02 to 0.05 is judged "good." A ratio of 0.05 to 0.10 is deemed "fair." A ratio of more than 0.10 is considered "poor."

CAPITOL HIGHLIGHTS

Improved Accessibility and Safety on the Capitol Campus



To gain the maximum benefit, the AOC's energy and sustainability program integrates sustainable practices into business operations, including tracking water use.

AOC Initiatives: Improved energy and water conservation is smart business — these efforts reduce environmental impacts and decrease future operating costs. The Energy Independence and Security Act of 2007, which required the AOC to aggressively reduce its energy use from 2003 levels, was the largest energy reduction effort ever implemented at the AOC. Since FY 2005, the AOC identified more than \$100 million in cost avoidance, executed more than \$90 million in facility upgrades, saved 600 Billion British Thermal Units (BBTUs) and reduced its emissions 30 percent between FYs 2006 and 2017.

By employing enhanced metering and building automation systems to monitor and manage building performance, the AOC is addressing its energy challenge based on sound data analytics. Over the last eight years, the AOC crafted an energy management program that relied on a comprehensive metering enterprise platform, aligned with performance monitoring software, for the majority of buildings on the Capitol campus. The agency can now identify inefficiencies and savings opportunities in an accurate and timely fashion.

The AOC is taking active steps to improve steam and chilled water plant efficiencies by continuing infrastructure improvements at the Capitol Power Plant. The agency increased the steam plant resiliency by connecting the electric feed water pumps to the emergency generator, which enables the plant to deliver steam during a power loss emergency. Progress on the Refrigeration Plant Revitalization (RPR) Program continued, with the latest phase introducing chilled water efficiencies and repairs to the cooling towers in the West Refrigeration Plant. The RPR program, which will renovate the aging cooling towers

The Americans with Disabilities Act (ADA), enacted in July 1990, has protected the rights of people with disabilities for over 27 years. In this time, the AOC has made significant improvements to ensure a safe and accessible experience for all who work at and visit the Capitol campus, while maintaining and preserving the campus' historic fabric and character.

This fiscal year, the agency completed a variety of accessibility repairs, including major sidewalk replacement projects, building access upgrades and restroom improvements. In addition to these physical improvements, the AOC increased accessibility awareness by providing guidance for future projects in the form of training videos and presentations about accessible facilities and requirements. The accessibility improvements included:

- **Bartholdi Park accessibility improvements:** Increased accessibility to the park and horticultural therapy growing beds
- **Capitol Visitor Center multilingual accessibility information:** Added accessibility information in 13 languages to the CVC website (www.visitthecapitol.gov)
- **New wayfinding signage:** Added signs throughout the Capitol campus including maps indicating the most accessible routes
- **Replaced lobby lift:** Replaced the accessible lift that allows all visitors to ascend the stairs in the Rayburn House Office Building
- **ADA accessible entrance and sidewalk:** Upgraded the entrance to the Russell Senate Office Building
- **Sidewalk replacement:** Addressed additional deteriorated curb ramps, sidewalks and walkways
- **New braille signage:** Installed signs to help people with impaired vision in the elevator cabs, lobbies and corridors of the James Madison Memorial Building

For more information see:

www.aoc.gov/blog/tag/accessibility.





The AOC continues to make security improvements to the Capitol campus, including the replacement of perimeter security vehicle barriers and bollards that have reached their intended lifecycle.

Did You Know?

On January 12, 2017, the AOC's Cogeneration Project was recognized with an award from the White House Council on Environmental Quality for contributing to the success of the President's Performance Contracting Challenge.

that are already beyond their usual life expectancy, is critical to ensuring continuous cooling of the campus.

The AOC also made progress on the cogeneration project, including the completion of design documents and the delivery and installation of major equipment. The cogeneration equipment and systems have been prepared for initial power and steam generation testing. Further, the agency began installing the piping, wiring and auxiliary systems to prepare for equipment startup and commissioning. When complete, the cogeneration plant will generate both electricity and steam, resulting in significant energy savings for the Capitol campus.

The AOC is in the process of upgrading the building automation system for the larger air handlers at the James Madison Memorial Building. The enhanced control system will provide the capability to perform complex system control strategies, which will result in significant energy savings. Due to the success of energy savings performance contracts (ESPC) in helping the AOC meet its original 30 percent energy reduction target, the AOC developed the

scope, evaluated the energy service companies and, in July 2017, issued a Notice of Intent to Award to evaluate and execute significant infrastructure upgrades to the Library of Congress' facilities.

The agency continued to execute its energy and sustainability program, including carrying out assessments, providing staff training and guidance on energy efficiency, and supporting programs such as agency-wide recycling. The AOC will continue strengthening its culture of sustainability by partnering with external professional organizations such as the Association of Energy Engineers for ongoing education and certification programs. The AOC's plans set targeted and innovative changes which stress the importance of early stakeholder engagement and buy-in. The AOC will focus on enhanced energy efficiency and use of smart tools to achieve far-reaching sustainability goals.

For additional information, the AOC's annual *Energy and Sustainability Performance Management* report is now incorporated in the PAR's *Other Information* section.

Security of Facilities

Challenge: The AOC is responsible for supporting the U.S. Capitol Police and providing other security functions for the Capitol campus. Safeguarding facilities and their perimeter from external threats such as natural disasters, violent acts or terrorist attacks is a formidable task for all federal agencies. Keeping the campus' physical environment safe, secure

and accessible within a constrained budget environment, while also minimizing the impact of security measures and screening protocols on both visitors and those who work on Capitol Hill, remains a primary challenge.

AOC Initiatives: The AOC plays a significant role in providing a safe, secure and accessible environment for Congress, the Supreme Court, staff and visitors to the Capitol campus, as well as area residents and workers who use the streets near the U.S. Capitol Building. The AOC's responsibilities include continuity of operations planning, critical infrastructure protection, congressional continuity support, external emergency management, employee and contractor adjudication and suitability, support for the U.S. Capitol Police (USCP), and other sensitive security programs.

In FY 2017, the AOC took several steps to enhance the security of its facilities and grounds. For example, the AOC coordinated with USCP to provide security for 11 special events in FY 2017 (including the Presidential Inauguration). At these events, the AOC took the lead on coordinating and installing security elements around the Capitol campus to meet growing security requirements for events. The AOC also coordinated with regional critical infrastructure and security centers to reduce potential impacts and provide situational awareness to events that occurred impacting the inaugural activities. The AOC installed miles of security fencing, secured jersey barriers for crowd control, and established screening stations in support of several special events and demonstrations this year.

The AOC also supported and continually assessed infrastructure projects to ensure the best possible integration of security measures. In prior years, the AOC determined that a number of post-September 11 security enhancements were nearing the end of their useful life and established formal plans to address repairs and replacements of critical security infrastructure barriers and perimeter security kiosks which protect the Capitol campus. As the barriers and kiosks are approaching the end of their lifecycle, the agency is working on a new design. The newly designed barriers and kiosks, once installed, will address some of the recurring maintenance issues and help to reduce costs and time associated with repair and maintenance.

The AOC's Office of Security Programs (OSP) assessed electrical issues within the Alternate Computer Facility (ACF), which supports emergency management and congressional continuity. As a result of this assessment, the OSP designed an upgraded system to ensure no data center down time during regularly scheduled preventive maintenance activities.

In addition, over the long-term, the AOC will continue to pursue safeguards and security modifications through the following initiatives:



Regular equipment inspections help ensure the AOC meets safety regulations and provide a safe environment for staff and visitors to the Capitol campus.

- Replace the uninterruptible power supply at the ACF and proceed with phased upgrades of the data center's electrical infrastructure.
- Introduce the Joint Emergency Mass Notification System, a new emergency alert system for the AOC, Senate, House and USCP. It will replace current alert systems on Capitol Hill and add a desktop pop-up capability that will be used for critical life-safety notifications.
- Improve the AOC's security suitability program in response to the Capitol Police Board priorities outlined in a June 2016 letter to the House Committee on Appropriations. The new program would manage the inherent risk posed by persons with trusted access to the agency's facilities, information and systems.

Workplace Safety and Health

Challenge: The AOC is responsible for providing a safe and healthy environment for all who work at or visit the Capitol campus, as well as for residents in the community surrounding the U.S. Capitol. Meeting this responsibility while also ensuring access to its public buildings and complying with applicable safety regulations, preserving the facilities' historic and architectural integrity, and meeting the unique security requirements of the Capitol campus is a significant management challenge. The AOC must integrate safety, fire protection, environmental compliance and emergency preparedness into its operations and construction project management, while recognizing that these risks must be balanced with other high-priority requirements and available funds.

AOC Initiatives: This fiscal year, the AOC's injuries and illnesses (I&I) rate declined to 2.41 per 100 employees, a 27 percent decrease from the prior year, and a 43

percent decrease from FY 2015. This is due to the AOC's implementation of several initiatives to improve the safety culture across the agency. To emphasize its commitment to safety as a responsibility for all, the AOC included safety as a core agency value in the *FY 2017–FY 2021 Strategic Plan*.

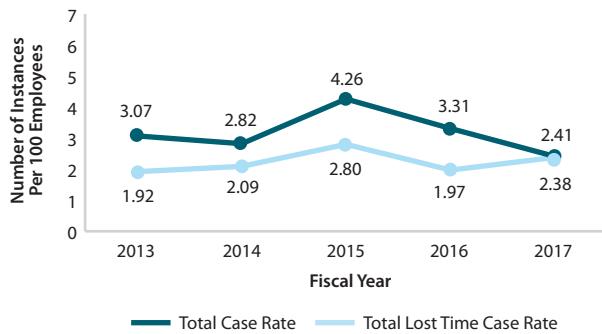
The AOC also began developing version 2.0 of its capstone behavioral safety program, Safety Observations and Reflections (SOAR). SOAR training addresses the behavioral aspects of individual safety performance. Whereas SOAR 1.0 focused on observing work practices and interjecting when at-risk behaviors manifest, SOAR 2.0 builds upon the observation, engagement and interactions between employees. This version also instructs and educates supervisors on incorporating safety into their daily routines through planning, job analysis, risk assessment, hazard communications and standard operating procedures.

The AOC improved its emergency preparedness response posture by updating emergency coordinator program training materials and training over 200 emergency coordinators. The agency conducted emergency evacuation drills in all jurisdictions and held tabletop exercises for its safety staff. Additional initiatives included updating training materials related to spill prevention, developing a policy for identifying and managing polychlorinated biphenyls in building materials, conducting fire and occupational safety inspections, and reviewing abatement progress quarterly with jurisdictions. The AOC also held a consolidated safety stand-down to discuss behavior to avoid lost-time and medical injuries, saving \$50,000 in lost productivity. Additionally, the AOC utilized a recently developed safety dashboard to track findings and review them quarterly with management.

In response to Office of Compliance reports, the AOC removed accessibility barriers in FY 2017, collaborated with the Training Branch on seven accessibility training videos and two accessibility presentations, and held two seminars to facilitate Americans with Disabilities Act compliance.

As a result of these efforts and more, the AOC's I&I total case rate decreased from 3.31 to 2.41 in FY 2017, a 27

FIGURE 26: Injuries and Illnesses Rate



The AOC is undertaking many needed major construction and restoration projects concurrently to meet critical infrastructure needs on the Capitol campus.

percent decrease. However, the I&I lost-time rate increased from 1.97 to 2.38, a 21 percent increase during this same period. The six-year trend in rates is shown in **Figure 26**.

In FY 2018 and beyond, the AOC will continue enhancing its safety training programs (including a pilot of SOAR 2.0), implementing the emergency preparedness program plan, updating jurisdiction-level emergency action and response plans, and augmenting safety policies. To ensure a continued focus on safety, the AOC also established an executive safety management (ESM) working group. The ESM meets on a monthly basis to discuss incident lessons learned and best practices and, on a quarterly basis, to review safety, fire, environmental and emergency preparedness metrics.

Management of Concurrent Projects

Challenge: The AOC continues to manage and execute multiple simultaneous large-scale and long-term projects to meet critical infrastructure needs. These include "mega projects" such as the Cannon House Office Building Renewal, West Refrigeration Plant Revitalization, the Cogeneration Plant Design and Construction, plus a number of other major construction programs including the Capitol Building Exterior Stone and Metal Preservation, the Thurgood Marshall Federal Judiciary Building Façade Repair Project and others. The agency must successfully manage schedules, risks and costs for these large-scale, phased projects that — due to their criticality — are taking place at the same time. Management must ensure the timely and cost-efficient completion of these projects, while minimizing disruptions to daily operations within the facilities.

AOC Initiatives: This fiscal year, the AOC proactively incorporated lessons learned from major projects into

new starts and new phases of infrastructure projects. For example, upon the completion of phase zero of the Cannon Building Renewal project, the agency compiled a lessons learned document with twenty recommendations for further phases, including: improving coordination across task areas, actively utilizing risk plans for every project phase and continuing the utilization of probabilistic analyses to determine the potential impact to cost and schedule of major risks.

The AOC recognizes the importance of project planning and initiation, including allowing for adequate time in the planning phase of a project to properly map out project risks and anticipate responses to funding shortfalls or project delays due to unforeseen conditions such as the identification of hazardous material requiring abatement. Critically, while the AOC has made significant progress addressing risk, costs and schedules for individual projects, it must assess the entire portfolio of on-going projects and address the risks and constraints that arise due to the demand for time and resources from these multiple sources.

In the long term, the AOC is reviewing current project management and construction management best practices in search of off-the-shelf project management information system software to assist in the life cycle design and construction management process. This will enable project managers to provide more effective and efficient project execution including costs, schedules, resource and process management, as well as consistent metrics for enhanced decision making.

Flat operating budgets and funding shortfalls pose a continual challenge. In response, the AOC will continue to advocate for more funding to resource needed project managers and will continue to employ a bottom-up process for estimating and requesting project funding to assure the appropriate level of construction managers, project controllers and construction inspectors for approved projects. In the short run, the AOC staff is actively stepping in to help address needed functions. However, risks to execution develop when project managers are temporarily taking on construction manager responsibilities. Construction teams have become much more reliant on supplementing staff with project-funded construction managers and inspectors from support contracts.

The AOC continues to improve its individual project management while also focusing on how the entire project portfolio is coordinated. By improving high-level tools and dashboards, as well as investing in enabling project management systems, the agency will enhance its effectiveness and its understanding of the interdependencies throughout the project and program management process. The AOC will continue to document and plan new projects



The AOC has adopted new development programs to encourage employee career growth and new staffing models to attract and retain talented staff.

based on substantive lessons learned from past projects. As always, the AOC staff will form cross-jurisdictional partnerships and share in project goal development in order to address resource shortages, solve problems together and ensure clear and consistent project communications among all impacted parties.

Retaining and Attracting a Skilled and Engaged Workforce

Challenge: The AOC requires a high-performing and engaged workforce to achieve its mission. As a result, its skilled staff of more than 2,100 employees is its most prized resource. Attracting highly qualified staff is a challenge because employees with the specialized skill sets and expertise required by the agency are highly sought in the marketplace. Further, an aging workforce (the average and median ages are 48 and 50 years, respectively) will inevitably lead to staff retention challenges due to attrition via retirements. Therefore, attracting and retaining talented new staff, including millennials, is a significant element of the agency's human capital strategy. The landscape for attracting, sourcing, recruiting and acquiring talent is evolving, and the AOC's challenge is to evolve with it.

AOC Initiatives: In order to retain current employees, the AOC broadened career development programs such as CareerPath and the Architect's Mobility Program (AMP) that aim to assist employees in preparing for job-enrichment and promotional opportunities that foster growth in employees' skill sets. Both new and existing employees must be engaged in their work and given opportunities to grow. The AOC also provided mandatory coaching to managers and supervisors to enable leaders to



The refurbished U.S. Capitol Rotunda was officially unveiled in November 2016. The three-year, multi-phased project completely restored the U.S. Capitol Dome for the first time since 1959 and 1960.

better engage with staff and encourage them to develop professionally. These programs empower employees to take ownership of their career development and encourage upward mobility. The AOC believes these actions will position the AOC to retain highly qualified talent with the right skill sets and competencies.

To attract a skilled workforce, the AOC is transforming its recruitment program by transitioning from a staffing model to a talent acquisition model that includes attracting, sourcing, recruiting and acquiring talent for the AOC's vacancies beyond traditional methods. In FY 2017, the AOC conducted a lean six sigma review of current hiring processes. This resulted in the creation of a strategic recruitment approach that included employer branding, networking, partnering with organizations that have the targeted audience skill sets, leveraging social media and data mining. The AOC also utilized the results of its lean six sigma review to re-engineer its hiring process to reduce the time to fill positions and acquire highly qualified talent more quickly.

The AOC is creating annual talent acquisition plans to meet the AOC's workforce needs, particularly hard-to-fill

positions. The AOC developed "Hiring 101" training and job aids, which outline managers' roles and responsibilities in recruiting and hiring the best talent for AOC positions. The agency's Human Capital Management Division (HCMD) was trained in talent acquisition ideology to ensure a firm foundation on which to execute the AOC's new approach to recruitment. The CareerPath training series for AOC employees focused on navigating the application process, resume writing and interviewing. The AOC recognizes that it must target certain trades and professional candidates and has engaged in an aggressive communications campaign to brand the AOC as an employer of choice. The AOC continued to utilize social media tools to identify future recruits and build a network of talent resources.

Faced with continued budgetary pressure, expected and unplanned attrition, and the need to appeal to a new generation of workers, the agency aims to take a deliberate human capital strategy that includes planning for staff retirements and attracting and retaining high-performing talent.

Stone Repair and Preservation

Stone preservation is a top priority for the AOC as nearly every monumental building across the Capitol campus is enveloped in stone. Weather, age and insufficient maintenance are destroying many of the finer details of these awe-inspiring, historic stone edifices. Over time, if preservation work is not performed, water infiltration could result in building operational issues and pose a safety risk to members, staff and the general public. At the same time, water penetration could damage the buildings' architectural features and the historic artwork within.

Numerous projects are underway, or planned, to restore and preserve the AOC's historic buildings. These projects include: Cannon House Office Building Renewal, Olmsted Terrace Preservation, Russell Senate Office Building Exterior Envelope, U.S. Supreme Court Façade Restoration, Thurgood Marshall Federal Judiciary Building Restoration, U.S. Botanic Garden Conservatory Façade and Roof Restoration, U.S. Capitol Exterior Preservation and others.

More information is available at: www.aoc.gov/stone.





BEHIND THE SCENES:

House Office Buildings

1

The House Office Buildings jurisdiction is responsible for the support and maintenance of the office and committee space for the members of the U.S. House of Representatives and their staff. The jurisdiction is responsible for more than five million square feet of facility space, including three primary House buildings (discussed to the right), the Ford House Office Building, associated garages and an underground subway. In FY 2017, the O'Neill House Office Building was transferred from the General Services Administration to this jurisdiction's portfolio.

More information on the House Office Buildings is available at:
www.aoc.gov/house.

CANNON HOUSE OFFICE BUILDING

The Cannon Building, completed in 1908, is the oldest House office building and a significant example of the beaux arts style of architecture. The building was constructed immediately after the turn of the 20th century to relieve overcrowding in the U.S. Capitol. In 1962, the building was named for former Speaker Joseph Gurney Cannon.

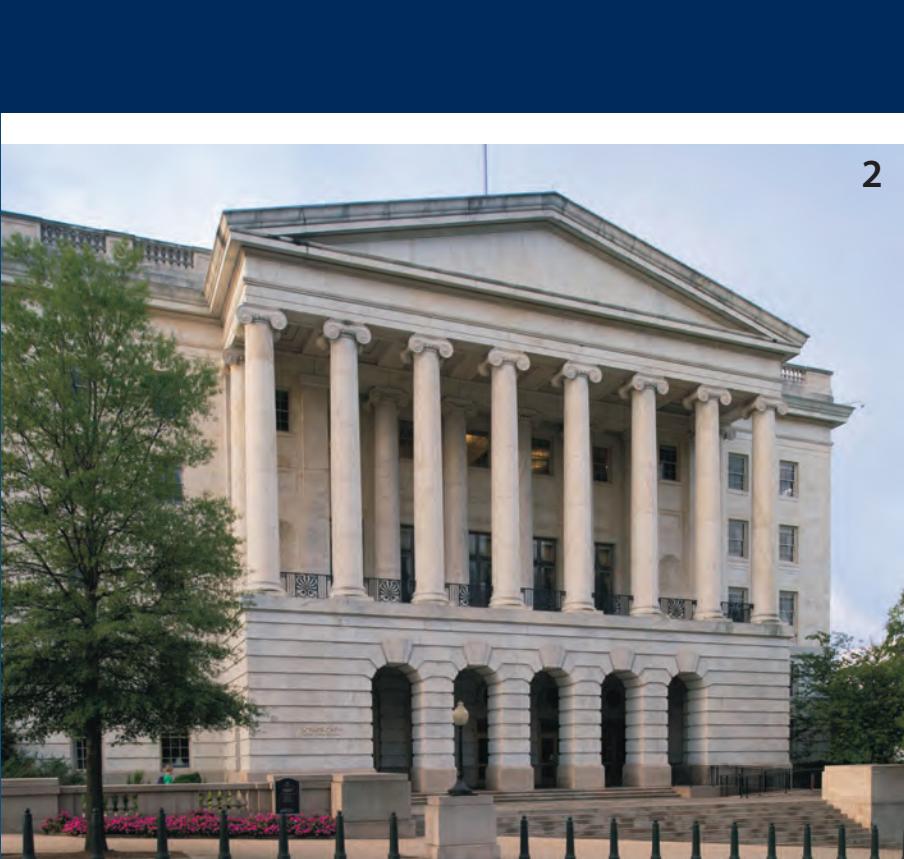
LONGWORTH HOUSE OFFICE BUILDING

Completed in 1933, the Longworth Building is named in honor of former Speaker Nicholas Longworth. This building is one of Washington D.C.'s best examples of the neoclassical revival architectural style.

RAYBURN HOUSE OFFICE BUILDING

The Rayburn Building was completed in 1965 and named for former Speaker Sam Rayburn. Its design was done in the neoclassical style and, at nearly 2.4 million square feet, the facility is the largest congressional office building.

1: The *Spirit of Justice* statue at the Rayburn House Office Building, **2:** Exterior of the Longworth House Office Building, **3:** A shop employee provides operational support for the House office buildings, **4:** A painter readies a suite during the Congressional office moves, **5:** The House Superintendent's team poses at the statue of Sam Rayburn, **6:** Rotunda in the Cannon House Office Building and **7:** Exterior of the Rayburn Building





To mark the centennial of the United States entering World War I, the AOC's Library Buildings and Grounds team recreated period-appropriate "War Gardens" in raised beds located on the grounds of the Thomas Jefferson Building.

SECTION II

Performance Information

Introduction

This section presents the Architect of the Capitol's (AOC's) Fiscal Year (FY) 2017 performance toward the strategic goals identified in the AOC's *Strategic Plan FY 2017–FY 2021*. The first two goals, *Maintain Awe-Inspiring Facilities* and *Provide Extraordinary Services*, are program-oriented and include the agency's core mission areas. The final two goals, *Foster an Innovative and Empowered Workforce* and *Operate as One Team, Dedicated to One Mission*, are support goals that promote an organizational culture of professionalism, teamwork and accountability. The strategic plan explains the alignment of the four goals to major strategic objectives and describes how those objectives are measured by one or more key performance indicators (KPIs) from one fiscal year to the next. The AOC measures each KPI against specific, quantifiable targets to monitor and evaluate the agency's progress toward achieving its strategic goals. For more information about the AOC's strategic plan, please visit: www.aoc.gov/publications and click on "Strategic Plan 2017–2021."

The AOC's strategic plan provides the agency with the capability to manage performance across the organization through a unified focus on achieving tangible outcomes and results over the five-year period of performance for the plan. While the AOC is not required by law to comply with the Government Performance and Results Act Modernization Act (GPRAMA) of 2010, the strategic plan highlights the AOC's desire to follow best management practices.

The AOC reports FY 2017 results for the 36 key performance indicators aligned with four strategic goals and eight strategic objectives. As shown in **Figure 27**, the AOC met performance targets for 18 indicators and did not meet performance targets for 7 indicators. The 11 remaining indicators represent new KPIs for which the AOC is collecting baseline data. These have been classified as "Baseline Established."

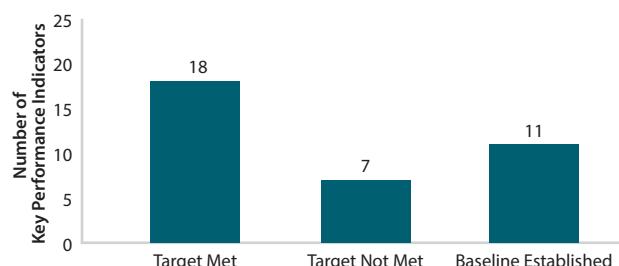
The AOC's New Strategic Plan

FY 2017 was the AOC's first year of operations under its new strategic plan. This document aligns the agency's work to the AOC's goals and objectives. In preparation for the latest strategic plan, senior leadership gathered in the summer of 2015 to conduct an environmental scan that included oversight, customer and employee feedback. This work culminated in an affirmation of the mission, vision and four strategic goals that the AOC previously established in the FY 2012–FY 2016 *Strategic Vision*. The four strategic goals represent the AOC's essential elements of success and provide the long-term focus of the organization, whereas the strategic objectives form the near-to-medium term focus on initiatives that support the implementation of the plan.

Throughout FY 2016, the AOC conducted a rigorous process to develop a new strategic plan for FY 2017–FY 2021. While the AOC decided that the four strategic goals would remain the same, as these continue to embody the essential elements of success in delivering its mission, the agency took its experience with the FY 2012–2016 Strategic Vision and decided to focus the new plan to a manageable number of high-priority strategic objectives.

To strengthen the alignment of mission-driven work to the strategic plan goals and objectives, and to integrate resource planning and allocation with the AOC's strategic priorities,

FIGURE 27: Key Performance Indicator Results



TOTAL NUMBER OF KEY PERFORMANCE INDICATORS: 36

senior leaders incorporated two-year action plans for each major business unit into the strategic planning process, to be updated annually. The management teams for each business unit prepared their action plans during the first half of 2016, and senior leaders shared these draft plans with each other in the summer of 2016 to leverage innovative solutions, economies of scale and opportunities for greater collaboration. In addition, the AOC determined that safety — a central part of the AOC culture — should be formally added to the list of the agency's core values. As a result, the plan incorporated five adopted values which employees refer to as "TIPPS" — teamwork, integrity, professionalism, pride and safety. By autumn 2016, the AOC's *Strategic Plan FY2017–FY2021* was complete.

With the issuance of the strategic plan for FY 2017–FY 2021, the AOC will employ a strategic management process (depicted in **Figure 28**). The process includes the bi-monthly monitoring of action plan performance with individual senior leaders by the Chief Operating Officer (COO) and the quarterly review of key performance indicators with all senior leaders by the COO and the Architect of the Capitol. The AOC will report these performance results in detail in this section of the AOC's Performance and Accountability Report.

Performance Management

To promote transparency and accountability, the AOC has published an annual Performance and Accountability Report (PAR) since FY 2005. As a legislative branch agency, the AOC is not required to submit its performance results to the Office of Management and Budget (OMB). As a result, this Performance Information section is not linked to the federal government performance and accountability website, www.performance.gov, which is used by the executive branch. Similarly, the AOC does not contribute to OMB's Cross-Agency Performance (CAP) goals. Accordingly, this section does not contain a discussion of CAP goals.

The AOC uses objective data to drive performance management decisions and voluntarily refers to the guidelines set for executive branch agencies under the Chief Financial Officers Act of 1990, the GPRAMA and other federal financial management regulations. Since FY 2004, the AOC has maintained a web-based Executive Dashboard (e-Dashboard) that enables leaders to use near real-time data to monitor results and manage performance. The e-Dashboard has evolved since its inception to better reflect the AOC's mission and the strategic plan. The AOC continuously reviews the e-Dashboard and aligns it with the most relevant strategies and targets. As part of this effort, the AOC may add indicators to track changing priorities, refine existing indicators due to the availability of new or improved data, or sunset obsolete indicators.

FIGURE 28: AOC Strategic Management Process

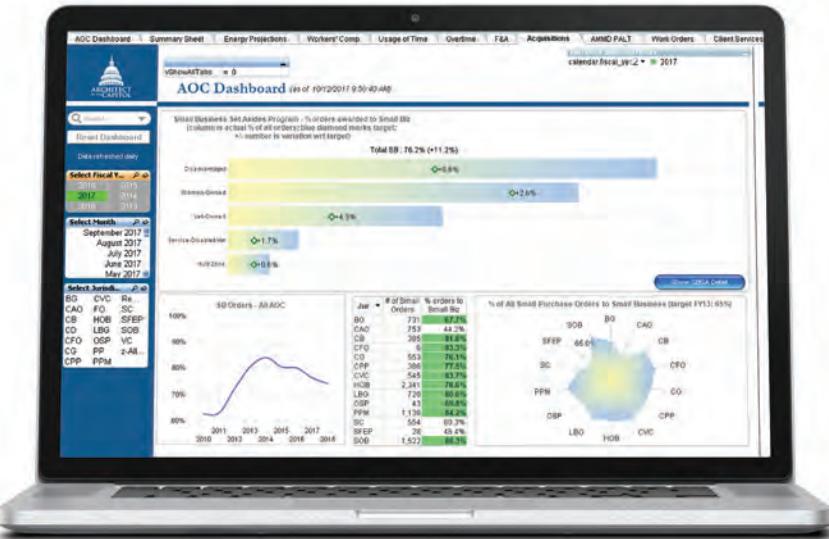


The structure of the Performance Information section is based on the AOC's four strategic goals. Each goal is supported by strategic objectives and those objectives include an analysis of FY 2017 performance results. As FY 2017 represents the first year of the five year strategic plan, many KPIs are still being developed or baselined for implementation in subsequent years. As a result, each goal section concludes with a narrative regarding future strategic efforts, which will focus the organization to achieve better results in FY 2018 and beyond. This enables stakeholders to clearly see how the AOC anticipates progressing in its performance measurement over the next four years.

To drive effective performance management, long-term targets were established through the AOC's strategic plan. In this section, the key performance indicators used to monitor progress toward strategic objectives are presented along with definitions, targets, FY 2017 results, five prior years of data (when available) and data sources. **Table 12** identifies the number of strategic objectives and performance indicators, by strategic goal, for FY 2017.

TABLE 12: Strategic Objectives and Performance Indicators by Strategic Goal

STRATEGIC GOAL	STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATORS
Maintain Awe-Inspiring Facilities	2	7
Provide Extraordinary Services	1	4
Foster an Innovative and Empowered Workforce	3	19
Operate as One Team, Dedicated to One Mission	2	6
Total	8	36

FIGURE 29: Executive Dashboard

The web-based Executive Dashboard (or e-Dashboard), is the AOC's primary tool to monitor results and measure performance. The AOC continually refines the performance indicators included in the e-Dashboard to ensure alignment with the strategic goals.

Data Validation and Verification

The AOC strives to ensure the completeness, reliability and quality of all performance data included in the PAR and has mechanisms in place to validate and verify the accuracy of information collected and reported. Validation and verification of performance data support the accuracy and reliability of performance information, reduce the risk of inaccurate data, and provide a sufficient level of confidence to Congress and the public that the information presented is credible. At the AOC, these efforts primarily entail internal agency assessments that address standards and procedures, data entry and transfer, data integrity, data quality and limitations, and oversight. The AOC's data validation and verification efforts include the following key mechanisms and processes:

- Analysis of data and identification of possible discrepancies for resolution
- Implementation of controls such as restricting permissible values, flagging outliers for review and mapping results for visual checks
- Issuance of quarterly reports on strategy progress and challenges
- Reviews by data owners and data users
- Review and discuss of performance results quarterly with the Executive Leadership Team
- Use of applied measurement techniques to identify sources, validate data and generate meaningful information
- Use of automated data collection systems whenever available

- Use of automated data checking procedures in addition to manual verification

The AOC continually refines the operational definition of every performance indicator included in its executive and strategic dashboards (see **Figure 29**) and documentation is maintained for each. This documentation includes a description of the indicator's relevance, data source and providers, the calculations used to build the indicator, data validation steps, definitions of relevant terms, and a summary of data limitations and risks that might impair accuracy. The AOC uses this information to continually improve the validity, accuracy and depth of the data used to measure performance. By identifying data limitations and risks, the AOC refines its performance management approach and provides more reliable data validation procedures. In FY 2017, the AOC was not required to have, nor did it conduct, research or program evaluations related to the agency's understanding of program performance, problems the programs are trying to tackle, or external factors that might influence performance. As a result, no evaluation findings are included herein. A summary of the performance indicators added or no longer used, as well as a performance indicator assessment table, is contained in Appendices H and I of this report.

In the Performance Information section, a handful of key performance indicator tables include prior year data noted with an asterisk (). The asterisk is used to indicate that the results reported in this year's PAR differ from those reported in FY 2016. These differences are primarily due to data updates received after the FY 2016 PAR was published.*



Stewardship of the Capitol campus' historic structures and grounds, such as the U.S. Capitol Building, is central to the AOC's strategic goal *Maintain Awe-Inspiring Facilities*.

Strategic Goal

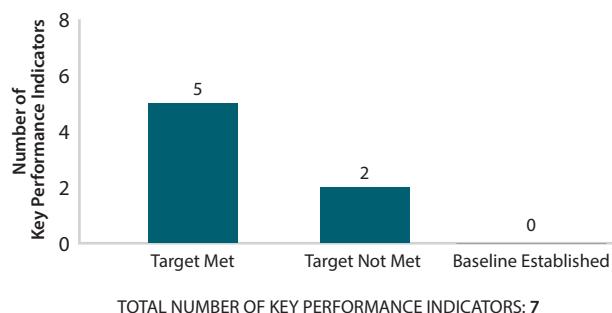
Maintain Awe-Inspiring Facilities (AIF)

Unsurpassed Craftsmanship and Stewardship

The AOC's mission centers on our stewardship of the structures and grounds of the Capitol campus. We must ensure every visitor to Capitol Hill experiences the grandeur of these historic treasures at their very best.

This goal focuses on the AOC's mission to maintain the national treasures, historic buildings and grounds entrusted to its care. The Maintain Awe-Inspiring Facilities goal includes strategic initiatives to preserve facilities and landscapes, ensure building equipment and systems function properly, reasonably protect employees from injuries and integrate sustainable practices into business operations to promote efficiency and reduce waste. This goal includes two strategic objectives.

FIGURE 30: Key Performance Indicator Results Achieved for *Maintain Awe-Inspiring Facilities*



AIF STRATEGIC OBJECTIVES

AIF 1.0 Reliably deliver high-quality capital projects

AIF 2.0 Preserve, maintain and operate facilities, cultural and natural resources at the highest quality levels

In accordance with the AOC's strategic plan, the organization monitored seven performance indicators for this strategic goal. **Figure 30** summarizes the performance results achieved in FY 2017. **Table 13**, on the facing page, identifies the major programs associated with this strategic goal.

STRATEGIC OBJECTIVE 1.0: Reliably deliver high-quality capital projects

The purpose of this objective is to ensure high-quality capital projects. The agency retained the goal to Maintain Awe-Inspiring Facilities, but refined several underlying strategic objectives. Objective 1.0, is now "Reliably deliver high-quality capital projects," prioritizes and focuses the agency's attention on high-profile, multi-year projects. By FY 2021, all Capital Improvements Program (CIP) projects are expected to be delivered in accordance with the following performance standards:

- 100 percent of CIP are delivered on time
- 100 percent of CIP are delivered within budget

- 100 percent of CIP are delivered safely
- 100 percent of CIP are delivered with high-quality according to industry standards
- 100 percent of CIP are delivered with no excessive disruption to client operations

The agency set a high bar with these performance standards in order to realize the highest level of excellence for its most important mission component, serving as the builder and steward of the landmark buildings and grounds of the Capitol campus. The AOC will identify, analyze and continually strengthen critical management processes to improve the Capital Improvement Program over the next five years. This objective will measure incremental steps that indicate the completion of the following:

- Enhance CIP management processes and decision support systems by FY 2021
- Increase the percentage of CIP projects that employ relevant and industry standard processes, based upon the scope of the project
- Increase the percentage of CIP project stakeholders involved in employing relevant processes, based upon the scope of the project

Analysis of FY 2017 Results

The AOC is in the process of researching and developing best practices and benchmark criteria and did not measure progress toward this objective in FY 2017. Once standards are developed in FY 2018, baseline measures will be chosen and assessed. In FY 2017, the agency

Did You Know?

The U.S. Capitol Dome Restoration project was the recipient of multiple awards in 2017. These included the Institute of Classical Architecture and Arts *John Russell Pope Award*, the Construction Management Association of America (National Capitol Region) *Project Achievement Award* and the Washington Building Congress *Craftsmanship Award for Special Construction: Scaffolding and Rigging*.

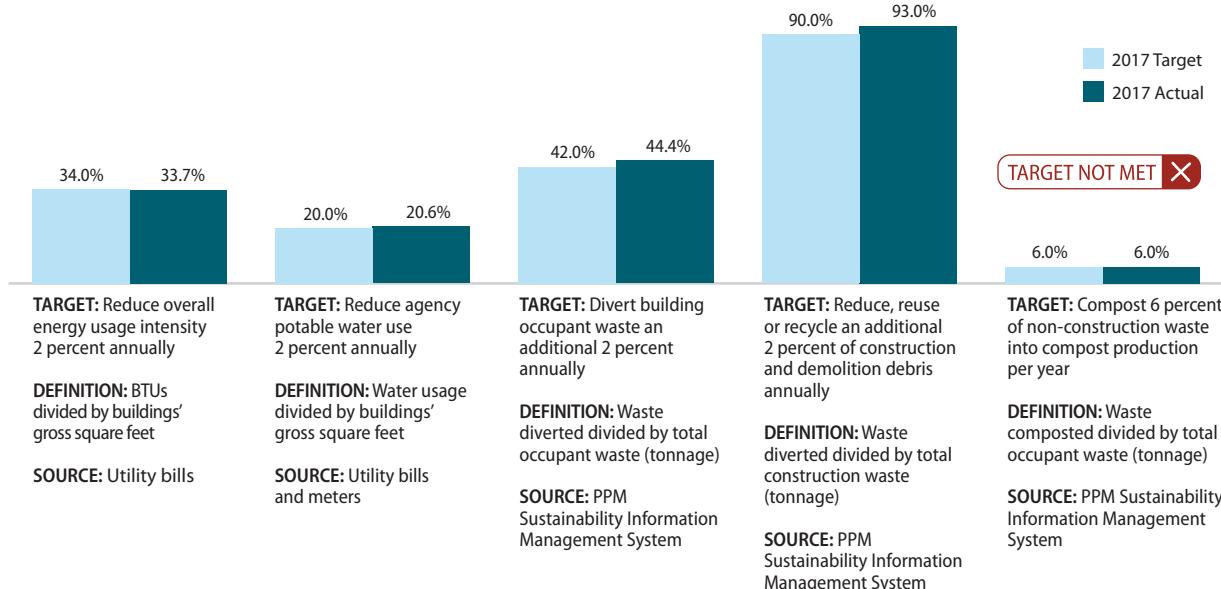
assessed its project delivery processes and enhanced project delivery by clarifying roles and responsibilities, improving project planning, continuing to develop design/build implementation, providing greater transparency and pursuing a project management information system.

STRATEGIC OBJECTIVE 2.0: Preserve, maintain and operate facilities, cultural and natural resources at the highest quality levels

The purpose of this strategic objective is to attain best-in-class levels of performance according to industry standards with minimal client disruption for the AOC's key operational functions. This objective increases the management rigor of the AOC's facility management through the increased application of best practices. Under this new strategic objective, the AOC has developed strategies to measure performance across key operational areas: facility management, gardens and grounds, cultural preservation, safety and compliance, sustainability, and security/resilience.

TABLE 13: Programs Associated with *Maintain Awe-Inspiring Facilities* Strategic Goal

PROGRAM	DESCRIPTION
Facilities Maintenance	The AOC supports congressional and Supreme Court operations by providing timely and high-quality facilities maintenance services. These activities encompass both planned (preventive) and corrective maintenance.
Facilities Operations	The AOC provides high-quality services in direct support of congressional and Supreme Court operations. The AOC's daily activities in support of this program include custodial and housekeeping work, grounds care, road and walkway maintenance, snow removal and the provision of steam and chilled water utilities.
Capital Project Delivery	The AOC undertakes many projects in pursuit of its mission to preserve and enhance the Capitol campus. Capital project delivery tasks include planning, programming, design, construction and the related management activities.
Cultural Preservation	The AOC ensures that the national treasures entrusted to its care are maintained and preserved for present and future generations. These historic treasures include the iconic congressional buildings, architectural features and grounds, as well as a collection of artwork, photographs, reference materials, library materials and botanical collections.
Safety and Compliance	The safety, fire and environmental program is responsible for ensuring that the AOC complies with life-safety, fire and environmental regulations.
Security and Resilience	The security and resilience program provides centralized internal security operations for the AOC, manages the perimeter security, coordinates interagency emergency preparedness and supports the U.S. Capitol Police in protecting, policing and providing security for the congressional community and its visitors.
Sustainability and Energy	The sustainability and energy program is responsible for the AOC's energy and resource conservation efforts. Sustainable practices include improving energy and water efficiency, using low-impact materials, sustaining natural sites, practicing recycling and providing sustainability guidance.

FIGURE 31: Energy and Sustainability Plan Targets

Note: All five measures must meet or exceed the target for the KPI to be marked "Target Met."

Analysis of FY 2017 Results

The AOC measures progress toward this objective through seven KPIs. In FY 2017, the AOC continued to deliver excellent results in terms of its sustainability, safety, preventative maintenance, corrective maintenance, service request work orders, cleaning standards and reduction in overtime usage. This performance highlights the agency's commitment to preserve, maintain and operate facilities, cultural and natural resources at the highest quality levels. The detailed performance follows:

Energy and Sustainability Plan Targets (AIF KPI 1)

The strategic plan objective 2.1, ratifies the AOC's most recent commitments to sustainability. This new, annual KPI provides the AOC with information reporting against its Energy and Sustainability Plan. The AOC's stated values — agile resource management, increased resilience, protection of the environment and enhanced health and well-being — recognize the agency's obligation to maintain awe-inspiring facilities and protect its surrounding resources. As shown in **Figure 31**, the target for FY 2017 was to meet 100 percent of the AOC's established sustainability targets. The AOC met four of its five sustainability indicators. This was due to active campaigns across the AOC to reduce energy usage, potable water usage and occupant waste, while also meeting the AOC's recycling commitment and initiatives to increase the composting of non-construction waste. As this is a new KPI, the AOC does not have prior year results to compare against.

Energy Performance — The AOC built upon savings achieved from Energy Saving Performance Contracts (ESPCs) that provided much-needed infrastructure improvements in the

House, Senate and Capitol buildings. The ESPCs included assessments of AOC facilities and identified and executed life-cycle cost effective measures to improve energy and water performance. The agency also took advantage of retro-commissioning, optimizing the operational efficiency of existing mechanical systems, and vastly improved its building systems' energy performance. The AOC has successfully reduced energy consumption over the past five years, with cumulative annual reductions increasing from 22.0 percent in FY 2012 to 33.7 percent in FY 2017. The AOC continues to target reducing its energy usage annually by 2 percent.

Improved Tracking and Assessment of Water Performance — In FY 2017, the AOC continued efforts to reconcile actual versus estimated water usage and fix malfunctioning meters and make improvements to water billing. The AOC's analyses corrected billing issues and led to quarterly monthly water progress reports by building use. These reports helped explain variations in water use, understand potential risks and impacts and identify inefficiencies or opportunities for greater savings.

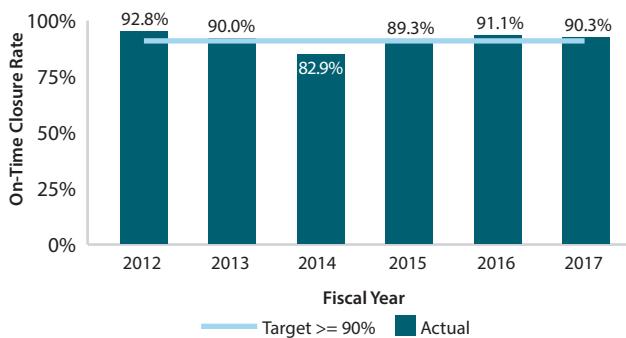
Recycling — The AOC's jurisdictions strengthened their recycling programs by following best practices and standards to maximize waste reduction. The AOC jurisdictions increased diversion rates, the amount of waste that is diverted from landfills for recycling and improved communications and engagement in recycling programs across the organization, including among vendors and visitors.

Safety/Compliance Key Industry Standards

Established (AIF KPI 2)

The AOC conducted a gap analysis of its existing standards, reviewed best practices and recommended standards within

FIGURE 32: Preventive Maintenance Work Order Timeliness



DEFINITION

Preventive Maintenance (PM) work orders closed as planned divided by total PMs scheduled

SOURCE

Web TMA, AOC's work order management system, extracted from Executive Dashboard on October 17, 2017

TARGET

90% of preventive maintenance work orders are completed as planned

TARGET MET

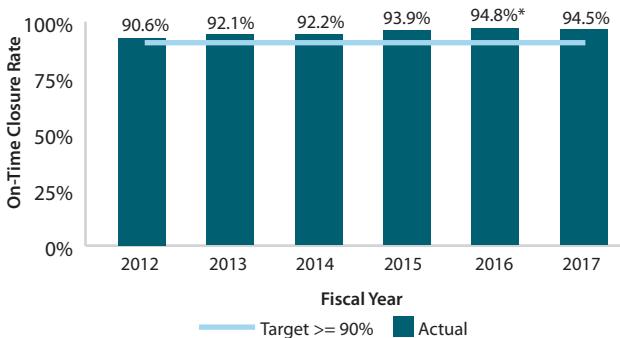
four focus areas and fifteen sub-elements. The focus areas included: standards, training, feedback and accountability. Under its standards, the agency plans to establish five key elements in FY 2018: a safety statement, a clear definition of reportable and recordable incidents, quality control management and inspection guidance, updated safety specifications and risk management implementation. While the AOC did not meet the target to establish comprehensive safety and compliance standards by the end of FY 2017, the AOC's Safety Committee Team made significant progress in developing contracted construction safety standards, including standards to reduce injuries and illnesses and improve compliance. TARGET NOT MET

Preventive Maintenance Work Order Timeliness (AIF KPI 3)

Preventive maintenance (PM) work orders are inspections or minor maintenance that cover work done on a routine basis. An example of a preventive maintenance action is a monthly check on an air handler. PM activities that recur on a periodic and scheduled cycle greater than one year but less than 10 years are considered recurring work. This indicator is refreshed daily, and closely monitored using the AOC's e-Dashboard, demonstrating the agency's commitment to providing the best facility stewardship possible for its building occupants and stakeholders.

This annual KPI measures the AOC's ability to maintain building systems, which are essential to the efficient and proper functioning of facilities that serve Congress and the

FIGURE 33: Corrective Maintenance Work Order Timeliness



DEFINITION

Corrective Maintenance (CM) + Recurring Work (RW) orders closed within cycle time, divided by total CM+RW due

SOURCE

Web TMA, AOC's work order management system, extracted from Executive Dashboard on October 17, 2017

TARGET

90% of corrective maintenance work orders are completed as planned

TARGET MET

Supreme Court. By ensuring building systems are kept in good working order, the AOC minimizes the risks and costs associated with system failure that would negatively impact the AOC's customers. As shown in Figure 32, the target for FY 2017 was that at least 90.0 percent of preventive maintenance work orders be completed on time, and the AOC achieved 90.3 percent. The result was above target, a slight decrease from last year's rate of 91.1 percent, but overall an improvement as compared to the AOC's six-year average rate of 89.4 percent since FY 2012. In FY 2017, the AOC completed 216,948 of preventative maintenance work orders, of which 195,906 were completed on schedule. The AOC has continued to exceed targets due to increased use of WebTMA, the agency's Computer Assisted Facilities Management software system, in particular the mobile WebTMA application which allows employees to more efficiently address and close work orders.

Corrective Maintenance Work Order Timeliness (AIF KPI 4)

Corrective maintenance (CM) is defined as work performed to maintain a building or asset. An example of a corrective maintenance action is a wall that needs to be painted because the paint is cracked and peeling.

This annual KPI measures the AOC's ability to efficiently repair system deficiencies that if left unchecked could result in building system failure and require costly remediation. As shown in Figure 33, the target for FY 2017 was for 90 percent of corrective maintenance work

* Note: Information adjusted from that reported in the FY 2016 PAR is marked with an asterisk (*).

FIGURE 34: Service Request Work Orders Timeliness**DEFINITION**

Service request (SR) work orders closed within cycle time divided by total SR work orders due

SOURCE

Web TMA, AOC's work orders management system, extracted from Executive Dashboard on October 17, 2017

TARGET

90% of service requests are completed as promised

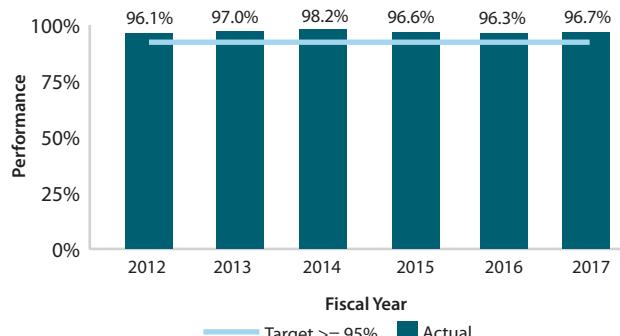
TARGET MET

orders to be completed on schedule, and the AOC achieved 94.5 percent. The FY 2017 result was similar to last year's 94.8* percent, and also exceeded AOC's six-year average of 93.0 percent. In FY 2017, AOC completed 179,426 number of corrective maintenance work orders, of which 169,514 number were completed on schedule. Similar to preventative maintenance, this increase in timeliness was due to the continued expansion of the mobile WebTMA system, which allows technicians to respond more efficiently to work orders in the field. This resulted in better on-time closing of corrective maintenance and reoccurring work orders across the agency. **TARGET MET**

Service Request Work Order Timeliness (AIF KPI 5)

This annual KPI reports progress on the timeliness in AOC's handling of service request work orders. Service request work orders are defined as ad-hoc work that provides a specific service to building occupants or stakeholders based upon customer preferences. An example of a service request work order is work performed on a wall that needs to be painted a different color. As shown in **Figure 34**, the target for FY 2017 was that 90.0 percent of service request work orders be completed on time, and the AOC achieved 91.9 percent. The FY 2017 result was slightly lower compared to last year's 92.6 percent, and similar to AOC's six-year average of 91.7 percent.

This indicator is important because it demonstrates the AOC's commitment to providing timely customer service to all stakeholders by responding quickly and thoroughly to requests that impact members of Congress, Library of

FIGURE 35: Adherence to Cleaning Standards**DEFINITION**

Number of items cleaned successfully divided by total number of items inspected

SOURCE

Formal Team Inspections, extracted from Executive Dashboard on October 17, 2017

TARGET

95% of inspected items are found to be cleaned according to AOC Cleaning Standards

TARGET MET

Congress and Supreme Court staff, AOC colleagues, and spaces utilized by the visiting public.

Adherence to Cleaning Standards (AIF KPI 6)

This annual KPI reports progress on the AOC's adherence to cleaning standards. The AOC continued to administer the peer inspection program, bringing together the Senate Office Buildings, House Office Buildings, Capitol Building and Capitol Visitor Center jurisdictions to perform cleanliness inspections as independent assessors. The adherence rate is calculated by dividing the number of items successfully cleaned, as reported by peer inspections, by the total number of items inspected. As shown in **Figure 35**, the target for FY 2017 was 95.0 percent of cleaned items passed the inspection process and the AOC achieved 96.7 percent. The AOC exceeded last year's result of 96.3 percent and performed comparably to the six-year average rate of 96.8 percent.

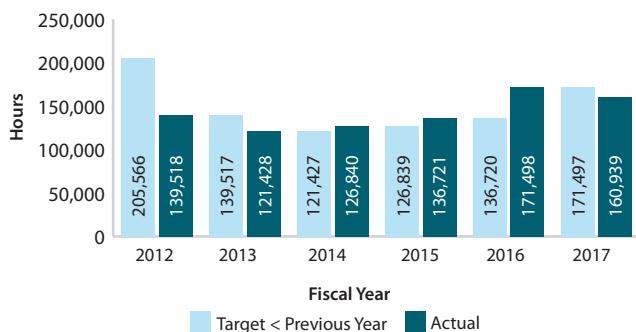
Usage of Overtime (AIF KPI 7)

This annual KPI provides the AOC with information on how to manage its usage of overtime for facility management and operations. The AOC's target for FY 2017 was fewer than 171,498* hours (which was the amount of overtime hours observed for FY 2016). As shown in **Figure 36**, the AOC achieved 161,085 overtime hours in FY 2017. The AOC reduced overtime usage from the last year by 10,413 hours (6.1 percent), although this figure was higher than the six-year average (142,824 hours) by 11.3 percent. This was the first fiscal year the AOC reduced its overtime usage since FY 2013. In spite of challenges,

CAPITOL HIGHLIGHTS

The Brumidi Corridors and Other Conservation Work

FIGURE 36: Usage of Overtime



DEFINITION

Sum of hours of overtime recorded in the time and attendance system (excludes OAP)

SOURCE

AOC Payroll System via ODS, extracted from the Executive Dashboard on Oct 17, 2017

TARGET

Reduce the number of overtime hours with respect to the previous year

TARGET MET

such as supporting the 2017 Presidential Inauguration and executing the congressional office moves, the AOC was able to meet its overtime reduction target through efficient work planning. Another contributing factor was the lack of significant snow removal operations due to a mild winter. The 161,085 hours achieved by the AOC in FY 2017 will form the target for FY 2018. Overtime reduction is an important indicator of operational efficiency, which in turn demonstrates the AOC's ability to maintain awe-inspiring facilities while responsibly managing appropriated funds.

Future Strategy

As the AOC moves forward with its strategic plan into FY 2018, the agency will make progress on its goal to *Maintain Awe-Inspiring Facilities* by introducing several initiatives measured by new KPIs under objective 1.0, as well as focusing on strategic initiatives that are measured under objective 2.0. Jurisdiction action plan initiatives that support the indicators will be planned and prepared at the end of FY 2017 to support progress toward the goal in FY 2018. These strategic initiatives, both across the AOC and within each jurisdiction, will help the AOC to achieve its planned outcomes.

Beginning in FY 2018, the AOC will begin measuring performance against objective 1.0, *Reliably deliver high-quality capital projects*. The purpose of this objective is to ensure that the AOC delivers high quality capital projects safely, on time, within budget and with minimal client disruption. For FY 2018, the AOC will monitor progress toward the establishment of facility management standards across the organization.

A core AOC mission is the preservation of a wide range of heritage assets located across the Capitol campus. These include architectural features, fine and decorative art, agency records, and reference and library materials.

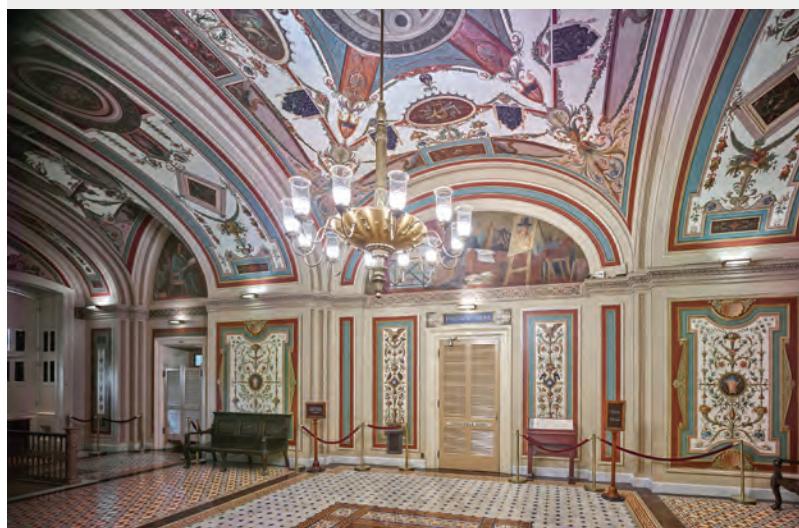
This year marked the completion of the conservation of the Brumidi Corridors*. A team of fine art painting conservators and skilled decorative painters worked from a full scaffold, which gave access to all parts of the ceiling. Numerous delicate details dispersed throughout the mural cycle were found intact below the overpaint, as were garlands of flowers and other designs that were used to guide the restoration, though much of the *trompe l'oeil* architectural details had to be repainted. Once the scaffold for the conservation was removed in June 2017, the beauty and harmony of the restored murals could be appreciated.

Additionally, in connection with the Cannon House Office Building renewal, the AOC removed, conserved and reinstalled the plaster models of *War* and *Peace* in the original sandstone niches flanking the east entrance to the Capitol Rotunda.

The AOC also refurbished a pair of bronze vases by artist Horatio Stone, which have been referred to as *Philosophy* and *Invention*, or more simply as the Federal Vases. The vases, each 34 1/2 inches tall and 15 inches in diameter, were kept in private hands until their recent donation to the U.S. Congress. Pedestals have been designed for their display and the vases will be installed on either side of the Rotunda's east entrance in early spring 2018.

More information is available at:
www.aoc.gov/brumidi-corridors-restoration.

* The ornately decorated Senate corridors were painted using the design and under the direction of Constantino Brumidi in the late 1850s to early 1860s, with frescoes added in the 1870s.





In support of the strategic goal to *Provide Extraordinary Services*, the AOC offers a variety of permanent and temporary exhibitions in the Capitol Visitor Center's Exhibition Hall. Exhibition Hall features original documents and artifacts, videos, a touchable model and computer interactives.

Strategic Goal

Provide Extraordinary Services (ES)

Going the Extra Mile

We support our prestigious occupants in their critical mission to govern our country. We fulfill the journey of visitors from across our nation and around the world to celebrate and discover the center and symbol of American democracy. Our internal and external services are equally essential in the successful fulfillment of our mission, values and vision.

This goal serves to foster an organizational culture where AOC employees take ownership of client needs and proactively coordinate with service providers to resolve issues. Under this goal, the term “client” includes members of Congress, their staffs and constituents, visitors to Capitol Hill, employees of other federal agencies and AOC employees. The Provide Extraordinary Services goal includes one strategic objective. The foundation of this goal is the AOC’s “ROC” star philosophy, which seeks to institutionalize three main behaviors:

- **Responsiveness:** Immediately acknowledging customers and their needs; ensuring they receive a timely resolution
- **Ownership:** Providing personalized and proactive service; anticipating needs and implementing solutions
- **Courtesy:** Treating others as one wants to be treated; everyone is a VIP

ES STRATEGIC OBJECTIVES

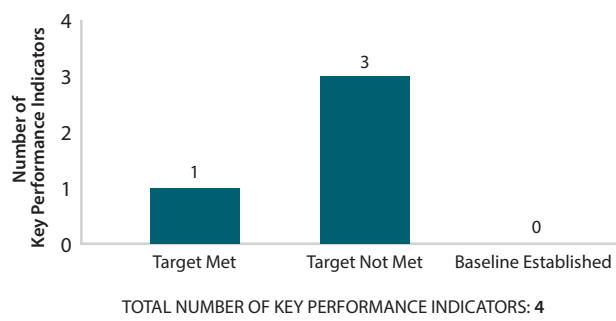
ES 1.0 Objective 1: Demonstrating our expertise while exhibiting responsiveness, ownership and courtesy to all internal and external customers

In accordance with the AOC's strategic plan, the organization monitored four performance indicators for this strategic goal. **Figure 37** summarizes the performance results achieved in FY 2017. **Table 14** identifies the major programs associated with this strategic goal.

STRATEGIC OBJECTIVE 1.0: Demonstrating our expertise while exhibiting responsiveness, ownership and courtesy to all internal and external customers

The purpose of this strategic objective is to reinforce outstanding customer service to the AOC's internal and external stakeholders. High customer confidence in the AOC's service provider capabilities will strengthen its position as a trusted partner and ensure satisfied customers. In FY 2017, the AOC designed a new peer survey to measure internal customer service and launched a pilot to

FIGURE 37: Performance Indicator Results Achieved for Provide Extraordinary Services



assess stakeholder feedback before implementing agency-wide. Internal customer service data measures the extent to which AOC employees provide extraordinary service to each other in order to fulfill the agency's mission.

External customer service to U.S. Capitol Building visitors was measured through the administration of a newly designed U.S. Capitol Visitor Center (CVC) customer satisfaction survey.

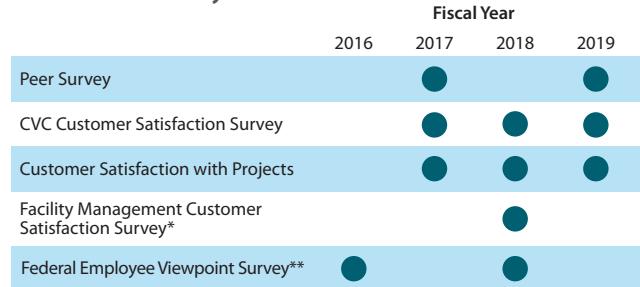
Analysis of FY 2017 Results

The AOC continued to make progress toward this objective in FY 2017 by using automation and integration to standardize and improve processes to better provide customer service. The AOC designed and implemented several surveys, including the AOC Peer Survey, the CVC Customer Satisfaction Survey and Customer Satisfaction with Projects Survey. Another key indicator utilized was Adherence to Procurement Acquisition Lead Times (PALT). The AOC measures progress toward this objective through four KPI's and are described as follows:

Peer Survey (ES KPI 1)

In FY2017, the AOC designed a new peer survey to provide the AOC with data on how employees rate other AOC business units' customer service. The survey was

FIGURE 38: Survey Schedule



* The Facility Management Customer Satisfaction Survey is scheduled to be designed and launched in 2018.

**The Federal Employee Viewpoint Survey is first introduced in the strategic goal section, *Foster an Innovative and Empowered Workforce*.

designed to provide greater alignment to the principles outlined in AOC's new strategic plan. The decision to pilot the survey before its official launch was made to ensure enough stakeholder feedback was incorporated into the tool. Although the official roll-out did not meet its target of the end of FY 2017, the pilot was launched within that time to ensure confidence in the survey instrument. Data will be collected and assessed in the beginning of FY 2018 with no impacts to the schedule. TARGET NOT MET

CVC Customer Satisfaction Survey (ES KPI 2)

In FY 2017 the CVC redesigned and successfully launched a visitor survey to identify patterns in visitor engagement and experiences at different times of the year, and to better understand how visitors experience the CVC's programs and services. The survey data will be analyzed and strategies will be implemented through the action planning process to make continuous improvements in providing extraordinary visitor services. By launching the survey before the end of FY 2017, the CVC met its KPI target. (See **Figure 38** for survey schedule). TARGET MET

Customer Satisfaction with Projects (ES KPI 3)

This annual KPI measures progress on customer satisfaction with design and construction management projects

TABLE 14: Programs Associated with Provide Extraordinary Services Strategic Goal

PROGRAM	DESCRIPTION
Client Services	Client services include normal and special request services provided to internal clients, their staffs, the public and other constituencies. Normal client services (e.g., painting services, deliveries and picture framing) are typically initiated by a service call, written request or technician work order. Client services also include special event support (e.g., Presidential Inauguration) and the biennial election year office moves.
Visitor Services	The AOC is responsible for providing a welcoming, informative and inspiring environment to those who visit the Capitol campus. The AOC provides tours, training, exhibitions and lectures to enhance the Capitol campus visitor experience. This program also includes the management of restaurant and gift shop operations.

FIGURE 39: Customer Satisfaction with Projects**DEFINITION**

Number of projects rated as satisfactorily completed, divided by total evaluated

SOURCE

Design & Projects Customer Satisfaction Surveys

TARGET

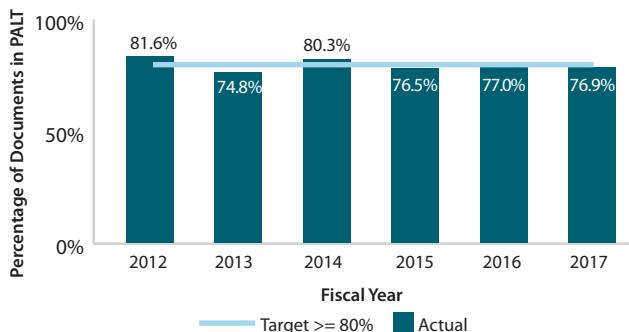
90% of projects are rated by clients as satisfactorily completed

TARGET NOT MET

Did You Know?

The U.S. Botanic Garden was named one of the “Best Botanical Gardens in the United States” by the Travel Channel and was voted the “Best Underrated Tourist Attraction” in Washington, D.C. by readers of *The Washington Post*.

specifically managed by the AOC. The AOC measures progress toward this objective by using two survey tools to track customer satisfaction with projects. The AOC captures the design services satisfaction through the Design Projects Customer Satisfaction Survey and the construction activities through the Construction Project Customer Satisfaction Survey. Clients complete a post-project assessment that scores attributes linked to attitude, timeliness, technical competency, performance and a free response. As shown in **Figure 39**, the target for FY 2017 was 89.3 percent. Although the satisfaction rate was slightly under target, the average score has been 96.0 percent during the past six years. In FY 2018, the AOC will make enhancements to its process, ensuring feedback is provided by more stakeholders.

FIGURE 40: Adherence to Procurement Acquisition Lead Times**DEFINITION**

Number of requisitions awarded within PALT divided by total requisitions awarded (excludes Interagency Agreements).

SOURCE

Financial Management System, extracted from Executive Dashboard on October 17, 2017

TARGET

80% of requisitions are awarded within the Procurement Acquisition Lead Time (PALT) for the award type

TARGET NOT MET

Adherence to Procurement Acquisition**Lead Times (ES KPI 4)**

This annual KPI measures the level of internal customer service provided by the Acquisition and Material Management Division (AMMD) to the AOC business units which rely on AMMD to process procurement actions in a timely manner. The expedient award of contracts and the procurement of supplies and materials has a direct impact upon the ability of business units to fulfill their mission. The FY 2017 target was for 80.0 percent of all procurement actions to be completed within the established timeline and the AOC achieved 76.9 percent this fiscal year, about the same as FY 2016. As shown in **Figure 40**, the AOC did not meet its target and fell short by 3.1 percent or 3.2 awards per month. The AOC was 1.0 percent under its six-year average. Over the past four years, the number of acquisitions have been steadily increasing and the AOC processed almost 185 more acquisitions in FY 2017 than it did as recently as FY 2014. Award times were also impacted this past summer by a financial management system upgrade that delayed timely awards for the AOC and other government agencies using the same system. In FY2018, the AOC will focus on tracking PALT performance using more categories to provide a more accurate breakdown of award times to improve the quality of reporting.

Future Strategy

The *Provide Extraordinary Services* strategic goal will drive several customer service initiatives for the AOC. The existing four KPIs will be supplemented with new indicators measured by a forthcoming facility management customer satisfaction survey. In addition, jurisdiction action plan initiatives supporting these indicators were planned and prepared at the end of FY 2017. These action plan initiatives will be implemented in FY 2018, across the AOC and within each jurisdiction, to help the AOC to achieve its planned outcomes for client and visitor services. These long-term outcomes include:

- Ensure high customer confidence in all (internal and external) service providers' capabilities, resulting in highly satisfied customers, and a strengthened position as a trusted partner.
- Administer customer satisfaction surveys, at least biennially, for all major lines of business by the end of FY 2019.



The 19½-foot bronze Statue of Freedom, sculpted by American artist Thomas Crawford, sits atop the restored U.S. Capitol Dome. Crawford's original full-size plaster model is on view in the Capitol Visitor Center's Emancipation Hall.

INFOGRAPHIC: Inauguration Facts and Figures





The AOC's construction of "The First Women in Congress" exhibit demonstrates the strategic goal to *Foster an Innovative and Empowered Workforce*. The graphic panels were designed to allow for a quick update of exhibits and the exhibit, itself, is free standing so that the historic building fabric is not damaged.

Strategic Goal

Foster an Innovative and Empowered Workforce (IEW)

Leading Change Together

An empowered workforce will exercise greater responsibility for its performance, and proactively apply well-informed judgement and innovation, to solve problems with solutions that focus on results.

The purpose of this goal is to focus the AOC's efforts to attract, develop and retain exceptional employees by creating a work environment that rewards excellence and creativity. The AOC's mission and vision can only be implemented by a strong cadre of dynamic individuals who are empowered to better serve Congress, the Supreme Court and the American public. The *Foster an Innovative and Empowered Workforce* goal includes three strategic objectives. These objectives

IEW STRATEGIC OBJECTIVES

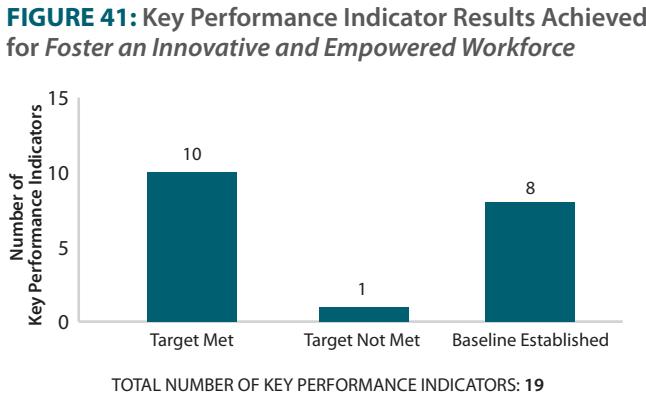
IEW 1.0 Strengthen employee performance through improved development and accountability practices

IEW 2.0 Cultivate high employee engagement in the workplace

IEW 3.0 Provide for the security and safety of every AOC employee

express the direction the agency will take to successfully accomplish this goal, while also improving responsibility, accountability and creativity among all AOC employees.

In accordance with the AOC's strategic plan, the organization monitored 19 performance indicators for this strategic goal. **Figure 41** summarizes the performance results achieved in FY 2017.



STRATEGIC OBJECTIVE 1.0: Strengthen employee performance through improved development and accountability practices

The purpose of this strategic objective is to ensure that all employees regularly receive training and development opportunities, which will result in stronger performance and technical competencies across the AOC. Managers, supervisors and coworkers — in an effort to maintain

desired workplace behaviors — are expected to hold low performers accountable and strengthen the AOC's performance and employee competencies. All employees will receive non-mandatory training and development opportunities to support job-related knowledge, skills and abilities at least once every three years by FY 2021. During the strategic plan's period of performance, the AOC will train supervisors in all aspects of performance management. The AOC's core values and customer service philosophy will be integrated into the Performance Communication and Evaluation System and the AOC will deploy a training management system to provide supervisors with the ability to track required employee training by the end of FY 2021.

Analysis of FY 2017 Results

Following the administration of the Federal Employee Viewpoint Survey (FEVS) in late FY 2016, the AOC analyzed the results to provide both an overall measure of employee feedback at the agency-wide level, as well as a deeper analysis at the business unit level. Specific FEVS questions were grouped into dimensions to provide strategic insight into targeted focus areas. Agency-wide results are shown in this PAR, while results unique to business units were analyzed internally with leadership and the workforce for incorporation into action plans. This extra level of analysis was crucial in providing leaders with actionable data they could use to improve work culture in their organizations.

FEVS data presented in this PAR is baseline data, since FY 2016 was the first year in which the AOC participated in the FEVS. The survey is next scheduled for administration in FY 2018, and the results will be measured against the baseline data.

The expected outcome of this objective is that all employees regularly receive training and development, which will result in stronger performance in technical competency and desired workplace behaviors. Managers, supervisors, and coworkers will hold low performers accountable for substandard technical competency or substandard work behaviors.

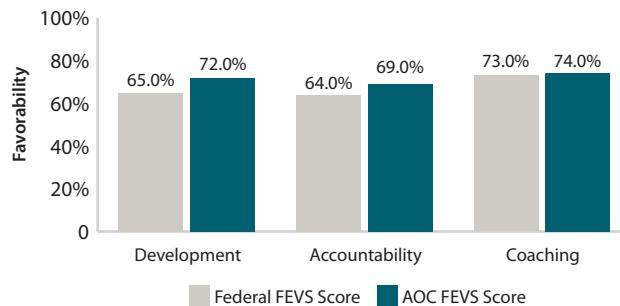
The AOC measures progress toward this objective through four KPIs that are described as follows:

Favorability Ratings for FEVS Development, Accountability and Coaching Dimensions (IEW KPI 1, 2 and 3)

These dimensions, outlined in **Table 15**, illustrate how employees assessed training opportunities, performance and professional development discussions with their supervisors. All employees should receive non-mandatory training and development opportunities in job-related knowledge, skills and abilities and/or desired behaviors at least once every three years by FY 2021. This data is important to gauge how employees' rate favorability of developmental opportunities provided to them by the agency and allow the agency to monitor and improve those opportunities over time.

The survey results collected represent the baseline data for these KPIs, however, to understand AOC's standing amongst its peers, performance results were compared to OPM's government wide comparison of 407,789 respondents of the same questions comprising each dimension. See **Figure 42**. The AOC performance on the three dimensions exceeded the government wide scores by 4.3 percent. The same questions from AOC's development dimension outscored by other government inputs by 7 percent.

FIGURE 42: Favorability Ratings for FEVS Development, Accountability and Coaching Dimensions



DEFINITION

Dimension scores are calculated from the average FEVS score of specific combined questions that comprise each dimension.

SOURCE

FY 2016 FEVS

TARGET

Exceed the previous survey results

Note: The Federal FEVS score is displayed for illustrative purposes only.

BASELINE ESTABLISHED —

TABLE 15: FEVS Development, Accountability and Coaching Dimensions

DIMENSION	DESCRIPTION	BASELINE RESULT
Development	Four questions focused on skill improvement, job knowledge, training and employee development	72%
Accountability	Four questions focused on performance, results, appraisal and improvement	69%
Coaching	Three questions focused on worthwhile supervisor discussions, constructive suggestions and performance	74%

Training in Performance Management Coaching (IEW KPI 4)

This FY 2017 KPI measures how managers and supervisors rate the performance management coaching provided to them. The course introduced supervisors and managers to the techniques of coaching, which can help employees achieve greater career success. Coaching is defined as partnering with an employee using an effective communication process that inspires them to maximize their personal and professional potential. The target for FY 2017 was the deployment of training by the AOC's Human Capital Management Division (HCMD), which is mandatory for all managers and supervisors. The AOC successfully deployed the training in FY 2017, meeting its target for the fiscal year. TARGET MET 

STRATEGIC OBJECTIVE 2.0: Cultivate high employee engagement in the workplace

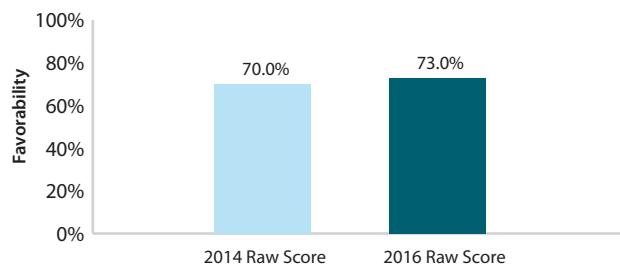
This strategic objective demonstrates the AOC's commitment to increasing employee engagement in the workplace by incorporating strategies identified through employee feedback tools such as the FEVS and previous Organizational Assessment Surveys (OAS). Based on 2014 OAS data, the AOC identified several focus areas which have been institutionalized as strategies in the agency's latest strategic plan. These include:

- IEW Strategy 2.1: Reduce bureaucracy and promote innovation by enabling decision-making in support of service delivery at the lowest practical levels and/or streamlining processes to simplify and expedite service delivery.
- IEW Strategy 2.2: Promote fairness in rewards and recognition by refining the system for tracking awards and recognition to inform analysis and improvement of the awards and recognition systems AOC-wide.
- IEW Strategy 2.3 Promote fairness in hiring and promotions by providing supervisor and employee training in hiring processes and providing feedback to all internal applicants not selected in standard recruiting processes.

Analysis of FY 2017 Results

In the AOC's new strategic plan, the agency has incorporated focus areas from previous employee assessment surveys, in an effort to ensure that these initiatives are strategically prioritized. These focus areas include: reducing bureaucracy and promoting innovation, promoting fairness in rewards and recognition, and promoting fairness in hiring

FIGURE 43: Favorability Ratings for Best Places to Work Dimension



DEFINITION

Dimension scores are calculated from the average FEVS score of specific combined questions that comprise each dimension.

SOURCE

FY 2016 FEVS

TARGET

Exceed the previous survey results

TARGET MET 

and promotions. The impact of these initiatives will serve to cultivate high employee engagement in the workplace.

The AOC measures progress toward this objective through seven KPIs and are described as follows:

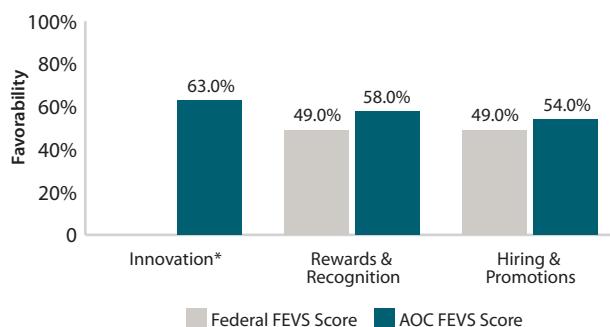
Favorability Ratings for Best Places to Work Dimension (IEW KPI 5)

This biennial KPI measures the AOC's favorability for the three FEVS questions used by the Partnership for Public Service (PPS) to compare federal agencies in PPS's "Best Places to Work in the Federal Government" ranking. This indicator measures increases or decreases in favorability with regards to how AOC employees answer the following FEVS questions:

- Do you recommend your organization as a good place to work?
- How satisfied are you with your job?
- How satisfied are you with your organization?

As shown in **Figure 43**, the AOC received a favorability rating of 73 percent for the Best Places to Work dimension, an increase of 3 percent from FY 2014 to FY 2016 and exceeding the government-wide average of 65 percent. While FY 2016 was the first participation year for the FEVS, these questions were included in the previous Organizational Assessment Survey, giving the agency a means for consistent measurement of this KPI across both surveys.

FIGURE 44: Favorability Ratings for FEVS Innovation, Rewards and Recognition, and Hiring and Promotions Dimensions



DEFINITION

Dimension scores are calculated from the average FEVS score of specific combined questions that comprise each dimension.

SOURCE
FY 2016 FEVS

TARGET
Exceed the previous survey results

*There were no comparable innovation data for the innovation dimension in the Federal FEVS.

Note: The Federal FEVS score is displayed for illustrative purposes only.

BASELINE ESTABLISHED —

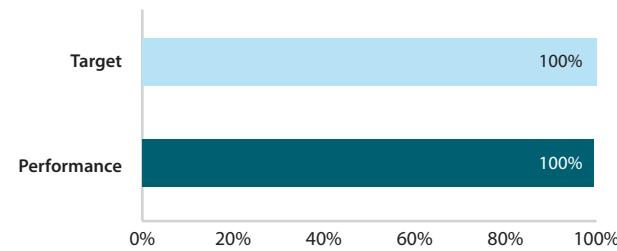
AOC Ranking in the Partnership for Public Service's Best Places to Work Survey (IEW KPI 6)

This biennial KPI measures the AOC's standing in PPS's "Best Places to Work in the Federal Government" ranking, which compares participating federal agencies using some FEVS data. For FY 2017 the AOC achieved 11th place in its category. Although the AOC's numbered ranking went down in FY 2016 as compared to FY 2014, the agency scored 3 percent higher from the previous 2014 survey in the questions from which its ranking is derived. The challenge in using the ranking to measure the AOC's performance is that there are external factors which contribute to the ranking, that are beyond the AOC's control. TARGET NOT MET

TABLE 16: FEVS Innovation, Rewards and Recognition, and Hiring and Promotions Dimensions

DIMENSION	DESCRIPTION	BASELINE RESULT
Innovation	Four questions focused on encouragement to do new and better methods, rewarded creativity, decision-making, and the removal of barriers	63%
Rewards and Recognition	Four questions focused on performance job performance, quality of results and recognition for a good job	58%
Hiring and Promotions	Three questions focused on job opportunity, merit based promotions and leadership opportunities	54%

FIGURE 45: Business Units with a Bureaucracy Reduction



DEFINITION

Total number of business units successfully implementing a bureaucracy reduction plan divided by the total number of business units

SOURCE
AOC Action Plans

TARGET
100%

TARGET MET

Favorability Ratings for FEVS Innovation, Rewards and Recognition and Hiring and Promotions Dimensions (IEW KPI 7, 8 and 9)

These indicators assess how employees rate AOC's improves processes, quality work rewards and opportunities within the agency. **Table 16** highlights the description for this dimensions. Each business unit is expected to streamline processes, improve decision-making and opportunities beginning in FY 2017.

See **Figure 44** for the AOC's survey results for the innovation, rewards and recognition and hiring and promotions dimensions as compared to the government wide scores for similar questions. While there were no comparable data for the innovation dimension to the other federal scores, rewards and recognition, and hiring and promotions exceeded other government wide scores by seven percent.



The AOC's skilled and dedicated workforce maintains the health and beauty of the National Garden. The National Garden celebrated its 10-year anniversary on October 1, 2016, an event marked by special tours and programs.

Business Units with a Bureaucracy Reduction (IEW KPI 10)

This FY 2017 KPI measures how jurisdictions within the AOC have supported reducing bureaucracy and promoting innovation. As shown in Figure 45, the AOC met this target by having 100 percent of business units incorporate into each their action plans activities enabling decision making in support of service delivery at the lowest practical levels and/or streamlining processes to simplify and expedite service delivery. Examples include the U.S. Botanic Garden's streamlining of the exhibit planning and design process,

the Capitol Building jurisdiction's streamlining of the small purchase process for supplies and materials, and Library Buildings and Grounds jurisdiction's improvements to the door modification and water works plans creation and approval process.

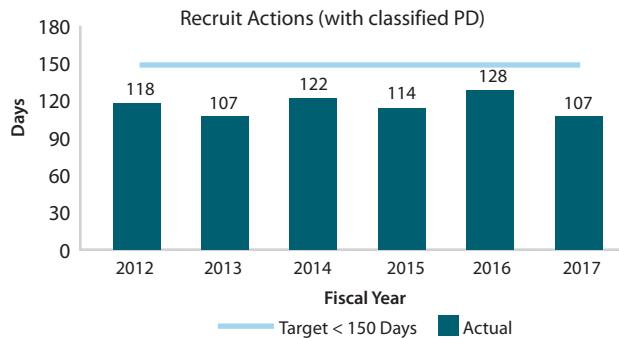
Adherence to Hiring Cycle Time (IEW KPI 11)

This annual KPI measures the amount of time it takes the agency to hire a new employee. The AOC's Human Capital Management Division (HCMD) continued its efforts to reduce the time it takes to hire an employee through greater collaboration efforts with jurisdiction hiring managers while reducing redundant processing and communications gaps. As shown in **Figure 46**, the AOC exceeded its target for the sixth consecutive year for recruit actions and direct hires, a similar trend for direct hires. This indicator is important because it helps the AOC to focus on hiring the right candidates with a quicker response time, thereby allowing the agency to improve overall performance on all initiatives.

Strategic Objective 3.0: Provide for the security and safety of every AOC employee

The purpose of this strategic objective is to provide for the security and safety of every AOC employee. All employees will continue to be trained — and consider themselves prepared for — any potential emergency that may arise. Furthermore, the agency seeks to achieve annual injury and illness rates that are both less than the previous year and less than the average of the previous five years. The agency will improve or maintain the AOC-wide scores in the safety and security dimensions of the FEVS survey. Furthermore,

FIGURE 46: Adherence to Hiring Cycle Time



DEFINITION

Total number of days from request to fill a vacancy to the date the employee is on board, divided by the total number of positions filled

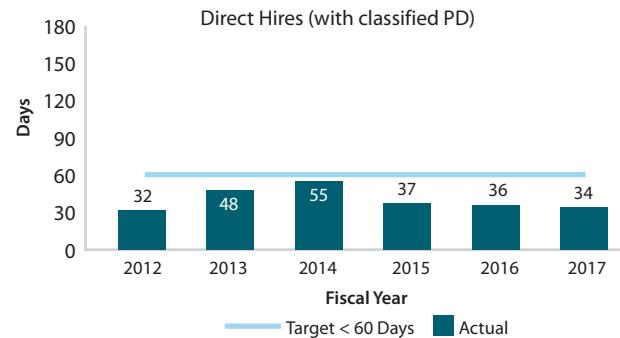
SOURCE

HCMD, Employment and Classification Branch statistics

TARGET

< 150 Days

TARGET MET



DEFINITION

Total number of days from request to fill a vacancy to the date the employee is on board, divided by the total number of positions filled

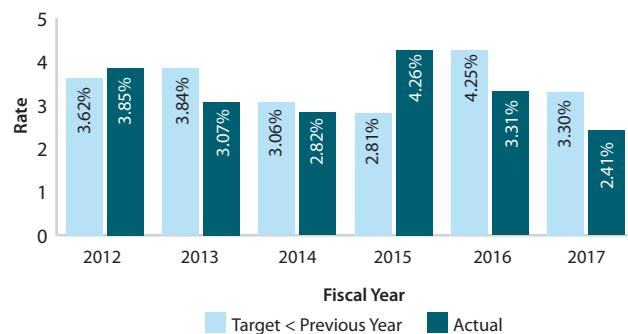
SOURCE

HCMD, Employment and Classification Branch statistics

TARGET

< 60 Days

TARGET MET

FIGURE 47: Injuries and Illnesses Rate**DEFINITION**

Number of injury claims sent to Department of Labor (DOL) in the fiscal year, divided by the average number of employees

SOURCE

Number of injuries sent to DOL: HCMD, Employee Relations Branch, National Finance Center bi-monthly information data file via ODS for the number of employees

TARGET

Less than the previous year's rate

TARGET MET

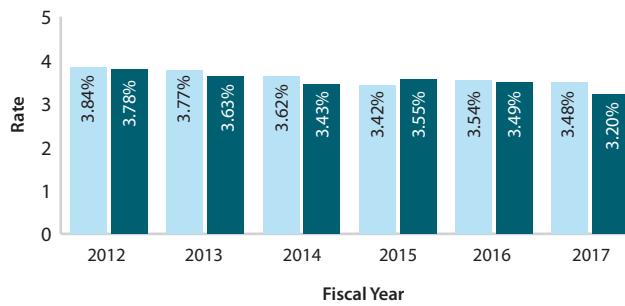
the AOC seeks to reduce the number of findings as a result of external inspections. The agency is also committed to developing and delivering training and communications to improve the awareness, preparedness, and performance of safety and security programs. The AOC will routinely self-identify and self-correct risks to ensure a safe and environmentally compliant work environment.

Analysis of FY 2017 Results

In support of the elevation of safety as an AOC core value, a comprehensive effort was launched in 2017 to address behavior-based safety training as a means of empowering the workforce to improve conditions affecting safety. The strategy is to encourage employees to observe and report safety issues and to coach their peers when unsafe behaviors or situations are observed. The outcome of this and other objective 3.0 strategies is the continuous improvement of the AOC employee behaviors and the work environment, thereby ensuring employee safety on the job and improved preparedness for emergencies. The AOC measures progress toward this objective through eight KPIs described as follows:

Injuries and Illnesses Rates (IEW KPI 12)

This annual KPI measures the rate of injuries and illnesses (I&I) across the AOC for the current fiscal year versus the previous year. The target is to incur a lower rate of injuries and illness for the current year versus the prior year. **Figure 47** identifies the FY 2017 target as 3.30 percent, and the AOC successfully achieved a lower rate of 2.41 percent. The

FIGURE 48: Injuries and Illnesses Rate (Rolling Five-Year Average)**DEFINITION**

Five-year average of the number of injury claims sent to DOL in the fiscal year, divided by the average number of employees

SOURCE

Number of injuries sent to DOL: HCMD, Employee Relations Branch, National Finance Center bi-monthly information data file via ODS for the number of employees

TARGET

Less than the average of the previous 5 years' rate

TARGET MET

FY 2017 result builds upon the success seen in FY 2016, and continued improvement to training and education. The AOC also identified where safety standards for construction are needed.

Injuries and Illnesses Rates (Rolling Five-Year Average) (IEW KPI 13)

This new annual KPI measures the rate of injuries and illnesses across the AOC for the average rate of the previous five years. The AOC introduced this indicator to provide insights to the longer term trends that account for positive and negative outlier years and to hold the agency accountable for a cumulative reduction in injuries and illnesses. As shown in **Figure 48**, the target for FY 2017 was 3.48 percent and the AOC achieved a lower five-year rolling average of 3.20* percent. This was due to a gradual decrease to the trend of injuries and illnesses across the agency since 2015, and underscores efforts to ensure safety is at the forefront of AOC strategy and operations.

Favorability Ratings for FEVS Safety and Security Dimensions (IEW KPI 14 and 15)

These dimensions, described in **Table 17**, measure how employees rate the AOC workplace safety and security, based upon nine additional questions AOC asked in the FEVS. The importance of these indicators is to provide feedback to AOC management on employee perception about workplace safety, preparedness and areas on which management should focus to improve the workplace for all employees.



A high-voltage electrician follows precise procedures and wears a fireproof suit while performing routine preventative maintenance on a 15,000 volt circuit. Safety training and procedures are essential to the maintenance of industrial equipment and systems at the AOC.

See **Figure 49** for the AOC's survey results for the safety and security dimensions. As the 2016 survey results represent the baseline data for these KPIs, the performance results are not compared to a target. The AOC has focused attention to through the introduction of SOAR training, safety stand-downs and the introduction of safety minutes at the beginning of leadership meetings. Because the AOC added specific questions to the FEVS, there is no government wide comparison to the data. The agency plans to compare FY 2018 FEVS results against the 2016 survey results, a measure success by scoring higher in this and other FEVS dimensions.

Employees Trained in Safety Observation and Reflection (IEW KPI 16)

This new FY 2017 KPI measures the number of employees who have received Safety Observation and Reflection (SOAR) training for the current year. SOAR training addresses behavioral aspects of individual safety performance. The previous SOAR 1.0 training focused on roles and responsibilities for managers, supervisors and employees to observe safe work practices and to intercede when at-risk behaviors manifest. The recently developed SOAR 2.0 builds upon the observation, engagement and interactions between employees, while also instructing and educating supervisors to incorporate safety into their

daily routines through planning, job safety analysis, risk assessment, hazard communications and standard operating procedures. As shown in **Figure 50**, the target for FY 2017 was to have all AOC employees trained by the end of FY 2017 and have the AOC achieve its target percent. The AOC's success was due to this training becoming mandatory; it was delivered to new employees at orientation, scheduled in blocks for business units, and offered one-one-one make-up sessions to ensure everyone received instruction. TARGET MET 

Business Units that have Reviewed Emergency Procedures within the Fiscal Year (IEW KPI 17)

This new annual KPI measures the number of business units that have completed the review of emergency procedures with all employees for the current fiscal year. As shown in **Figure 51**, the target for FY 2017 as measured through action plan completion was 100 percent and the AOC achieved 100 percent. TARGET MET 

Business Units that Conducted Emergency Exercises within the Fiscal Year (IEW KPI 18)

This new annual KPI measures the number of business units that have conducted required emergency exercises during the current fiscal year. As shown in **Figure 52**, the target for

TABLE 17: FEVS Safety and Security Dimensions

DIMENSION	DESCRIPTION	BASELINE RESULT
Safety	Six questions focused on work conditions, health/safety job hazards, safety enforcement, reporting, tools and preparedness	81%
Security	Three questions focused on security threat preparedness, workplace emergency procedures and workplace violence	87%

FIGURE 49: Favorability Ratings for FEVS Safety and Security Dimensions



DEFINITION

Dimension scores are calculated from the average FEVS score of specific combined questions that comprise each dimension.

SOURCE

FY 2016 FEVS

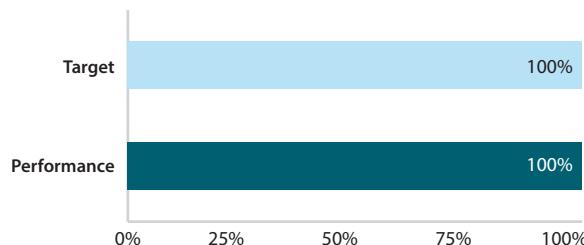
TARGET

Exceed the previous survey results

* There was no comparable data for the safety and security dimensions in the Federal FEVS.

BASELINE ESTABLISHED

FIGURE 51: Business Units that have Reviewed Emergency Procedures within the Fiscal Year



DEFINITION

Percentage of business units that review emergency procedures at least once a year

SOURCE

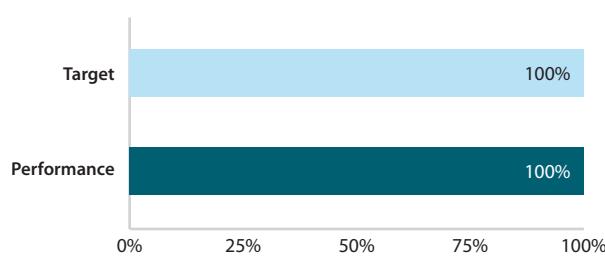
AOC Action Plans

TARGET

100% of business units review emergency procedures at least once a year

TARGET MET

FIGURE 50: Employees Trained in Safety Observation and Reflection Training



DEFINITION

Percentage of employees who attend SOAR training per year

SOURCE

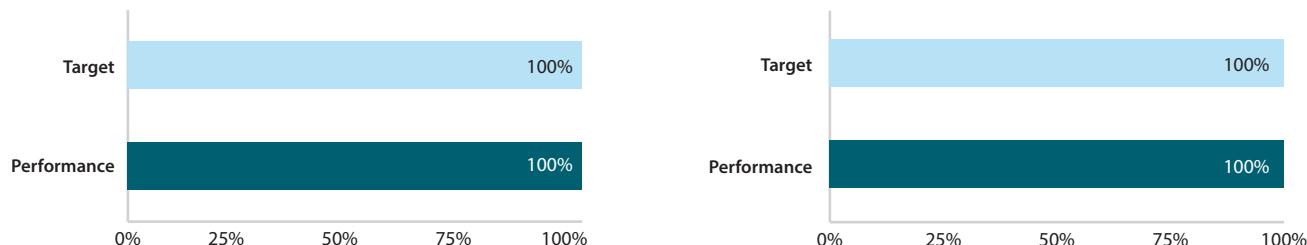
AOC Action Plans

TARGET

100% of employees attend training per year

TARGET MET

FIGURE 52: Business Units that Conducted Emergency Exercises within the Fiscal Year



DEFINITION

Percentage of jurisdictions that conduct at least two emergency exercises per year

SOURCE

AOC Action Plans

TARGET

100% of jurisdictions conduct emergency exercises at least twice a year

TARGET MET

CAPITOL HIGHLIGHTS

Federal Employee Viewpoint Survey Results Received

In the executive branch of the federal government, the Office of Personnel Management (OPM) conducts the annual Federal Employee Viewpoint Survey (FEVS). This survey measures employees' perceptions of whether, and to what extent, conditions characterizing successful organizations are present in each agency.

As a legislative branch agency, the AOC is not required to participate in this process. However, in FY 2016, the AOC chose to conduct the same type of employee survey in order to benchmark the agency against the rest of the federal government and share the results for publication in the Partnership for Public Service's *The Best Places to Work in the Federal Government*. The Partnership for Public Service, an independent non-profit organization, uses the data from three FEVS questions, together with a proprietary weighting formula, to rank the best places to work in the federal government.

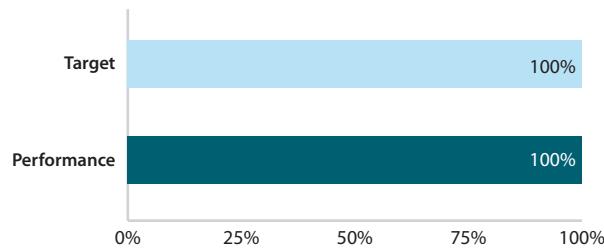
In 2016, the AOC ranked 11th out of 27 mid-size federal agencies, with an overall employee satisfaction score of 71.2* out of 100. This score was 2.8 points higher than the mid-sized agency median of 68.4* and 11.8 points greater than the government-wide score of 59.4. While the AOC's ranking slipped from eighth in 2014, its overall 2016 score exceeded its previous score (67.8) by 3.4 points. The AOC's executive leadership is dedicated to developing solutions as part of an ongoing effort to sustain the AOC as one of the best places to work and it is committed to participating in the FEVS survey on a biennial basis. Further, the AOC pledged to facilitate change by incorporating internally developed FEVS dimensions as key performance indicators in the AOC's strategic plan for FY 2017–FY 2021.

For more information, see: www.bestplacetowork.org/BPTW.

* The overall employee satisfaction scores reported by the Partnership for Public Service (71.2 and 68.4 for 2016 and 2014, respectively) differ slightly from an AOC key performance indicator (IEW KPI 5), Favorability Ratings for Best Places to Work Dimension due to a difference in the weighting of employee responses.



FIGURE 53: Jurisdictions that Completed All Routine Internal Inspections On Time



DEFINITION

Percentage of jurisdictions that complete routine inspections on time

SOURCE

AOC Action Plans

TARGET

100% of offices conduct emergency exercises annually

TARGET MET

FY 2017 was to schedule and coordinate their inspection schedule for implementation in FY18, where jurisdictions will conduct two exercises and for non-jurisdictional business units to conduct one exercise, annually.

Jurisdictions that Completed All Routine Internal Inspections On Time (IEW KPI 19)

This new annual KPI measures the number of jurisdictions that completed all routine internal inspections on time during the fiscal year. Adherence to routine internal inspections can prevent external safety inspection findings and result in quicker mitigation of safety issues before they result in injury. As shown in Figure 53, the target for FY 2017 was for all business units to develop schedules for internal safety and environmental self-inspections as appropriate, and the AOC achieved 100 percent. Each business unit developed schedules for internal safety and environmental inspections, as applicable to the particular unit. The AOC will measure each business units' performance against these established schedules beginning in FY 2018.

Future Strategy

The AOC will incorporate strategies into jurisdiction-level action plans to institutionalize culture change initiatives resulting from enterprise survey assessments. Data from the Peer Survey will be analyzed, baselined and similarly incorporated into the action planning process. The next FEVS deployment in FY 2018 will be used to assess and quantify how well the AOC is performing against its previous baseline scores. Identifying high performing dimensions and areas that require attention will continuously strengthen the employee environment.

Strategic Goal

Operate as One Team, Dedicated to One Mission (OTOM)

United in Excellence

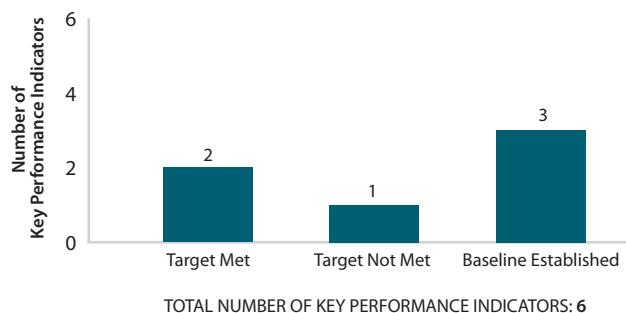
We must recognize and value that what may appear to be competing priorities for different AOC functions are ultimately in service to our united mission, vision and values.

The purpose of this goal is to promote collaboration within and among the agency's jurisdictions and administrative offices to create a more efficient and effective organization. Achieving this goal will improve work processes by increasing cross-jurisdictional collaboration, reducing redundancies through intra-agency cooperation and focusing the organization on AOC-wide improvements and projects.

The goal's two strategic objectives express how the agency will operate as one team, dedicated to one mission. The objectives guide the AOC to improve processes by learning from colleagues and external partners, fostering collaboration within and outside of the organization, and implementing projects with the greatest agency impact. The ability to leverage technology for better learning and sharing through the use of cross-jurisdictional teams led to many successful events and projects in FY 2017. Operating as one team dedicated to one mission can be challenging for an agency which serves two distinct branches of government and is funded under 11 separate appropriations. However, while the appropriation structure complicates resource sharing, the AOC uses collaboration and knowledge sharing to overcome these challenges.

In accordance with the AOC's strategic plan, the organization monitored six key performance indicators (KPIs) for this strategic goal. **Figure 54** summarizes the results achieved in FY 2017.

FIGURE 54: Key Performance Indicator Results Achieved for for Operate as One Team, Dedicated to One Mission



OTOM STRATEGIC OBJECTIVES

- OTOM 1.0** Support the success of others by prioritizing the AOC's mission, values, vision and goals ahead of the interests of any individual, work group or business unit
- OTOM 2.0** Strategically plan, allocate and manage resources AOC-wide

Strategic Objective 1.0: Support the success of others by prioritizing the AOC's mission, values, vision and goals ahead of the interests of any individual, work group or business unit

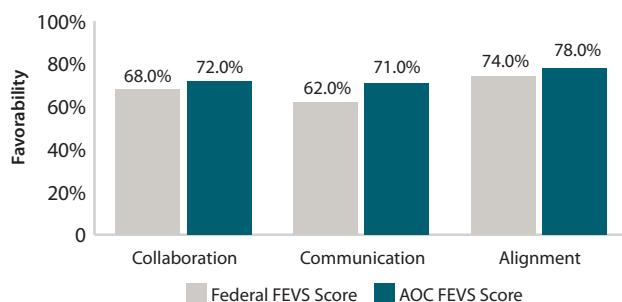
The purpose of this strategic objective is to continuously improve employee experiences when engaged in cross-functional projects and activities that require a high level of collaboration, communication and alignment to a shared purpose across the organization. Action plans for each business unit must include an annual plan for partnering with other business units. Furthermore, these same action plans must also provide cross-organizational opportunities for employee collaboration across business units. The AOC seeks to continuously improve employee experiences through improved collaboration, communication and alignment to a shared purpose across the agency. The AOC supports the success of others by prioritizing the agency's mission, values, vision and goals ahead of the interests of any individual, work group or business unit.

Analysis of FY 2017 Results

By focusing on continuously improving employee experiences in collaborating, communicating and aligning efforts to shared purposes, the AOC will become a stronger and better integrated organization. Each business unit will work to strengthen collaboration, and alignment to shared purpose, with partners both within and across other business units by improving communication, improving business processes, and by clarifying roles and responsibilities. The AOC measures progress toward this objective through six key performance indicators, the first three of which are based on dimensions measured in the Office of Personnel Management's Federal Employee Viewpoint Survey (FEVS). These measures are described as follows:

Favorability Ratings for FEVS Collaboration, Communication and Alignment Dimensions (OTOM KPI 1, 2 and 3)

These dimensions measure how employees assess AOC partnerships, information dissemination and mission

FIGURE 55: Favorability Ratings for FEVS Collaboration, Communication and Alignment Dimensions**DEFINITION**

Dimension scores are calculated from the average FEVS score of specific combined questions that comprise each dimension.

SOURCE

FY 2016 FEVS

TARGET

Exceed the previous survey results

Note: The Federal FEVS score is displayed for illustrative purposes only.

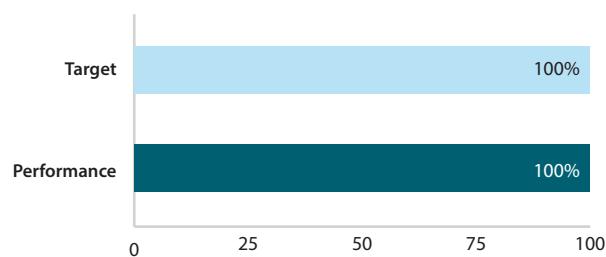
BASELINE ESTABLISHED —

alignment principles. Eleven FEVS questions grouped into three dimensions (collaboration, communication and alignment) are described in **Table 18**.

The survey results collected represent the baseline data for these KPIs, however, to understand AOC's standing amongst its peers, performance results were compared to OPM's government wide comparison of 407,789 respondents of the same questions comprising each dimension. The AOC outperformed the federal government by an average of over 5.6 percent for these OTOM Objective 1.0 dimensions and outscored the government average of 62 percent by nine percent or 71 percent. See **Figure 55** for the AOC's comparison of the collaboration, communication and alignment dimensions to government respondents.

Business Units with Successfully Implemented Partnering Plans (OTOM KPI 4)

This new annual KPI provides the AOC with information on how many business units implemented partnering plans. Employee collaboration, communication and alignment to a shared purpose across the organization can help overcome constraints stemming from 11 different appropriations. As

FIGURE 56: Business Units with Successfully Implemented Partnering Plans**DEFINITION**

Percentage of business units that successfully implemented partnering plans

SOURCE

AOC Action Plans

TARGET

100% of Business Units

TARGET MET ✓

shown in **Figure 56**, the target for FY 2017 was 100 percent, and the AOC met its target for 100 percent of business units to successfully implement partnering plans. The agency was able to accomplish this goal by incorporating partnering plans into each business units' action plans. Examples of successfully implemented partnering plans include the partnership between the Capitol Grounds Jurisdiction and the Capitol Visitors Center Jurisdiction to jointly provide enhanced tours of the Capitol Grounds and associated heritage assets, the House Office Buildings Jurisdiction's collaborative efforts in identifying and fulfilling requirements to transition custody of the O'Neill House Office Building to the AOC, and the Capitol Power Plant Jurisdiction's partnership with multiple jurisdictions to improve utility system project coordination and reliability.

Employees Placed in Cross-Organization Opportunities (OTOM KPI 5)

This new annual KPI measures how many employees are placed in cross-organization opportunities across business units. These opportunities can range from official details, to participation in the Architect's Mobility Program or

TABLE 18: FEVS Collaboration, Communication and Alignment Dimensions

DIMENSION	DESCRIPTION	BASELINE RESULT
Collaboration	Three questions focused on internal/external cooperation and knowledge sharing	72%
Communication	Four questions focused on dialog, listening and information dissemination	71%
Alignment	Four questions focused on work related to agency mission, goals and priorities	78%

communities of practice for employees in similar trades. The result of this strategy should be an increase in understanding of operational differences and how these differences are overcome, across business units. The target for this indicator is greater than or equal to 2 percent of all employees within a business unit. Because of the variance of results reported, the overall performance could not be quantified. The AOC is revisiting its criteria and incorporating it into future processes. TARGET MET 

Cross-Organization Opportunities for Employees (OTOM KPI 6)

This new annual KPI measures how many opportunities exist across business units for cross-organization collaboration. This indicator focuses on the ability of business units to provide collaboration opportunities to other AOC employees. The target for this indicator is greater than or equal to 2 percent of all employees within a business unit. Because of the variance of results reported, the overall performance could not be quantified. The AOC is revisiting its criteria and incorporating it into future processes. TARGET NOT MET 

STRATEGIC OBJECTIVE 2.0: Strategically plan, allocate and manage resources AOC-wide

The purpose of this strategic objective is to ensure that resource planning, allocation and management capabilities are fully deployed in a systematic manner by the end of FY 2021. This objective seeks to determine the AOC's current and estimated future resource requirements; consider strategic approaches to resource planning, allocation and management; and to fully implement solutions. Analysis by the AOC will require the preparation of current and estimated future resource requirements, as well as conducting research into benchmarking and best practices to develop a comprehensive approach for routinely estimating resource requirements, allocating and managing resources across the agency.

Analysis of FY 2017 Results

The AOC is not measuring progress toward this objective in FY 2017 because the agency is in the process of researching and developing best practices and benchmarking criteria. Once standards are developed and approved in FY 2018, baseline measures will be chosen and assessed in subsequent years. Even though the agency did not measure progress toward this objective, the Records Management and Archives Branch accomplished notable achievements demonstrating a dedication to developing best practices. The office led the effort to configure the SharePoint records management functionality for AOC deployment. The AOC jurisdictions that collaborated with the Branch to incorporate SharePoint records management

Did You Know?

In collaboration with the Committee on House Administration, the AOC's House Office Buildings jurisdiction fabricated and installed large, framed prints for the display of the commemorative quarters of all 50 states, the District of Columbia and the U.S. territories in the pedestrian and subway tunnel system connecting the Rayburn House Office Building to the U.S. Capitol Building.

tools benefited from efficient electronic document management and compliance with records retention requirements. The Branch further expanded its stewardship and preservation of electronic records by starting the accessioning of datasets for closed projects, such as the Capitol Dome Renovation project. The Branch also accomplished the significant undertaking of transferring drawings, textual records and the dataset from the O'Neill House Office Building transition project.

Future Strategy

In FY 2018, the agency will make progress on its goal to *Operate as One Team, Dedicated to One Mission* by maintaining focus on initiatives that are measured by the indicators under objective 1.0, as well as introducing several initiatives measured by indicators under objective 2.0. Jurisdiction action plan initiatives that support these combined KPIs were planned and prepared at the end of FY 2017 to support progress in FY 2018. These strategic initiatives, both across the AOC and within each jurisdiction, will help the AOC to achieve its planned outcomes.

Beginning in FY 2018, the AOC will also start to measure performance against objective 2.0, which will focus the agency on strategically planning, allocating and managing resources AOC-wide. The purpose of this objective is to determine the AOC's current and estimated future resource requirements, provide a careful approach to resource planning, allocation and management, and fully implement solutions based upon analysis and planning. The AOC will measure progress toward this objective through the long-term adoption of resource estimation methods in budget preparation across all business units and through the use of KPIs that relate to resource management. The target year to fully accomplish objective 2.0 is FY 2021. During the five-year period of performance for the strategic plan, this objective will measure incremental milestones to gauge the AOC's progress on achieving this goal.

Operate as One Team, Dedicated to One Mission

The AOC will foster a culture of learning, sharing, cooperation and teamwork that improves efficiency and effectiveness throughout the organization.

1



2



3



4



6



5





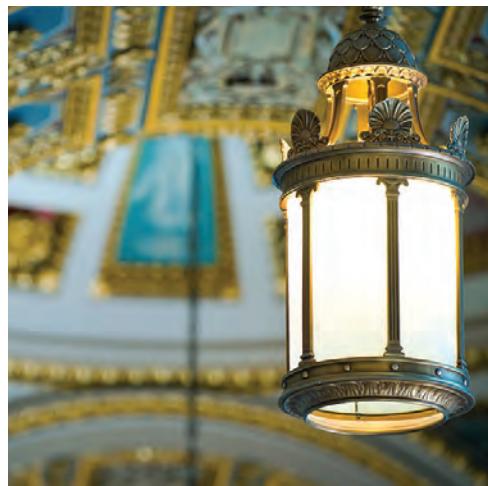
7



8



9



10



11

11

The employees of the AOC are an exceptional team, acclaimed for superior service, recognized as trusted stewards and renowned for enriching people's lives. The employees shown above exemplify the AOC's mission to serve, preserve and inspire. Please refer to Appendix L for a brief description of their contributions.

1. MELAKU BANTEAMLAK

2. LEE COYKENDALL

3. KATIE SEROCK

4. WILLIAM S. WOOD, JR.

5. KELLIE WOODY

6. JENNIFER BLANCATO

7. ELIZABETH YODER

8. JOE ABRITIS

9. ANGELA DAVIS

10. BRIAN KOHLER

11. FRANCIE ALTERMATT

12. ANDREW TREMEL



As part of the exterior stone preservation at the U.S. Capitol Building, stone ornaments that were too damaged by exposure to the elements have been removed and those items are being recreated. The pieces are replicated off-site by an automated carving machine and hand-finished by stone carvers.



SECTION III

Financial Information

Introducing the Principal Financial Statements

The Principal Financial Statements (Statements) have been prepared to report the financial position and results of operations of the Architect of the Capitol (AOC). The Statements have been prepared from the books and records of the AOC in accordance with formats prescribed by the Office of Management and Budget (OMB) in OMB Circular A-136, *Financial Reporting Requirements*, revised. The Statements are in addition to financial reports prepared by the AOC in accordance with OMB and U.S. Department of the Treasury (Treasury) directives to monitor and control the status and use of budgetary resources, which are prepared from the same books and records. The Statements should be read with the understanding that they are for a component of the U.S. Government, a sovereign entity. The AOC has no authority to pay liabilities not covered by budgetary resources. Liquidation of such liabilities requires enactment of an appropriation.

Balance Sheet

Provides comparative information on the AOC's assets, liabilities and Net Position (Unexpended Appropriations and Cumulative Results of Operations). Net Position represents the Net Investment of the U.S. government in the AOC's assets less liabilities.

Statement of Net Costs

Provides the comparative gross costs incurred by responsibility segment (AOC jurisdiction), net of any exchange or earned revenue from activities. Exchange revenue includes income from steam and chilled water provided to governmental or private entities, gift shop sales, recycling and others. The net cost of operations is prepared on the proprietary basis of accounting and, unlike budgetary accounting, includes costs of services provided by other entities, accruals, and non-cash expenses such as depreciation and amortization.

Statement of Changes in Net Position

Provides, on a comparative basis, the beginning Net Position, the transactions that affected Net Position during the period, and the ending Net Position.

Statement of Budgetary Resources

Presents comparative information on the budgetary basis of accounting, including how budgetary resources were made available and their status at the end of the year.

Message from the Chief Financial Officer



Thomas J. Carroll, CFM
Chief Financial Officer

On behalf of the Architect of the Capitol (AOC), I am honored to join Stephen T. Ayers, FAIA, CCM, LEED AP, in presenting the agency's Performance and Accountability Report (PAR) and financial statements for Fiscal Year (FY) 2017. The PAR is the foundation of our efforts to transparently communicate essential financial and stewardship information to Congress and the American public. To be effective stewards, we must provide transparent financial reports that demonstrate how the AOC manages the public funds entrusted to us.

Annual Financial Audit

I am pleased to share with you that the AOC achieved an unmodified or "clean" opinion on our financial statements for FY 2017, with no material weaknesses and one significant deficiency. This year's audit marked the 13th consecutive year in which we received a clean audit opinion. A clean opinion confirms that our financial statements are presented fairly, in all material respects, and are in conformity with generally accepted accounting principles. I am also pleased to report that, for the sixth consecutive year, the Association of Government Accountants awarded the AOC with their Certificate of *Excellence in Accountability Reporting* (CEAR), plus a *Certificate of Excellence in Citizen-Centric Reporting*. These awards recognized our commitment to financial reporting excellence in our FY 2016 PAR and Citizen-Centric Report.

While we are pleased with our audit results, the AOC remains committed to improving our internal control environment. The AOC concurs with the significant

deficiency identified in the FY 2017 audit, and we are committed to implementing corrective action plans as quickly as possible in FY 2018. The significant deficiency related to incomplete reviews of third-party service provider Service Organization Controls (SOC 1) reports. To address this finding, we have already assigned responsibilities for the review of SOC 1 reports and we will be developing corrective action plans to review key control activities performed by our service providers and implement complimentary user entity controls, as necessary.

During FY 2017, the AOC worked diligently to resolve the prior year material weakness related to the capitalization of project construction costs and non-conformance related to contract holdback amounts. The AOC successfully remediated the material weakness by standardizing the process for identifying capitalized costs and providing checklists for project managers and accounting staff to better monitor construction costs. We remediated the significant deficiency by creating a report that allows us to track and reconcile our contract retainage amounts quarterly. Our goal is to provide the procedures, technology and leadership to maximize our staff's potential and create a more agile, proactive organization.

Our Achievements

I am proud to report that FY 2017 was a landmark year for our agency. Notable achievements included the successful transition from phase zero to phase one of the Cannon House Office Building Renewal. This project, scheduled for completion over 10 years at a budget of \$752.7 million, is the largest construction project in the AOC's history. It demonstrates our agency's dedication to modernizing our buildings while preserving their historic architectural character.

In June 2017, Congress transferred responsibility for the O'Neill House Office Building from the General Services Administration to our agency. As a result, the AOC is responsible for the custody and management of the O'Neill House Office Building, which is occupied by the staff of various House committees, the Clerk of the House, legislative support organizations, and the U.S. Department of Health and Human Services. In addition to expanding our facility management duties, this transfer increases our administrative responsibilities, such as the authority to enter into leases with departments and agencies of the federal government.

We are proud that we are improving the technology used to ensure relevant, reliable and timely financial information. In July 2017, we upgraded our core financial management

system (Momentum[®]) and inventory system (Maximo[®]), both hosted through the shared service Legislative Branch Financial Management System (LBFMS). These upgrades will allow the LBFMS to better support the legislative branch offices partnering within the shared environment. These were necessary, long-needed updates. Although the upgrade process did not go as well as projected, resulting in some short-term disruptions to payment processes, our AOC staff and partners in the Library of Congress responded extraordinarily well by identifying needed software patches and implementing manual workarounds when necessary. The organization learned many lessons from the process to apply in future system upgrades. In addition, this year, we set the stage for next year's deployment of a Project Cost Accounting System module within Momentum[®], which will provide more detailed construction spending information.

Other efforts helped the AOC to strengthen the efficiency and effectiveness of our financial management operations. These included:

- **Supporting enterprise risk management and internal control:** We filled our vacant internal control manager position and expanded its duties to include enterprise risk management. In coordination with our Executive Leadership Team and the Office of Inspector General, we conducted an agency-wide risk assessment. The OIG recognized these efforts and encouraged the AOC to further strengthen our internal control structure.
- **Improving payment timeliness and accuracy:** Accounts payable processing was improved through the expanded use of Treasury's Invoice Processing Platform (IPP) by our customers and improved system functionality. At year-end, despite a two-week shutdown to implement the system upgrade and the manual workarounds needed in the immediate aftermath, the AOC still achieved a monthly on-time payment rate of 98.5 percent.
- **Achieving efficiencies via shared services:** This marked the first full fiscal year that the AOC operated under the shared service system hosted by the Library of Congress. The AOC helped support the implementation of IPP and Maximo[®] in the LBFMS to benefit the other participating offices.
- **Improving budget formulation:** We completed the FY 2018 budget formulation through a deliberative planning process to prioritize the AOC's aging infrastructure needs.
- **Increasing use of technology:** We improved business processes and customer service by expanding the use of technology for routine transactions, including working

with the U.S. Capitol Police to enable the electronic collection and transfer of Union Square permit fees.

Looking Forward

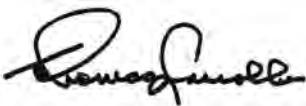
The AOC's most critical financial challenge continues to be funding the backlog of deferred maintenance and capital renewal needs for the aging Capitol campus. Sustained funding is required to slow our facilities' deterioration, keep our buildings in sound operational condition, and ensure their continued safety and security. By September 30, 2017, the AOC's backlog reached \$1.376 billion. As the damage resulting from insufficient maintenance to buildings and systems is far more expensive to repair than the initial required maintenance, it is imperative that the AOC address the funding issues to resolve the backlog in a strategic, cost-effective fashion.

Savings from cost efficiencies will not be enough to meet the forecasted demand for higher maintenance, nor for unavoidable increases in operating costs. When these increases are considered, flat budgets equate to a reduction of funds available for agency programs and projects. As a result, to meet our critical needs in FY 2018, we requested a budget of \$782.96 million, a 26.7 percent increase from the prior year. In addition, we concur with the OIG on the need for improved construction data. This will permit us to better monitor costs, mitigate risk and report our performance results.

Conclusion

The AOC remains dedicated to fiscal discipline and providing transparent financial reporting. This year, we improved the efficiency and effectiveness of our agency's financial operations, risk management, and financial systems. The annual financial statement audit is a key element of our commitment to strong financial management, and I would like to thank our partners, the Office of Inspector General and Kearney & Company, for their professionalism. I would also like to thank the AOC's outstanding professionals who diligently support the audit and perform their important work year-round — serving the agency and our stakeholders as a trusted business partner. We are proud of our achievements and appreciate your continued interest in our efforts.

Sincerely,



Thomas J. Carroll, CFM
Chief Financial Officer
November 15, 2017

Inspector General Transmittal



Office of Inspector General
Fairchild Bldg.
499 S. Capitol St., SW, Suite 518
Washington, D.C. 20515
202.593.1948
www.aoc.gov

United States Government

MEMORANDUM

DATE: November 16, 2017

TO: Stephen T. Ayers, FAIA, LEED AP, Architect of the Capitol

FROM: Christopher P. Failla
Inspector General

SUBJECT: Audit of Fiscal Year 2017 Financial Statements Reports, 2018-00040-AUD-R

We contracted with the independent certified public accounting firm of Kearney & Company (Kearney), P.C. to audit the financial statements of the Architect of the Capitol (AOC) as of and for the year ending September 30, 2017. The contract required that the audit be conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States.

Kearney's opinion on the financial statements is unmodified. I commend the AOC for continuing to maintain this significant accomplishment.

In connection with the audit, we reviewed Kearney's reports and related documentation and met with its representatives. The review was not intended to enable us to express, and we do not express, an opinion on the conclusions expressed therein. Kearney is responsible for the opinion in the attached reports and the conclusions in the related reports on internal control and compliance with laws and regulations. Our review disclosed no instances where Kearney did not comply, in all material respects, with generally accepted Government Auditing Standards.

If you have any questions or wish to discuss this report, please contact Ashton Coleman, Jr., at 202.593.0261 or Ashton.Coleman@aoc.gov.

Distribution List:

Christine A. Mardon, P.E., CCM, Chief Operating Officer
Thomas J. Carroll, Chief Financial Officer
Amy Johnson, Chief Administrative Officer
Shalley Kim, Executive Officer
Brian Kohler, Management and Program Analyst
File OIG -2018-0004-AUD-R

Independent Auditor's Report



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INDEPENDENT AUDITOR'S REPORT

To the Architect of the Capitol and Inspector General of the Architect of the Capitol

Report on the Financial Statements

We have audited the accompanying financial statements of the Architect of the Capitol (AOC), which comprise the balance sheets as of September 30, 2017 and 2016, the related statements of net cost and changes in net position, and the combined statements of budgetary resources (hereinafter referred to as the "financial statements") for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 17-03, *Audit Requirements for Federal Financial Statements*. Those standards and OMB Bulletin No. 17-03 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Independent Auditor's Report *(continued)*



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the AOC as of September 30, 2017 and 2016 and its net cost of operations, changes in net position, and budgetary resources for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and Required Supplementary Information (hereinafter referred to as the "required supplementary information") be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by OMB and the Federal Accounting Standards Advisory Board (FASAB), who consider it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing it for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The Schedule of Spending and other information in Section IV are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements; accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards* and OMB Bulletin No. 17-03, we have also issued reports, dated November 10, 2017, on our consideration of the AOC's internal control over financial reporting and on our tests of the AOC's compliance with provisions of applicable laws, regulations, contracts, and grant agreements, as well as other matters for the year ended September 30, 2017. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to

Independent Auditor's Report *(continued)*

provide an opinion on internal control over financial reporting, compliance, and other matters. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and OMB Bulletin No. 17-03 and should be considered in assessing the results of our audit.

A handwritten signature in blue ink that reads "Kearney & Company".

Alexandria, Virginia
November 10, 2017

Independent Auditor's Report on Internal Control Over Financial Reporting



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To the Architect of the Capitol and Inspector General of the Architect of the Capitol

We have audited the financial statements of the Architect of the Capitol (AOC) as of and for the year ended September 30, 2017, and we have issued our report thereon dated November 10, 2017. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 17-03, *Audit Requirements for Federal Financial Statements*.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the AOC's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the AOC's internal control. Accordingly, we do not express an opinion on the effectiveness of the AOC's internal control. We limited our internal control testing to those controls necessary to achieve the objectives described in OMB Bulletin No. 17-03. We did not test all internal controls relevant to operating objectives as broadly defined by the Federal Managers' Financial Integrity Act of 1982 (FMFIA), such as those controls relevant to ensuring efficient operations.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies; therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses that we consider to be a significant deficiency.

Independent Auditor's Report on Internal Control Over Financial Reporting *(continued)*

We noted certain additional matters involving internal control over financial reporting that we will report to AOC's management in a separate letter.

The AOC's Response to Findings

The AOC's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Responses. The AOC's response was not subjected to the auditing procedures applied in our audit of the financial statements; accordingly, we do not express an opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing, and not to provide an opinion on the effectiveness of the AOC's internal control. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and OMB Bulletin No. 17-03 in considering the entity's internal control. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Kearney & Company".

Alexandria, Virginia
November 10, 2017

Independent Auditor's Report on Internal Control Over Financial Reporting *(continued)***Schedule of Findings and Responses****Significant Deficiency****Incomplete Review of Service Organization Controls (SOC) Reports from the National Finance Center (NFC)**

The Architect of the Capitol (AOC) has not followed the guidelines established in its Chief Financial Officer (CFO) Senior Assessment Team (SAT) 001, *Internal Control over Financial Reporting Standard Operating Procedures (SOP)*, Section 13. Specifically, the AOC has not identified responsible individuals for the completion of the objectives established in the policy. Additionally, AOC has not evaluated conclusions reached from SOC reports, nor assessed whether there are control gaps and a need for the establishment of manual compensating controls to mitigate any risks imposed on the agency.

Recommendation:

Kearney & Company, P.C. (Kearney) recommends that AOC implement the elements of CFO SAT 001, *Internal Control over Financial Reporting SOP*, related to SOC reports. Specific elements/activities required by the SOP include:

1. Perform and document a comprehensive mapping of internal control activities to key internal control activities performed on behalf of AOC by third-party service providers.
 - a. Determine if any control gaps exist and determine the need for AOC manual controls.
 - b. Evaluate the need for complimentary user entity controls (CUEC) based on the SOC - 1.
2. Assign responsibilities and implement SOC 1 evaluation activities and subsequent remedial actions.
3. For key controls that were assessed and determined to be either not suitably designed or not operating effectively, gain an understanding of the root causes and identify mitigating controls.
4. Update existing SOP to reflect current accounting standards regarding SOC-1 reports, i.e. SSAE 18 instead of SSAE 16.

Management's Response to Finding: Management concurs with this finding and recommendation.

* * * *

Independent Auditor's Report on Internal Control Over Financial Reporting *(continued)***APPENDIX A: STATUS OF PRIOR-YEAR DEFICIENCIES**

Multiple issues were noted relating to internal control over financial reporting in the *Independent Auditor's Report on Internal Control over Financial Reporting* on the Architect of the Capitol's (AOC) fiscal year (FY) 2016 financial statements. The table below presents a summary of the current-year status of these issues.

Prior-Year Deficiencies

Deficiency	2017 Status	2016 Status
Accounting inappropriately charged \$65.4 million of capitalized project expenditures to the FY 2016 cost of operations. AOC did not restate the FY 2015 financial statements for the \$43.2 million of capitalized costs that were included in the FY 2016 charge-off.	Closed	Material Weakness
AOC does not have a comprehensive formal reporting and reconciliation process for the contract holdback balance (retainage).	Closed	Significant Deficiency

Independent Auditor's Report on Compliance



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS, REGULATIONS, CONTRACTS, GRANT AGREEMENTS, AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Architect of the Capitol and Inspector General of the Architect of the Capitol

We have audited the financial statements of the Architect of the Capitol (AOC) as of and for the year ended September 30, 2017, and we have issued our report thereon dated November 10, 2017. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 17-03, *Audit Requirements for Federal Financial Statements*.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the AOC's financial statements are free from material misstatement, we performed tests of its compliance with provisions of applicable laws, regulations, contracts, and grant agreements, with which noncompliance could have a direct and material effect on the determination of financial statement amounts. We limited our tests of compliance to these provisions and did not test compliance with all laws, regulations, contracts, and grant agreements applicable to the AOC. Providing an opinion on compliance with those provisions was not an objective of our audit; accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and OMB Bulletin No. 17-03.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and OMB Bulletin No. 17-03 in considering the entity's compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Kearney & Company".

Alexandria, Virginia
November 10, 2017

Architect of the Capitol's Response to the Inspector General



Architect of the Capitol
U.S. Capitol, Room SB-16
Washington, DC 20515
202.228.1793
www.aoc.gov

November 10, 2017

Mr. Christopher Failla
Inspector General
Architect of the Capitol
Washington, DC 20515

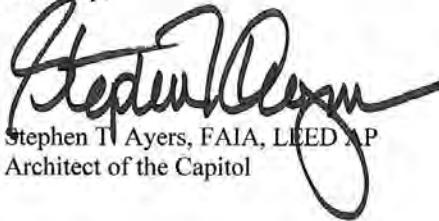
Dear Mr. Failla:

Thank you for the opportunity to comment on the Independent Auditor's Report on the Financial Statements, Independent Auditor's Report on Internal Control over Financial Reporting and Independent Auditor's Report on Compliance and Other Matters for the Fiscal Years ending September 30, 2017 and 2016. The Architect of the Capitol (AOC) works diligently to establish strong financial management practices to address our compliance requirements, manage our financial processes and systems, and meet our day-to-day financial responsibilities.

The annual independent financial statement audit process continues to provide us with new insights and valuable financial management recommendations. We are pleased that the result of this year's audit is an unmodified opinion — marking the 13th consecutive year that the AOC has received a "clean" independent audit opinion. The auditor's report identified zero material weaknesses and one new significant deficiency for the *Incomplete Review of Service Organization Controls Reports from the National Finance Center*. Management concurs with the audit finding and will develop corrective action plans to remedy this issue in Fiscal Year 2018. In accordance with the auditor's recommendations, we will document and assess internal control activities performed on behalf of the AOC by third-party providers to ensure that the internal controls continue to be effective.

We recognize there is more to be done that will require our organization's sustained attention, action and improvement. I would like to thank the Office of Inspector General and our auditors, Kearney & Company, P.C., for your teamwork and professional approach. We remain committed to excellence in financial management and look forward to the coming year.

Sincerely,


Stephen T. Ayers, FAIA, LEED AP
Architect of the Capitol

Doc. No. 171108-04-01

Financial Statements

Architect of the Capitol

Balance Sheet

As of September 30, 2017 and 2016 (\$ in thousands)

	2017	2016
ASSETS		
Intragovernmental Assets		
Fund Balance with Treasury (Note 3)	\$ 914,018	\$ 886,248
Investments (Note 5)	21,108	18,486
Accounts Receivable (Note 6)	1,493	1,477
Other (Note 10)	939	545
Total Intragovernmental	<u>\$ 937,558</u>	<u>\$ 906,756</u>
Cash and Other Monetary Assets (Note 4)	52	32
Investments (Note 5)	10,320	10,275
Accounts Receivable, Net (Note 6)	849	1,008
Inventory and Related Property, Net (Note 7)	622	554
General Property, Plant and Equipment, Net (Note 8)	2,007,638	1,860,824
TOTAL ASSETS	<u>\$ 2,957,039</u>	<u>\$ 2,779,449</u>
Stewardship PP&E (Note 9)		
LIABILITIES		
Intragovernmental Liabilities		
Accounts Payable	\$ 58	\$ 140
Unfunded FECA (Note 12)	9,223	9,293
Advances from Others	45,829	47,793
Other Liabilities (Note 16)	55	629
Total Intragovernmental	<u>\$ 55,165</u>	<u>\$ 57,855</u>
Accounts Payable	2,368	2,898
Debt Held by the Public (Note 13)	89,492	98,445
Actuarial FECA (Note 12)	55,650	55,373
Contingent and Environmental Liabilities (Note 14)	77,683	75,929
Accrued Annual Leave and Other (Note 12)	21,027	20,175
Capital Lease Liability (Note 15)	5,621	6,232
Contract Holdbacks	11,916	12,007
Other Liabilities (Note 16)	38,012	30,335
TOTAL LIABILITIES (NOTE 11)	<u>\$ 356,934</u>	<u>\$ 359,249</u>
COMMITMENTS AND CONTINGENCIES (NOTE 14)		
NET POSITION		
Unexpended Appropriations	\$ 717,962	\$ 704,276
Cumulative Results of Operations	1,882,143	1,715,924
TOTAL NET POSITION	<u>\$ 2,600,105</u>	<u>\$ 2,420,200</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 2,957,039</u>	<u>\$ 2,779,449</u>

The accompanying footnotes are an integral part of these financial statements.

Architect of the Capitol

Statement of Net Cost

For the Years Ending September 30, 2017 and 2016 (\$ in thousands)

PROGRAM COSTS	2017	2016
Capital Construction and Operations		
Gross Costs	\$ 97,032	\$ 97,475
Less: Earned Revenue	(153)	(102)
Net Program Costs	<u>96,879</u>	<u>97,373</u>
Capitol Building		
Gross Costs	62,187	78,415
Less: Earned Revenue	(197)	—
Net Program Costs	<u>61,990</u>	<u>78,415</u>
Capitol Grounds		
Gross Costs	13,254	11,053
Less: Earned Revenue	(84)	(11)
Net Program Costs	<u>13,170</u>	<u>11,042</u>
Capitol Police Buildings, Grounds, and Security		
Gross Costs	34,865	33,561
Less: Earned Revenue	(143)	(7)
Net Program Costs	<u>34,722</u>	<u>33,554</u>
Capitol Power Plant		
Gross Costs	105,601	103,224
Less: Earned Revenue	(9,018)	(8,458)
Net Program Costs	<u>96,583</u>	<u>94,766</u>
House Office Buildings		
Gross Costs	94,496	117,236
Less: Earned Revenue	(202)	(730)
Net Program Costs	<u>94,294</u>	<u>116,506</u>
Library Buildings and Grounds		
Gross Costs	60,154	41,826
Less: Earned Revenue	(7,132)	(4,769)
Net Program Costs	<u>53,022</u>	<u>37,057</u>
Senate Office Buildings		
Gross Costs	78,466	81,454
Less: Earned Revenue	(657)	(722)
Net Program Costs	<u>77,809</u>	<u>80,732</u>
Supreme Court Buildings and Grounds		
Gross Costs	49,768	48,698
Less: Earned Revenue	(36,470)	(29,281)
Net Program Costs	<u>13,298</u>	<u>19,417</u>
U.S. Botanic Garden		
Gross Costs	14,163	16,352
Less: Earned Revenue	—	—
Net Program Costs	<u>14,163</u>	<u>16,352</u>
U.S. Capitol Visitor Center		
Gross Costs	24,966	24,542
Less: Earned Revenue	(5,819)	(4,781)
Net Program Costs	<u>19,147</u>	<u>19,761</u>
Net Cost of Operations (Note 19)	<u>\$ 575,077</u>	<u>\$ 604,975</u>

The accompanying footnotes are an integral part of these financial statements.

Architect of the Capitol

Statement of Changes In Net Position

For the Years Ending September 30, 2017 and 2016 (\$ in thousands)

	2017	2016
CUMULATIVE RESULTS OF OPERATIONS		
Beginning Balances	\$ 1,715,924	\$ 1,721,462
Budgetary Financing Sources		
Appropriations Used	616,898	572,246
Non-exchange Revenue	133	59
Donations	13	—
Other Financing Sources (Non-Exchange)		
Transfers In/Out Without Reimbursement	98,934	157
Imputed Financing from Costs Absorbed by Others (Note 17)	25,318	26,975
Total Financing Sources	741,296	599,437
Net Cost of Operations	(575,077)	(604,975)
Net Change	166,219	(5,538)
Cumulative Results of Operations	\$ 1,882,143	\$ 1,715,924
UNEXPENDED APPROPRIATIONS		
Beginning Balances	\$ 704,276	\$ 647,915
Budgetary Financing Sources		
Appropriations Received (Note 20)	632,755	622,868
Appropriations Transferred In/Out	—	8,300
Other Adjustments	(2,171)	(2,561)
Appropriations Used	(616,898)	(572,246)
Total Budgetary Financing Sources	13,686	56,361
Total Unexpended Appropriations	\$ 717,962	\$ 704,276
NET POSITION	\$ 2,600,105	\$ 2,420,200

The accompanying footnotes are an integral part of these financial statements.

Architect of the Capitol

Combined Statement of Budgetary Resources

For the Years Ending September 30, 2017 and 2016 (\$ in thousands)

	2017	2016
BUDGETARY RESOURCES		
Unobligated Balance Brought Forward, Oct 1	\$ 514,952	\$ 528,229
Recoveries of Prior Year Unpaid Obligations	25,144	16,218
Other Changes in Unobligated Balances	26,506	5,739
Unobligated Balance from Prior Year Budget Authority, Net	<u>566,602</u>	<u>550,186</u>
Appropriations (Note 20)	632,831	597,023
Borrowing Authority (Note 13)	8,277	—
Spending Authority from Offsetting Collections	42,014	107,205
Total Budgetary Resources	<u>\$ 1,249,724</u>	<u>\$ 1,254,414</u>
STATUS OF BUDGETARY RESOURCES		
New Obligations and Upward Adjustments	\$ 663,083	\$ 739,462
Unobligated Balance, End of Year:		
Exempt from Apportionment, Unexpired Accounts	562,970	492,824
Unexpired Unobligated Balance, End of Year	562,970	492,824
Expired Unobligated Balance, End of Year (Note 3)	23,671	22,128
Unobligated Balance, End of Year	<u>586,641</u>	<u>514,952</u>
Total Budgetary Resources	<u>\$ 1,249,724</u>	<u>\$ 1,254,414</u>
CHANGE IN OBLIGATED BALANCE		
Unpaid Obligations:		
Unpaid Obligations, Brought Forward, Oct 1	\$ 391,736	\$ 282,092
New Obligations and Upward Adjustments	663,083	739,462
Outlays (Gross)	(678,959)	(613,600)
Recoveries of Prior Year Unpaid Obligations	(25,144)	(16,218)
Unpaid Obligations, End of Year	<u>350,716</u>	<u>391,736</u>
Uncollected Payments:		
Uncollected Payments, Fed Sources, Brought Forward, Oct 1	(1,477)	(2,415)
Change in Uncollected Payments, Fed Sources	(16)	938
Uncollected Payments, Fed Sources, End of Year	<u>(1,493)</u>	<u>(1,477)</u>
Memorandum (Non-Add) Entries:		
Obligated Balance, Start of Year	\$ 390,259	\$ 279,677
Obligated Balance, End of Year (Note 3)	<u>\$ 349,223</u>	<u>\$ 390,259</u>
BUDGET AUTHORITY AND OUTLAYS, NET		
Budgetary Authority, Gross	\$ 683,122	\$ 704,228
Actual Offsetting Collections	(87,928)	(99,133)
Change in Uncollected Payments, Fed Sources	(16)	938
Recoveries of Prior Year Paid Obligations	28,695	10,395
Budget Authority, Net (Total)	<u>\$ 623,873</u>	<u>\$ 616,428</u>
Outlays, Gross	678,959	613,600
Actual Offsetting Collections	(87,928)	(99,133)
Outlays, Net (Total)	<u>591,031</u>	<u>514,467</u>
Agency Outlays, Net	<u>\$ 591,031</u>	<u>\$ 514,467</u>

The accompanying footnotes are an integral part of these financial statements.

Architect of the Capitol

Notes to the Financial Statements

For the Years Ending September 30, 2017 and 2016

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NOTE 1: Summary of Significant Accounting Policies

A. Reporting Entity

The Architect of the Capitol (AOC) is an agency within the legislative branch of the federal government. Initially authorized by Congress to provide “suitable buildings and accommodations for the Congress of the United States,” its role has expanded to include responsibility for the maintenance, operation, development, and preservation of the Capitol Building (CB); Capitol Grounds (CG); Capitol Police Buildings, Grounds, and Security (CPBGS); House Office Buildings (HOB); Library Buildings and Grounds (LBG); Senate Office Buildings (SOB); Supreme Court Building and Grounds (SCBG); Capitol Power Plant (CPP); U.S. Botanic Garden (USBG); and U.S. Capitol Visitor Center (CVC). Pursuant to Public Law 114-254, AOC assumed custody, control and administration of the Thomas P. O’Neill Jr. Federal Building from the General Services Administration (GSA), effective June 8, 2017. This building is now included in all references to “House Office Buildings” in these financial statements.

AOC is also responsible for:

- supporting Congress during official national events (e.g., Presidential Inaugural Ceremonies) held at the Capitol or on the Capitol Grounds
- providing steam and chilled water to the Supreme Court, Thurgood Marshall Federal Judiciary Building (TMFJB), Union Station, and the Folger Shakespeare Library, and steam-only to the Government Publishing Office (GPO) and the Postal Square building, and
- providing visitor guide services at the CVC and USBG

B. Basis of Accounting and Presentation

As a legislative branch agency of the federal government, AOC is not required to follow the accounting standards promulgated by the Federal Accounting Standards Advisory Board (FASAB). AOC has not formally adopted the Government Management and Reform Act of 1994, the Federal Managers Financial Integrity Act, the Federal Financial Management Improvement Act of 1996, or the Government Performance and Results Modernization Act of 2010, as these apply only to executive branch agencies. Nonetheless, AOC refers to these acts as a general guide for best practices and incorporates them into its financial management practices, as appropriate.

AOC’s financial statements have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as promulgated by FASAB. The American Institute of Certified Public Accountants (AICPA) recognizes FASAB standards as GAAP for federal reporting entities. AOC has

adopted GAAP for financial reporting in a manner consistent with other federal agencies.

AOC records both proprietary and budgetary accounting transactions. Following the accrual method of accounting, revenues are recognized when earned and expenses are recognized when incurred, without regard to the actual collection or payment of cash.

Federal budgetary accounting recognizes the obligation, authorities, and other fund resources upon the establishment of a properly documented legal liability, which may be different from the recording of an accrual-based transaction. The recognition of budgetary accounting transactions is essential for compliance with legal controls over the use of federal funds and compliance with budgetary laws.

C. Fund Balance with Treasury

AOC maintains most available fund balances with the U.S. Department of Treasury (Treasury). The Fund Balance with Treasury (FBWT) account represents the unexpended balances of appropriation accounts, trust accounts, and revolving funds. Cash receipts and disbursements are processed by Treasury, and AOC’s records are reconciled with those accounts on a regular basis. In addition to the FBWT, AOC also has other cash deposits and investments as described in *Notes 4 and 5*, respectively.

D. Accounts Receivable

Accounts Receivable (*see Note 6*) includes reimbursement for supplying certain AOC and non-AOC entities on Capitol Hill with steam and chilled water to heat and cool their facilities. Per annual appropriation, AOC provides steam and chilled water to the Folger Library, Union Station, the Supreme Court and TMFJB, as well as steam-only to the GPO and the Postal Square building. AOC is legislatively provided the authority to collect a pre-determined amount to recover the cost of supplying these services and record these amounts as offsetting collections. Any amount collected over the pre-determined amount is credited to Treasury’s Miscellaneous Receipt Fund and is a non-entity asset. In addition, receivables may include, but are not limited to, food service commissions from operations at the CVC restaurant, flag-flying fees, employee payroll overpayments as well as rent collections from the Monocle Restaurant. If applicable, Accounts Receivable is reduced to net realizable value by the Allowance for Doubtful Accounts, which is based on management’s review of outstanding receivables.

E. Investments

All investments are reported at their acquisition (par) value, net of amortized premiums and discounts, as it is AOC’s intent to hold the investments to maturity. Purchases and sales of investments are recorded as of the trade date. Investment income is reported when earned. The market

value of the investments is the current market value at the end of the reporting period.

Intragovernmental (Investments Held With Treasury)

The CVC Revolving Fund was established under the *Capitol Visitor Center Act of 2008* (2 U.S.C. 31, 2201 et. seq.) to provide for the sale of gift shop items and the deposit of miscellaneous receipts. A portion of related funds are invested in government securities through the Bureau of Public Debt using their web-based application, FedInvest. By law, interest income is credited to the fund.

Entity (Investments Held Outside Treasury)

AOC has funds invested by a trustee outside of Treasury as a result of financing the construction of the TMFJB. Congress did not appropriate funds for the construction of the building but, instead, authorized the use of private financing to cover its cost. In 1989, AOC entered into a Development Management Agreement with Boston Properties for the design, development, and construction of the TMFJB.

Shearson Lehman Hutton, Inc., and Kidder, Peabody, & Co., Inc., issued 30-year Serial Zero Coupon Certificates of Participation to finance its construction. The discount on the purchase reflects the absence of coupon interest payments, and is amortized over the life of these certificates.

Pursuant to a Trust Agreement, the proceeds were received by a trustee, The United States Trust Company of New York (now The Bank of New York Mellon). These proceeds were deposited into two funds, the Project Fund and the Operating Reserve Fund, to cover the costs of the construction project. In 2007, the Project Fund balance was transferred to the Operating Reserve Fund. The Operating Reserve Fund is held outside the Treasury by the trustee and, at AOC's direction, the funds are invested and disbursed. The Operating Reserve Fund is held in reserve for future needs of the building (e.g., roof replacement or other major renovation). *See Note 5* for additional detail on investments.

F. Trust and Revolving Funds

Trust Funds

In Fiscal Year 2017, AOC has stewardship responsibility for one trust fund account, the National Garden Trust Fund, and one special fund account, the Capitol Trust Account.

The National Garden Trust Fund is subject to the direction of the Joint Committee on the Library (of Congress) and was established to accept gifts or bequests of money, plant material, and other property on behalf of the USBG. While this trust fund account still exists, it has a zero balance and is inactive.

The Capitol Trust Account was established by the Legislative Branch Appropriations Act, 2014 (part of the Consolidated Appropriations Act, 2014). This fund consists

of permit fees collected by the United States Capitol Police (USCP) to cover costs incurred by the AOC as a result of the issuance of permits for commercial activity in Union Square. Funds in this trust are available for maintenance, improvements, and projects with respect to Union Square, subject to the approval of the Committees of the House of Representatives and Senate.

Revolving Funds

AOC has stewardship responsibility for seven revolving funds to account for various programs and operations. Each of these funds is a distinct fiscal and accounting entity that accounts for cash and other financial resources together with all related liabilities and equities. These revolving funds are:

- House (of Representatives) Gymnasium Revolving Fund
- Senate Health and Fitness Facility Revolving Fund
- Senate Restaurant Revolving Fund
- Judiciary Office Building Development and Operations Fund
- CVC Revolving Fund
- Recyclable Materials Revolving Fund, and
- Flag Office Revolving Fund

The House (of Representatives) Gymnasium Revolving Fund was established in the Treasury for AOC to deposit dues paid by members and other authorized users of the House of Representatives Wellness Center. AOC may expend fund amounts to pay for the operation of the facility.

The Senate Health and Fitness Facility Revolving Fund was established to deposit membership dues collected from authorized users of the Senate Health and Fitness Facility and proceeds from AOC's Senate recycling program. AOC, subject to the approval of the Senate Committee on Appropriations, may expend fund amounts to pay for the preservation and maintenance of the facility.

The Senate Restaurant Revolving Fund was established in 1961 for the operation of the Senate restaurants. In 2008, control of the Senate restaurants was transferred to a private vendor and AOC took over its accounting functions. Following the transfer, the revolving fund is no longer used for the operation of the restaurants, but the account still exists for activities resulting from the conversion and continuing maintenance of the restaurants. Upon approval by the Senate Committee on Rules and Administration, available balances may be increased via transfers in from the U.S. Senate to AOC, as needed.

The Judiciary Office Building Development and Operations Fund is used to pay expenses related to the structural, mechanical, and domestic care, maintenance, operation, and

utilities of the TMFJB. The fund includes an investment that is held outside Treasury with The Bank of New York Mellon, via a Trust Agreement established to finance the construction of the TMFJB.

The CVC Revolving Fund is used to administer funds from the sale of gift shop items, the deposit of miscellaneous receipts such as net profits or commissions paid to the CVC for food service operations, and any fees collected from other functions within the CVC facility. This business-type revolving fund is invested in government securities through the Bureau of Public Debt.

The Recyclable Materials Revolving Fund was established to record proceeds from the sale of recyclable materials from across AOC (excluding the Senate, which deposits such funds in the Senate Health and Fitness Facility Revolving Fund). The fund balance is without fiscal-year limitation and may be used to carry out recycling programs or other programs that promote energy savings at AOC.

The Flag Office Revolving Fund was established was established pursuant to P.L. 115-31 for services provided by the AOC Flag Office. This fund consists of Flag fees collected by the AOC Flag Office and is available for the Flag Office's expenses, including

- supplies, inventories, equipment, and other expenses;
- reimbursement of any applicable appropriations account for amounts used from such appropriations accounts to pay the salaries of employees of the Flag Office; and
- amounts necessary to carry out the authorized levels in the Fallen Heroes Flag Act of 2016.

Funds from Dedicated Collections

SFFAS No. 27 *Identifying and Reporting Earmarked Funds from Dedicated Collections*, as amended by SFFAS No. 43, *Funds from Dedicated Collections: Amending Statement of Federal Financial Accounting Standards 27, Identifying and Reporting Earmarked Funds* defines funds from dedicated collections as financed by specifically identified revenues, provided to the government by non-Federal sources, often supplemented by other financing sources, which remain available over time. These specifically identified revenues and other financing sources are required by statute to be used for designated activities, benefits, or purposes, and must be accounted for separately from the Government's general revenues. As of the current reporting period, there are no AOC funds that meet the criteria for funds from dedicated collections.

G. Recognition of Financing Sources

AOC receives funding to support its programs through appropriations authorized by Congress. Funding for operating and capital expenditures is received as annual, multi-year, and no-year appropriations. This includes funding for the House Historic Buildings Revitalization Trust Fund, which is a general fund that is funded by direct appropriations. Amounts in this fund are restricted for the revitalization of the major historical buildings and assets of the House of Representatives with the approval of the House Appropriations Committee.

The appropriations that AOC manages are listed below. Inactive funds are included below for full disclosure.

1. Capitol Building
 - Capitol Building
 - Flag Office Revolving Fund
2. Capitol Grounds
 - Capitol Grounds
 - West Central Front (inactive)
 - Capitol Trust Account (Union Square)
3. Capitol Police Buildings, Grounds, and Security
4. Capital Construction and Operations
 - Capital Construction and Operations
 - American Disabilities Act (inactive)
 - Congressional Cemetery (inactive)
5. House Office Buildings
 - House Office Buildings Fund
 - House of Representatives Gymnasium Revolving Fund
 - House Historic Buildings Revitalization Trust Fund
 - Recyclable Materials Revolving Fund
6. Library Buildings and Grounds
7. Senate Office Buildings
 - Senate Office Buildings
 - Senate Health and Fitness Facility Revolving Fund
 - Senate Restaurant Revolving Fund
8. Capitol Power Plant
9. U.S. Botanic Garden
 - Botanic Garden
 - National Garden (inactive)
10. U.S. Capitol Visitor Center Revolving Fund
11. Supreme Court Building and Grounds
 - Supreme Court
 - Judiciary Office Building Development and Operations Fund

H. Operating Materials and Supplies

AOC's materials and supplies consist of tangible personal property consumed during normal operations. Per Statement of Federal Financial Accounting Standards (SFFAS) No. 3, *Accounting for Inventory and Related Property*, operating materials and supplies are recorded using the purchases method. This method provides that operating materials and supplies be expensed when purchased. Operating materials and supplies are purchased using funds specifically appropriated to AOC's jurisdictions. Therefore, the related usage of those materials and supplies is intended for those specific jurisdictions making the purchases (see Note 1.I).

I. Inventory

Inventory is recorded at historical cost, using the weighted average valuation method, in accordance with SFFAS No. 3, *Accounting for Inventory and Related Property*, and consists of retail goods purchased for resale at the CVC's gift shops. The recorded values may be adjusted based on the results of periodic physical inventory counts. Inventory purchased for resale may be categorized as follows: (1) purchased goods held for current sale, (2) purchased goods held in reserve for future sale, and (3) slow-moving, excess or obsolete inventory. Examples of the retail goods included in inventory that are classified as "held for current sale" are books, t-shirts, jewelry and other souvenirs. AOC may also record an allowance which is based on slow-moving, excess or obsolete and damaged inventory, as a result of known restrictions on the sale or disposition of inventory (see Note 7).

J. General Property, Plant and Equipment, Net

AOC records property at cost. Real property and equipment are depreciated over their estimated useful lives, which range from three to 40 years, using the straight-line method. Depreciation is based on the half-year and full-month conventions for buildings and equipment, respectively. All property (real and personal) is in AOC's possession and there is nothing held by others (see Note 8).

The following table presents AOC capitalization thresholds and related useful lives:

PROPERTY TYPE	USEFUL LIFE (YEARS)	CAPITALIZATION THRESHOLD
Real Property	40	\$500,000
Improvements	20	\$500,000
Equipment and Vehicles	3-15	\$25,000
Assets Under Capital Lease	Shorter of Lease Term or Useful Life of Property Type	See Related Property Type
Internal Use Software (Intellectual Property)	3	\$5,000,000

K. Stewardship PP&E

Stewardship land and heritage assets have physical properties that resemble those of General PP&E, which are traditionally capitalized in the financial statements. Due to the nature of stewardship assets, however, determining a monetary value would be difficult, and matching costs with specific periods may not be possible or meaningful. Heritage assets are PP&E that are unique and are generally expected to be preserved indefinitely. Heritage assets have historical or natural significance; are of cultural, educational, or artistic importance; or have significant architectural characteristics. These assets are reported in terms of physical units rather than cost or other monetary values per SFFAS No. 29, *Accounting for Heritage Assets and Stewardship Land*. There are two types of heritage assets: collection, which are objects gathered and maintained for exhibition, such as museum and art collections; and non-collection, which are parks, memorials, monuments and buildings. AOC holds both collection and non-collection heritage stewardship assets (see Note 9).

L. Liabilities

Liabilities represent the amounts owed to others for goods or services received, and amounts owed for progress in contract performance. Some liabilities are funded while others are unfunded because no liability may be paid without an enacted appropriation. For example, future appropriations may be enacted to fund activities for accrued unfunded annual leave and workers' compensation. The Balance Sheet presents the following types of liabilities:

- Accounts Payable
- Debt Held by the Public
- Unfunded Actual and Actuarial Workers' Compensation
- Contingent and Environmental Liabilities
- Accrued Annual Leave
- Capital Lease Liability
- Contract Holdbacks
- Advances from Others, and
- Other Liabilities

M. Personnel Compensation and Benefits

Federal Employee Benefits

The Federal Employees' Compensation Act (FECA) provides income and medical cost protection to covered federal civilian employees injured on the job, employees who have incurred a work-related occupational disease, and beneficiaries of employees whose death is attributable

to a job-related injury or occupational disease. The FECA program is administered by the U.S. Department of Labor (DOL), which initially pays valid claims and subsequently seeks reimbursement from the federal agencies employing the claimants. The DOL determines the actuarial liability for claims outstanding at the end of each fiscal year. This liability includes the estimated future costs of death benefits, workers' compensation, and medical and miscellaneous costs for approved compensation cases (see Note 12).

AOC recognizes its share of the cost of providing future pension benefits to eligible employees over the period the related services are rendered. The amount funded by the Office of Personnel Management is considered imputed financing (see Note 17).

AOC recognizes a current-period expense for the future cost of post-retirement health benefits and life insurance for its employees while they are actively employed. This amount is also considered imputed financing (see Note 17).

Annual and Other Leave

Annual leave is recognized as an expense and a liability as it is earned. The liability is reduced as leave is taken. The accrued leave liability is principally long-term in nature. Other types of leave are expensed when taken and no future liability is recognized for these amounts (see Note 12).

N. Contingent and Environmental Liabilities

AOC accounts for contingencies in accordance with SFFAS No. 5, Accounting for Liabilities of the Federal Government. This standard defines a contingency as an existing condition, situation, or set of circumstances involving uncertainty as to the possible gain or loss to an entity that will ultimately be resolved when one or more future events occur or fail to occur. Management recognizes a contingent liability for liabilities equal to or greater than \$100 thousand when a past transaction or event has occurred, a future outflow or other sacrifice of resources is probable, and the related future outflow is measurable. AOC has recorded no loss provisions for contingent liabilities (See Note 14).

SFFAS No. 5 also provides criteria for recognizing a contingent liability for material amounts of environmental cleanup costs that are related to general and stewardship PP&E used in federal operations. In accordance with Technical Bulletin 2006-1, *Recognition and Measurement of Asbestos-Related Cleanup Costs*, AOC recognizes a liability and related expense for friable and non-friable asbestos cleanup costs when it is both probable and reasonably estimable — consistent with SFFAS No. 5, SFFAS No. 6, and Technical Release No. 2 (see Note 14).

O. Statement of Net Cost

The Statement of Net Cost (SNC) is presented by responsibility segment, (which are AOC jurisdictions), in accordance with SFFAS No. 4, *Managerial Cost Accounting Concepts and Standards for the Federal Government*. Costs not assigned to any of AOC's ten major jurisdictions are presented as Capital Construction and Operations. AOC has a number of initiatives (e.g., cost accounting and strategic vision) in place to gather program data in order to provide more information to its stakeholders. While these initiatives are in various stages of progress, AOC believes the responsibility segment approach currently provides information to its stakeholders in a direct, informative, and succinct manner.

The 11 responsibility segments reported on the SNC are identified below.

- Capitol Building
- Capitol Grounds
- Capitol Police Buildings, Grounds, and Security
- Capital Construction and Operations
- House Office Buildings
- Library Buildings and Grounds
- Senate Office Buildings
- Capitol Power Plant
- U.S. Botanic Garden
- U.S. Capitol Visitor Center, and
- Supreme Court Building and Grounds

Revenues reported on the SNC are principally recorded on a direct cost recovery basis.

P. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make certain estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities (including contingent liabilities), revenues, financing sources, expenses and obligations incurred during the reporting period. These estimates are based on management's best knowledge of current events, historical experience and other assumptions that are believed to be reasonable under the circumstances. Estimates are subject to a wide range of variables, including assumptions on future economic and financial events. Accordingly, actual results may differ from those estimates.

NOTE 2: Entity and Non-Entity Assets

Non-entity assets are those held by AOC but unavailable for use in its operations. Activities that give rise to non-entity assets include:

- steam and chilled water collections over the annual Congressional cap,
- rent collections from the Monocle Restaurant,
- flag-flying fees (prior to May, 2017), and
- provision of palm trees for rent by the USBG

Upon receipt, funds for these activities are not available for AOC use. At year-end, all collections are transferred to Treasury and the only non-entity assets remaining are the related Accounts Receivable.

AOC's assets as of September 30, 2017, and 2016 were as follows: (dollars in thousands)

DESCRIPTIONS	2017		
	ENTITY	NON-ENTITY	TOTAL
Intragovernmental			
Fund Balance with Treasury (Note 3)	\$ 914,018	\$ —	\$ 914,018
Investments (Note 5)	21,108	—	21,108
Accounts Receivable, Net (Note 6)	1,493	—	1,493
Other (Note 10)	939	\$ —	939
Total Intragovernmental	\$ 937,558	\$ —	\$ 937,558
Cash and Other Monetary Assets (Note 4)			
	\$ 52	\$ —	\$ 52
Investments (Note 5)	10,320	—	10,320
Accounts Receivable, Net (Note 6)	794	55	849
Inventory & Related Property, Net (Note 7)	622	—	622
General Property, Plant and Equipment, Net (Note 8)	2,007,638	—	2,007,638
Total	\$ 2,956,984	\$ 55	\$ 2,957,039

Dollars in thousands

DESCRIPTIONS	2016		
	ENTITY	NON-ENTITY	TOTAL
Intragovernmental			
Fund Balance with Treasury (Note 3)	\$ 886,248	\$ —	\$ 886,248
Investments (Note 5)	18,486	—	\$ 18,486
Accounts Receivable, Net (Note 6)	1,436	41	\$ 1,477
Other (Note 10)	545	\$ —	\$ 545
Total Intragovernmental	\$ 906,715	\$ 41	\$ 906,756
Cash and Other Monetary Assets (Note 4)			
	\$ 32	—	\$ 32
Investments (Note 5)	10,275	—	\$ 10,275
Accounts Receivable, Net (Note 6)	1,000	8	\$ 1,008
Inventory & Related Property, Net (Note 7)	554	—	\$ 554
General Property, Plant and Equipment, Net (Note 8)	1,860,824	—	\$ 1,860,824
Total	\$ 2,779,400	\$ 49	\$ 2,779,449

NOTE 3: Fund Balance with Treasury

Funds with Treasury primarily consist of appropriated funds. As of September 30, 2017, AOC also has stewardship responsibility for seven revolving funds and administrative responsibility for one trust fund and one special fund.

A. Fund Balances

The balance of these funds as of September 30, 2017, and 2016 is as follows:

Dollars in thousands

FUND TYPE	2017	2016
Appropriated Funds	\$ 842,668	\$ 820,253
Trust and Revolving Funds	71,350	65,995
Total	\$ 914,018	\$ 886,248

B. Status of Fund Balance with Treasury

FBWT is classified as unobligated available, unobligated unavailable, obligated and not yet disbursed, or Non Budgetary FBWT. Unobligated available balances represent unexpired appropriations available for incurring new obligations. The Unobligated Available amount in this note will not reconcile to the Unobligated-Exempt from apportionment amount in the SBR throughout the year due to anticipated activity (closed out at year end) and CVC investment included in *Note 5*. Unobligated unavailable balances are expired appropriations that are no longer available to incur new obligations. Obligated balances not yet disbursed include undelivered orders or orders received but not yet paid. Non Budgetary FBWT (if applicable) includes unavailable miscellaneous receipts and suspense accounts that do not provide budget authority.

Dollars in thousands

BALANCE TYPE	2017	2016
Unobligated Balance		
Available	\$ 541,121	\$ 473,858
Unavailable	23,671	22,128
Obligated Balance Not Yet Disbursed	349,223	390,259
Non Budgetary FBWT	3	3
Total	\$ 914,018	\$ 886,248

NOTE 4: Cash and Other Monetary Assets

Cash and Other Monetary Assets include change-making funds maintained outside Treasury for CVC Gift Shop operations and daily gift shop sales deposits-in-transit. There are no restrictions on cash.

The cash balances as of September 30, 2017, and 2016 are as follows:

Dollars in thousands

CASH & OTHER MONETARY ASSETS	2017	2016
Undeposited Collections	\$ 38	\$ 18
Cash Imprest Funds	14	14
Total	\$ 52	\$ 32



The AOC recently completed maintenance of the Thomas Jefferson Building Main Reading Room's John Flanagan Clock, which was sculpted in 1896.

NOTE 5: Investments

Intragovernmental investments comprise the investment of the sales proceeds from the CVC gift shop, which is invested at Treasury via the Bureau of Public Debt. Investments with the public comprise the investment of the residual operating reserve funds from the construction of the TMFJB. These funds are invested by the Bank of NY Mellon.

During FY 2017, Intragovernmental Investments increased by \$2.6 million compared to the same reporting period for FY 2016. This is primarily due to increased revenue from gift shop sales, which was subsequently invested with Treasury. Also, the difference in the type of certificates (one-day, six-month, one-year) reflects the timing difference between the maturity and reinvestment of securities. Upon maturity, the proceeds from six-month and one-year securities remain in one-day certificates until they are reinvested in longer term certificates.

At September 30, 2017, Dollars in thousands

INVESTMENTS INTRAGOVERNMENTAL, NONMARKETABLE:	SHARES/PAR	AMORTIZED PREM./(NET OF DISC.)	INTEREST RECEIVABLE	INVESTMENTS, NET	MARKET VALUE
Capitol Visitor Center Revolving Fund					
One Day Certificate, 0.96% Daily Yield Maturing 10/02/2017	\$ 2,225	\$ —	\$ —	\$ 2,225	\$ 2,225
Six Month Certificate, 1.09% Six Month Yield Maturing 01/11/2018	5,028	(16)	—	5,012	5,012
One Year Certificate, 1.13% Annual Yield Maturing 7/19/2018	12,890	(125)	—	12,765	12,765
One Year Certificate, 1.01% Annual Yield Maturing 3/01/2018	1,111	(5)	—	1,106	1,106
Total Intragovernmental	\$ 21,254	\$ (146)	—	\$ 21,108	\$ 21,108
With the Public:					
The Bank of New York Mellon Operating Reserve Fund Serial Zero Coupon Certificates Maturing 08/15/2024	\$ 10,320	—	\$ —	\$ 10,320	\$ 10,320
Total With the Public	\$ 10,320	—	\$ —	\$ 10,320	\$ 10,320
Total Investments	\$ 31,574	\$ (146)	\$ —	\$ 31,428	\$ 31,428

At September 30, 2016, Dollars in thousands

INVESTMENTS INTRAGOVERNMENTAL, NONMARKETABLE:	SHARES/PAR	AMORTIZED PREM./(NET OF DISC.)	INTEREST RECEIVABLE	INVESTMENTS, NET	MARKET VALUE
Capitol Visitor Center Revolving Fund					
One Day Certificate, 0.11% Daily Yield Maturing 10/03/2016	\$ 2,571	\$ —	\$ —	\$ 2,571	\$ 2,571
Six Month Certificate, 0.37% Annual Yield Maturing 01/05/2017	5,000	(5)	—	4,995	4,996
One Year Certificate, 2.375% Annual Yield Maturing 7/31/2017	10,719	159	42	10,920	10,873
Total Intragovernmental	\$ 18,290	\$ 154	\$ 42	\$ 18,486	\$ 18,440
With the Public:					
The Bank of New York Mellon Operating Reserve Fund Serial Zero Coupon Certificates Maturing 08/15/2024	\$ 10,275	—	\$ —	\$ 10,275	\$ 10,275
Total With the Public	\$ 10,275	—	\$ —	\$ 10,275	\$ 10,275
Total Investments	\$ 28,565	\$ 154	\$ 42	\$ 28,761	\$ 28,715

NOTE 6: Accounts Receivable, Net

The breakdown of the consolidated accounts receivable (both Intragovernmental and With the Public), as of September 30, 2017, and 2016 is as follows:

Dollars in thousands

ACCOUNTS RECEIVABLE	2017	2016
Intragovernmental:		
Entity	\$ 1,493	\$ 1,436
Non-Entity	—	41
Total Intragovernmental	\$ 1,493	\$ 1,477
With the Public:		
Entity	\$ 794	\$ 1,001
Non-Entity	55	7
Total With the Public	\$ 849	\$ 1,008
Total	\$ 2,342	\$ 2,485

As of the current period all accounts are considered current and there is no allowance for doubtful accounts.

NOTE 7: Inventory

Inventory consists of retail goods purchased for resale at the Capitol Visitor Center's gift shops. The inventory amounts presented herein are limited to purchases made with the gift shops' revolving funds. AOC may record an allowance which is based on slow-moving, excess or obsolete and damaged inventory, if applicable.

Inventory, as of September 30, 2017, and 2016 is as follows:

Dollars in thousands

INVENTORY CATEGORY	2017	2016
Purchased Goods Held for Current Sale	\$622	\$554
Total	\$622	\$554

During the current reporting period, the inventory on hand quantity is significantly higher compared to the same period last year. This is due to the CVC receiving its highest volume of visitors since inception which increased overall sales and required a higher level of in-stock inventory. Based upon management reviews of the most recent inventory count, inventory that was considered damaged or restricted was disposed in accordance with normal operating practices. Therefore, there is no damaged inventory to report as of September 30, 2017.

NOTE 8: General Property, Plant and Equipment, Net

AOC differentiates its property and equipment by distinct categories. The following represents these categories and their balances as of September 30, 2017, and 2016:

At September 30, 2017, Dollars in thousands

CLASS OF PROPERTY AND EQUIPMENT	ACQUISITION VALUE	ACCUMULATED DEPRECIATION	NET BOOK VALUE	%
Buildings	\$1,436,680	\$748,195	\$688,485	34.3%
Buildings Improvements	1,822,823	916,717	906,106	45.1%
Land	169,231	—	169,231	8.4%
Land Improvements	159,483	95,513	63,970	3.2%
Capital Leases (Real Property)	39,749	35,332	4,417	0.2%
Leasehold Improvements	22,934	18,999	3,935	0.2%
Equipment and Internal Use Software	20,109	17,215	2,894	0.1%
Other Structures	9,288	3,976	5,312	0.3%
Construction Work-in-Progress	163,288	—	163,288	8.2%
Total	\$3,843,585	\$1,835,947	\$2,007,638	100.0%

At September 30, 2016, Dollars in thousands

CLASS OF PROPERTY AND EQUIPMENT	ACQUISITION VALUE	ACCUMULATED DEPRECIATION	NET BOOK VALUE	%
Buildings	\$1,398,961	\$696,643	\$702,318	37.7%
Buildings Improvements	1,532,141	851,635	680,506	36.6%
Land	168,672	—	168,672	9.1%
Land Improvements	158,593	87,870	70,723	3.8%
Capital Leases (Real Property)	39,749	34,786	4,963	0.3%
Leasehold Improvements	68,250	29,532	38,718	2.1%
Equipment and Internal Use Software	19,417	16,681	2,736	0.1%
Other Structures	9,288	3,616	5,672	0.3%
Construction Work-in-Progress	186,516	—	186,516	10.0%
Total	\$3,581,587	\$1,720,763	\$1,860,824	100.0%

The educational, artistic, architectural, and historical significance of the U.S. Capitol, Senate, House, Supreme Court, and Jefferson buildings meets the FASAB criteria for heritage assets. Since these buildings are currently used for day-to-day business, they are further classified as multi-use heritage assets. As a result, they are depreciated in the same manner as if they were general purpose assets.

Although the original assets are fully depreciated, subsequent improvements and betterments to the buildings are currently being depreciated in accordance with established policy. AOC is responsible for reviewing and authorizing all structural and architectural changes to the buildings and grounds prior to any change occurring.

NOTE 9: Stewardship PP&E

The AOC maintains and preserves stewardship PP&E that is central to its mission to serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable experiences. Authority for the AOC's care and maintenance of the U.S. Capitol Building was established by legislation in 1876. The agency maintains multiple categories of heritage assets, including historic buildings, structures, stewardship lands and cultural landscapes, artwork, architectural features, reference and library materials, archival records and living botanical assets. The AOC shares responsibility for certain heritage assets with the curators for the U.S. Senate and the House of Representatives. These shared heritage assets are categorized as joint works of art and included in the AOC's inventory. While AOC is responsible for the architectural fine art adorning the U.S. Supreme Court, the collectible fine art within the building does not fall under the AOC's jurisdiction and is cared for by the Curator of the Supreme Court.

The AOC's heritage asset management is principally guided by the Secretary of the Interior's Standards and Guidelines for Treatment of Historic Properties and Cultural Landscapes and by the Code of Ethics and Guidelines for Practice of the American Institute for Conservation of Historic and Artistic Works. The reference and library materials collection is guided by the National Archives and Records Administration preservation standards, and the living botanical assets collection is guided by the standards for care of the American Alliance of Museums and Botanic Garden Conservation International. The AOC's heritage asset collections are described more fully in the Required Supplementary Information (RSI). Deferred maintenance

and repairs related to its heritage assets are separately disclosed as RSI.

Historic Buildings and Structures

The AOC maintains the Capitol campus, which includes multiple historic buildings and structures. These include the U.S. Capitol Building, Russell Senate Office Building, Dirksen Senate Office Building, Hart Senate Office Building, Senate Underground Garage, Daniel Webster Page Residence, Cannon House Office Building, Longworth House Office Building, Rayburn House Office Building, East and West House Underground Garages, Ford House Office Building, Thomas Jefferson Building, John Adams Building, James Madison Memorial Building, U.S. Botanic Garden (USBG) Conservatory, USBG Administration Building, Capitol Power Plant (CPP) Main Boiler Building, CPP East Refrigeration Plant, CPP Old Generator Building, U.S. Supreme Court and Thurgood Marshall Federal Judiciary Building (TMFJB). All are considered multi-use heritage assets. Multi-use heritage assets are defined as stewardship assets whose predominant use is in general government operations. They are assigned a cost on the Balance Sheet and presented under General Property, Plant and Equipment, Net. In general, historic buildings and structures are added or withdrawn through congressional action.

Stewardship Lands and Cultural Landscapes

The AOC-administered stewardship lands encompass more than 570 acres of grounds. This includes Capitol Square, the approximately 290 acres of grounds immediately surrounding the U.S. Capitol Building designed by noted American landscape architect Frederick Law Olmsted. In addition, the cultural landscapes include Senate Park, Senate office building sites and courtyards, House office building sites and courtyards, Botanic Garden and National Garden, Bartholdi Park, USBG Administration Building site, Union Square, Thomas Jefferson Building site, John Adams Building site, James Madison Memorial Building site, Supreme Court Building site, TMFJB site and memorial trees planted on the U.S. Capitol Grounds to honor distinguished citizens, groups and national events.

In general, units of stewardship land are added or withdrawn through congressional action. Memorial trees are added through congressional action or donation. An inventory of the AOC's memorial trees as of September 30, 2017, and 2016 follows:

DESCRIPTION	2016	ACQUIRED	WITHDRAWN	ADJUSTMENTS	2017	CONDITION
Memorial Trees	138	3	-	3	144	Good

Collectible Heritage Assets

The AOC is the steward of collectible heritage assets. In general, collectible heritage assets are added or withdrawn through congressional action. For the living botanical assets, assets are added or withdrawn through congressional action or interagency transfers. Collectible Heritage Assets include:

Artwork: The AOC cares for artwork that is part of the Capitol campus' buildings and grounds. This includes fine art, decorative art, architectural fine art and architectural decorative art.

Architectural Features: The Capitol campus is graced with many unique architectural features. These include outdoor sculptures and monuments, and landscape features and fixtures.

Reference and Library Materials: The AOC's collections include art and reference files, and art and reference library materials.

Archival Records: The AOC's collections include architectural and engineering drawings, manuscripts and other textual records, small architectural models, photographs and conservation reports.

Living Botanical Assets: As Acting Director of the USBG, the AOC has living botanical assets in its collection. These include a variety of plants for exhibition, study and exchange with other institutions.

An inventory of the AOC's collectible heritage assets as of September 30, 2017, and 2016 follows:

DESCRIPTION	2016	ACQUIRED	WITHDRAWN	ADJUSTMENTS	2017	CONDITION
Artwork	2,023	7	(2)	(2)	2,026	Poor to Excellent
Architectural Features	202	—	—	—	202	Fair to Excellent
Reference and Library Materials:						
Art and Reference Files (drawers)	108	—	—	—	108	Good
Art and Reference Library (volumes)	1,199	9	—	—	1,208	Good
Archival Records	478,070	19,785	—	—	497,855	Fair to Excellent
Living Botanical Assets (Accessions)	10,423	—	(707)	(248)	9,468	N/A

NOTE 10: Other Assets

As of September 30, 2017, Other Assets consist of employee travel advances, and a project advance payment to the U.S. Capitol Police for security work related to the Cannon Renewal project. The current year increase in Other Assets is due to advances paid to U.S. Capitol Police for costs related to the Maximo multi-tenancy system upgrade, and security support on the Cannon renewal project.

Dollars in thousands

OTHER ASSETS	2017	2016
Advances to Others	\$ 939	\$ 545
Total	\$ 939	\$ 545

NOTE 11: Liabilities

The Balance Sheet as of September 30, 2017, and 2016 includes, amongst others, some liabilities not covered by current budgetary resources. Such liabilities require Congressional action prior to budgetary resources being provided. Although future appropriations to fund these liabilities are likely and anticipated, it is not certain that appropriations will be enacted to fund them. Liabilities not covered by budgetary resources generally include accrued annual and compensatory leave, workers' compensation, debt held by the public, capital leases, contingent and environmental liabilities. Liabilities covered by budgetary resources generally include actual and accrued accounts payable, advances from others, contract holdbacks and other liabilities.

Liabilities covered/not covered by budgetary resources as of September 30, 2017, and 2016 are as follows:

Dollars in thousands

FUND TYPE	2017	2016
Intragovernmental:		
Accounts Payable	\$ 58	\$ 140
Advances From Others	45,829	47,793
Other	—	580
Liabilities covered by budgetary resources	\$ 45,887	\$ 48,513
Accrued Unfunded Worker's Compensation	\$ 9,223	\$ 9,293
Other — Custodial Liabilities	55	49
Liabilities not covered by budgetary resources	\$ 9,278	\$ 9,342
Total Intragovernmental	\$ 55,165	\$ 57,855
With the Public:		
Accounts Payable	\$ 2,368	\$ 2,898
Contract Holdbacks	11,916	12,007
Other	38,012	30,335
Liabilities covered by budgetary resources	\$ 52,296	\$ 45,240
Debt Held by Public	\$ 89,492	\$ 98,445
Actuarial Unfunded Worker's Compensation	55,650	55,373
Environmental Liabilities — Unfunded	77,683	75,929
Accrued Annual Leave and Other	21,027	20,175
Capital Lease	5,621	6,232
Liabilities not covered by budgetary resources	\$ 249,473	\$ 256,154
Total With the Public	\$ 301,769	\$ 301,394
Total	\$ 356,934	\$ 359,249

NOTE 12: Payroll-Related Liabilities

On September 30, 2017, and 2016, the liability for Accrued Annual Leave and Other is comprised of three accounts: Funded Accrued Payroll (payroll that has been earned but not paid), Unfunded Accrued Annual Leave (employee leave that has been earned but not taken) and Workers' Compensation. Accrued Payroll and Annual Leave, by type, as of September 30, 2017, and 2016 are as follows:

Dollars in thousands

ACCRUED ANNUAL LEAVE & OTHER	2017	2016
Funded Accrued Payroll	\$ 9,269	\$ 8,789
Unfunded Accrued Annual Leave	11,758	11,386
Total	\$ 21,027	\$ 20,175

Workers' Compensation is reported as required by the Federal Employees' Compensation Act (FECA). The liability is presented in two parts: an annual accrued liability for billed costs (current portion) and a long-term, actuarial-based unfunded liability (*see Note 1.L*). The actuarial workers' compensation liability was calculated using a formula provided by the DOL.

Workers' Compensation, by type, as of September 30, 2017, and 2016 is as follows:

Dollars in thousands

WORKERS' COMPENSATION, BY TYPE	2017	2016
Unfunded Workers' Compensation (Current)	\$ 9,223	\$ 9,293
Actuarial Workers' Compensation (Long-Term)	55,650	55,373
Total	\$ 64,873	\$ 64,666

Estimated future costs have been actuarially determined, and they are regarded as a liability to the public because neither the costs nor reimbursement have been recognized by DOL. Workers' Compensation is included in Liabilities not covered by Budgetary Resources, as described in *Note 11*.

NOTE 13: Debt Held by the Public

Debt held by the public consists of 30-year Serial Zero Coupon Certificates of Participation issued in 1989 for \$125.4 million with a maturity value of \$525.5 million. The certificates are amortized using the effective interest rate of 9 percent (which corresponds to the discount).

The balance of Debt Held by the Public is as follows:

Dollars in thousands

DEBT HELD BY THE PUBLIC, BY TYPE	2017	2016
Securities	\$ 120,610	\$ 137,840
Interest Payable	635	698
Subtotal	121,245	138,538
Discount on Securities	\$ (400,123)	(400,123)
Less: Amortization of Discount	368,370	360,030
Subtotal	(31,753)	(40,093)
Total	\$ 89,492	\$ 98,445

Various judiciary offices and personnel occupy the TMFJB under an Interagency Agreement between AOC and the Administrative Office of the U.S. Courts. Base rent will not change over the initial 30 years, and is set at the amount necessary to retire the debt at \$17.2 million annually. Payment of the certificates will end in August 2024. This certificate is not subject to prepayment or acceleration under any circumstance, pursuant to the language in the certificate agreement.

NOTE 14: Commitments and Contingencies

AOC is party to various administrative proceedings, legal actions, and tort claims which may result in settlements or decisions adverse to the federal government. AOC also has responsibility to remediate certain sites with environmental contamination hazards related to ongoing operations. Additionally, AOC has contractual agreements with various energy service providers, which may require future financial obligations.

Contingent Liabilities

General contingent liabilities consist of claims filed against AOC which are awaiting adjudication. These liabilities typically relate to contracts, labor and equal employment opportunity issues, and personal and property damage.

For the purpose of estimating contingent liabilities for the financial statements, AOC conducted a review of existing claims for which the likelihood of loss to AOC is probable. Additionally, management and AOC's General Counsel evaluated the materiality of cases determined to have a reasonably possible chance of an adverse outcome. Liabilities are recognized for those cases that are determined to meet management's materiality threshold (see *Note 1.N*). No amounts are accrued in the financial records for claims where the estimated amount of potential loss does not exceed \$100 thousand or where the likelihood of an unfavorable outcome is less than probable. During the current and prior year reporting period there were no reported cases that met this criteria.

Matters for which the likelihood of an unfavorable outcome is less than probable but more than remote involve a wide variety of allegations and claims. These matters arise in the course of carrying out AOC programs and operations. The ultimate outcomes in these matters cannot be predicted at this time; however as of September 30, 2017 the lower level estimate of these cases was \$500K. Sufficient information is not currently available to determine if the ultimate resolution of the proceedings, actions, and claims will materially affect AOC's financial position or results of operations. Based on the less than probable nature of these claims, an accounting entry for the estimate was not posted and there is no impact on the financial statements.

Environmental Cleanup Cost Liabilities Related to Asbestos Cleanup

AOC is responsible for managing and/or abating friable and non-friable asbestos-containing materials (ACM) in all Capitol Complex Buildings owned by the federal government. Pursuant to the Federal Accounting Standards Advisory Board (FASAB) Technical Bulletin 2006-1, *Recognition and Measurement of Asbestos-related Cleanup Costs*, AOC recognizes a liability for cleanup costs that are both probable and reasonably estimable. This liability is

founded on "per square foot" cost indexes (based on current industry guidance for asbestos cleanup projects), which are then applied to recorded quantities of ACM to derive a total estimated liability.

Actual cleanup costs may differ for the recorded estimate due to additional cost factors that are, at this time, not reasonably estimable. For example, there may be an additional difficulty factor associated with AOC projects due to the unique working conditions on Capitol Hill. Additionally, containment (room or area) for asbestos abatement is a required work element that is not reasonably estimable at this time. Due to the uniqueness of individual project requirements, there is not enough information to determine the type of, and how much containment would be required. AOC has determined the lower level estimate of potential containment cost could be up to \$98.5 million.

The accrued and potential Contingent and Environmental Cleanup Cost Liabilities, as of September 30, 2017, and 2016 are shown below.

Dollars in thousands

CONTINGENT AND ENVIRONMENTAL LIABILITIES	2017	2016
Contingent Liabilities	\$ —	\$ —
Estimated Cleanup Cost Liabilities	77,683	75,929
Total	\$ 77,683	\$ 75,929

In FY 2016, AOC revised its methodology for estimating the asbestos cleanup liability to better align with industry guidance and refine the asbestos remediation cost factors. The FY 2017 asbestos liability analysis reflects an increase of \$1.8 million over the prior year, which is attributed to the annual quantity adjustment as well as a revision of the underlying cost factors.

Fort George G. Meade, Maryland

In addition to the requirements of Technical Bulletin 2006-1, AOC is subject to various federal, state, and local environmental compliance and restoration laws, including the Clean Air Act; the Clean Water Act; the Solid Waste Disposal Act; the Safe Drinking Water Act; and the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). Estimated environmental and disposal disclosures include expected future cleanup costs, and for those sites where future liability is unknown, the cost of studies necessary to evaluate response requirements.

Management's review concluded that AOC is not responsible for the clean-up and remediation of previous environmental contamination on the approximately 100 acres of land at Fort George G. Meade, Maryland, which the U.S. Army transferred to AOC. The Army is responsible for the environmental clean-up of any previous contamination

under CERCLA. AOC understands that the Army is actively monitoring existing contamination on the entire site, including the land transferred to AOC, and is pursuing appropriate remediation of this contamination.

Future Funded Energy Contracts

The Energy Policy Act of 1992 authorized the use of private sector financing to implement energy conservation methods and energy-efficient technologies by Federal entities. These contracts provide technical services and upfront project financing and allow Federal agencies to pay off the project costs over a period not to exceed 25 years. Per OMB Memoranda M-98-13 and M-12-21, obligations, budget authority and outlays for these energy savings projects will be recognized on an annual basis when due, rather than recording the full obligation upfront.

With approval from Congress, AOC has partnered with private energy service providers for Energy Savings Projects Contracts (ESPCs) in the Capitol, House and Senate Jurisdictions, as well as a utility provider for a cogeneration facility in the Capital Power Plant (CPP). In accordance with OMB guidance, the total capital costs for AOC's energy savings projects are obligated on an annual basis, as per the payment schedule specified in each individual contract. These projects play an important role in the AOC's strategy to reduce energy consumption by thirty percent within 10 years.

The ESPCs have helped the AOC complete conservation measures by way of:

- Converting from pneumatic to direct digital heating, ventilation and air conditioning (HVAC) control and upgrading building automation.
- Retrofitting existing light fixtures with high-efficiency lamps, ballasts, controls and reflectors; installing LED lighting in hearing rooms and expanding the lighting control rooms.
- Upgrading transformers to high-efficiency models.
- Adding removable insulation covers to reduce heat loss from steam valves.
- Replacing aged air handling units with new energy efficient units.
- Replacing failing and defective steam traps and valves to eliminate steam loss and waste.
- Installing new motion/occupancy sensors in areas with infrequent and low occupancy levels.

Construction on the ESPCs is complete, and the projects have transitioned into training, implementation and performance phases, and are exceeding their expected energy saving targets.

In FY 2016, AOC entered into a contract with Washington Gas Light Company to construct a cogeneration (COGEN) facility. Cogeneration, also known as combined heat and power, uses a single fuel source and simultaneously produces electricity and heat. The Capitol Power Plant's cogeneration facility will use natural gas in a combustion turbine to generate electricity and heat, increasing system reliability, improving efficiency and saving taxpayer dollars. This facility will provide heat and electricity for use by AOC and its jurisdictions and other Federal agencies, with excess capacity being sold potentially to non-Federal entities as well. The COGEN project is expected to be completed by FY 2018 and will be paid off, upon completion, in 23 annual installments ranging from \$3 million – \$5 million each year. AOC expects that these payments will be made from utility savings and additional revenues that result from the operations of the COGEN facility.

NOTE 15: Leases

As of September 30, 2017, AOC is committed to various non-cancelable leases primarily covering administrative office space and storage facilities, motor vehicles, and office equipment. Many of these leases contain escalation clauses tied to inflationary and tax increases, and renewal options.

Capital Leases

Capital leases have initial or remaining non-cancelable lease terms in excess of one year and the capital lease liability is amortized over the term of the lease. At the end of the current reporting period, AOC had one real property (building) capital lease for the Senate Sergeant at Arms Warehouse facility in Landover, MD. As of September 30, 2017, and 2016, the present value of the future minimum lease payments for this capital lease is as follows:

At September 30, 2017, Dollars in thousands

FISCAL YEAR	TOTAL
2018	845
2019	845
2020	845
2021	845
2022	845
Thereafter	2,535
Total Minimum Future Lease Payment	\$ 6,760
Less: Imputed Interest	(1,139)
Total Capital Lease Liability	\$ 5,621

At September 30, 2016, Dollars in thousands

FISCAL YEAR	TOTAL
2017	915
2018	845
2019	845
2020	845
2021	845
Thereafter	3,380
Total Minimum Future Lease Payment	\$ 7,675
Less: Imputed Interest	(1,443)
Total Capital Lease Liability	\$ 6,232

Operating Leases

AOC currently has leases and occupancy agreements with the General Services Administration (GSA), Government Publishing Office (GPO) and other commercial vendors for office and storage space as well as rentals of equipment and vehicles. These leases expire at various dates.

As of September 30, 2017 the aggregate of future payments due under non-cancelable operating leases and occupancy agreements are as follows:

Dollars in thousands

FISCAL YEAR	REAL PROPERTY	PERSONAL PROPERTY	TOTAL
2017	\$ 11,591	\$ 96	\$ 11,687
2018	7,079	29	7,108
2019	4,623	—	4,623
2020	2,585	—	2,585
2021	906	—	906
Thereafter	96	—	96
Total	\$ 26,880	\$ 125	\$ 27,005

NOTE 16: Other Liabilities

As of September 30, 2017, and 2016, these liabilities consist of accrued accounts payable and miscellaneous receipts that are to be forwarded to Treasury (intragovernmental custodial liabilities). Miscellaneous receipts include, but are not limited to, flag-flying fees prior to May 2017, rent from the Monocle restaurant and steam and chilled water collections over the Congressional cap.

These liabilities, which are classified as current as of September 30, 2017, and 2016, are as follows:

Dollars in thousands

OTHER LIABILITIES	2017	2016
Intragovernmental		
Custodial Liability	\$ 55	\$ 49
Other	—	580
Liability for Deposit Funds, Clearing Accts & Undeposited Collections	—	—
Total Intragovernmental	\$ 55	\$ 629
With the Public		
Other	\$ 38,012	\$ 30,335
Total With the Public	\$ 38,012	\$ 30,335
Total	\$ 38,067	\$ 30,964

NOTE 17: Imputed Financing

To measure the full cost of activities, SFFAS No. 4, *Managerial Cost Accounting Concepts and Standards for the Federal Government*, requires that total costs of programs include imputed financing. Such costs result when an entity receives unreimbursed services from other U.S. government entities.

Imputed financing consists of future retirement benefits for AOC employees that are paid on its behalf by the Office of Personnel Management (OPM), campus-wide capital infrastructure projects performed by another federal agency, and Treasury or Office of Compliance (OOC) judgment fund payments, as applicable.

With some exceptions, employees participate in one of three defined benefit retirement programs based on their employment start date: employee and employer contributions are made to the Civil Service Retirement and Disability Fund (CSRDF), the Civil Service Retirement Offset, or the Federal Employees Retirement System — all administered by OPM. Employees may also participate in the Thrift Savings Plan (TSP), a defined contribution retirement savings and investment plan, as authorized by the Federal Employees Retirement System Act of 1986. The Federal Retirement Thrift Investment Board administers this Plan.

Civil Service Retirement System (CSRS): According to PL 99-335, all employees hired prior to January 1, 1987, could elect CSRS or CSRS Offset. The CSRS provides a basic annuity and Medicare coverage. The CSRS fund covers most employees hired prior to January 1, 1984. AOC and the employee contribute to Medicare at the rate prescribed by law. AOC does not match contributions to the TSP for employees who participate in the CSRS.

Civil Service Retirement System Offset: CSRS Offset generally covers those employees who have had a break in their CSRS service of more than one and less than five years

by the end of 1986. AOC and the employee contribute to Social Security and Medicare at the rates prescribed by law. AOC does not match contributions to TSP for participating employees in the CSRS Offset.

Federal Employee Retirement System (FERS): According to PL 99-335, employees with less than five years of creditable civilian service, as of the effective date in 1986, were automatically converted to FERS. In addition, during certain periods in 1987, 1988 and 1998, employees hired before January 1, 1984, could choose to participate in FERS. This system consists of Social Security, a basic annuity plan and the TSP.

AOC and the employee contribute to Social Security and Medicare at rates prescribed by law. In addition, AOC is required to contribute to the TSP a minimum of 1 percent per year of the basic pay of employees covered by this system. AOC also matches a voluntary employee contribution up to 3 percent dollar-for-dollar, and another 2 percent is matched 50 cents on the dollar.

Imputed Financing for the periods ending September 30, 2017, and 2016 is as follows:

Dollars in thousands			
IMPUTED FINANCING, BY TYPE	2017	2016	
Pensions			
CSRS	\$ 1,401	\$ 1,875	
CSRS Offset	744	882	
FERS	34,343	33,547	
Less: Contributions	(32,817)	(31,711)	
Subtotal: Employee Pensions	\$ 3,671	\$ 4,593	
Health	10,315	11,966	
Life Insurance	\$35	33	
Subtotal: All Employee Benefits	\$ 14,021	\$ 16,592	
Other Agency — Campus Infrastructure	10,617	10,261	
Department of Justice — Treasury Judgement Fund	—	122	
Office of Compliance — Settlement and Awards Fund	680	—	
Total	\$ 25,318	\$ 26,975	

NOTE 18: Net Cost of Operations Related to Payroll

The SNC reports AOC's gross and net cost by responsibility segment. A responsibility segment is the organizational component (i.e., jurisdiction) that carries out a major line of activity and whose top management represent AOC's Executive Leadership Team (ELT). The net cost of operations is the gross cost less any earned revenues.

Expenses for salaries and related benefits for the periods ending September 30, 2017, and 2016, are shown in the table

below. These amounts were approximately 42 and 41 percent of the annual gross cost of operations for each respective year. This includes actual payroll and benefit expenses as well as imputed federal employee benefit costs paid by OPM. The amount identified as payroll expense represents actual expenditures and does not include accruals which are shown as other expenses.

Net Cost of Operations Related to Payroll as of September 30, 2017, and 2016 is as follows:

Dollars in thousands

	2017	2016
Expenses for Payroll & Related Benefits		
Payroll Expense	\$ 252,559	\$ 246,103
Benefit Expense	(4,132)	—
Imputed Costs (payroll — see Note 17)	14,021	16,592
Other Expenses Not Requiring Budget — Payroll	(109)	21
Employer Contribution to Employee Benefits	4,062	4,242
Total Expenses for Payroll & Related Benefits	\$ 266,401	\$ 266,958
Total Gross Cost	\$ 634,952	\$ 653,836
Payroll related expenses to Gross Costs (%)	42%	41%

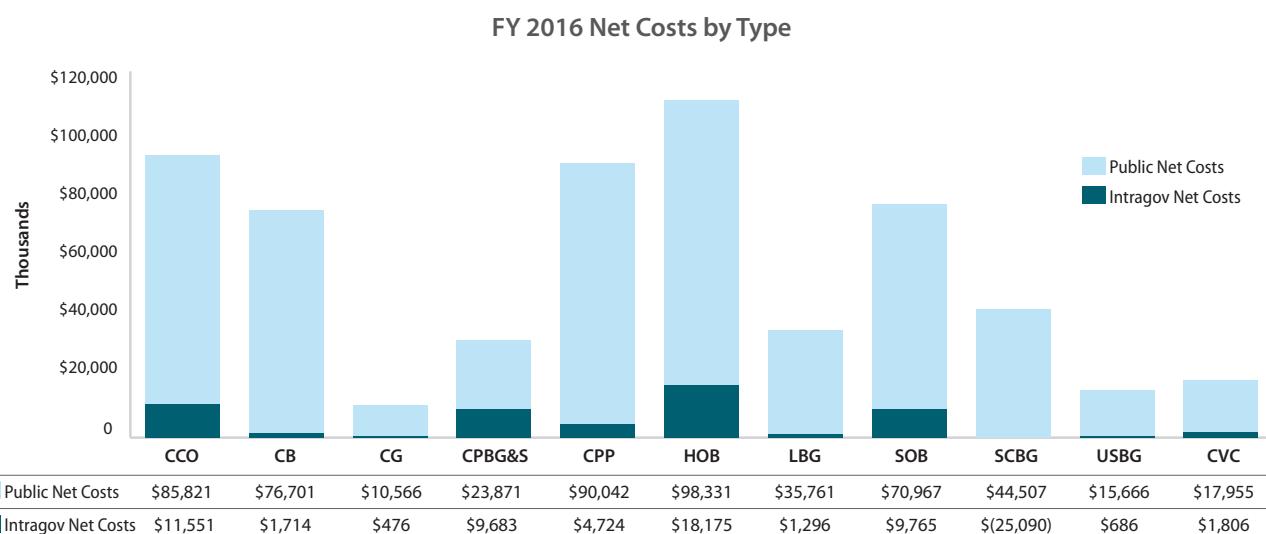
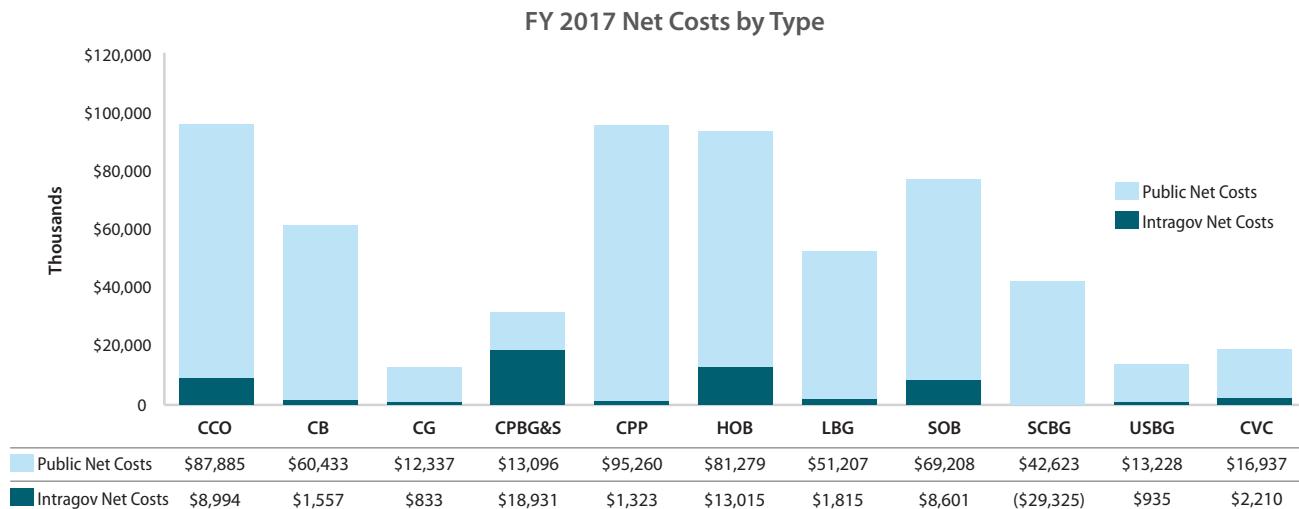
NOTE 19: Net Cost by Type

AOC's net cost of operations for the periods ending September 30, 2017, and 2016 as reported in the SNC are \$575 million and \$604.9 million, respectively. The table below highlights AOC net cost by jurisdiction.

Dollars in thousands

NET COST BY JURISDICTION	2017	2016
Capital Construction and Operations (CCO)	\$ 96,879	\$ 97,373
Capitol Building (CB)	61,990	78,415
Capitol Grounds (CG)	13,170	11,042
Capitol Police Buildings, Grounds, and Security (CPBG&S)	34,722	33,554
Capitol Power Plant (CPP)	96,583	94,766
House Office Buildings (HOB)	94,294	116,506
Library Buildings and Grounds (LBG)	53,022	37,057
Senate Office Buildings (SOB)	77,809	80,732
U.S. Supreme Court Building and Grounds (SCBG)	13,298	19,417
U.S. Botanic Garden (USBG)	14,163	16,352
U.S. Capitol Visitor Center (CVC)	19,147	19,761
Total	\$ 575,077	\$ 604,975

The charts below separate these costs¹² by Intragovernmental and With the Public to provide additional details on the nature of these costs.



¹² Amounts are reflected in absolute value

Intragovernmental activities comprise payments to other federal agencies for services provided such as General Service Administration (GSA) for leases, Federal Occupational Health (FOH) for training, and Department of Labor (DOL) for payroll and benefits related expenses. Activities with the public include vendor payments and employees' payroll expenses.

NOTE 20: Reconciliation of SCNP Appropriations to SBR

Amounts reported as Appropriations Received on the Statement of Changes in Net Position (SCNP) are \$632.8 million and \$622.9 million for FY 2017 and FY 2016, respectively. These amounts consist of funds congressionally appropriated to the agency within the current fiscal year. Amounts reported as Appropriations received on the Combined Statement of Budgetary Resources (SBR) are \$632.8 million and \$597 million for FY 2017 and FY 2016, respectively. For the prior year, FY 2016, the Statement of Budgetary Resources (SBR) Appropriation line consisted of appropriations received, current year transfers, actual

repayments of debt and new budget authority totaling \$597 million. Whereas in the current year, FY 2017, the Appropriation line no longer reflects borrowing authority — this amount is reported on the Borrowing Authority line of the SBR.

The difference of \$25.8 million between the two statements in FY 2016 is attributed to the semi-annual debt repayment to the Bank of New York Mellon. For FY 2017 there are no AOC operations within the current reporting period that would result in a material difference between the two statements.

NOTE 21: Undelivered Orders at the End of the Period

In accordance with OMB Circular A-136, *Financial Reporting Requirements*, the amount of budgetary resources obligated but not delivered must be disclosed separately. Amounts obligated comprise contracts with vendors for acquisitions of goods and services including contractual support, construction projects, and CVC inventory purchases. Undelivered orders for the periods ending September 30, 2017, and 2016 are \$290 million and \$318 million, respectively. This is different from the unpaid obligations shown on the SBR which include undelivered orders and delivered orders (unpaid).

NOTE 22: Explanation of Differences Between the Combined Statement of Budgetary Resources and the Budget of the United States Government

The FY 2019 Budget of the United States Government (President's Budget) presenting the actual amounts for the year ended September 30, 2017 is scheduled for publication in February 2018. When available, the President's Budget is reconciled to the agency Combined Statement of Budgetary Resources (SBR) to identify differences. Upon publication, AOC's budget can be found on the Office of Management and Budget (OMB) website (<https://www.whitehouse.gov/omb/budget/Appendix>) under Legislative Branch.

Dollars in millions

	RECONCILIATION OF SBR TO BUDGET				DISTRIBUTED OFFSETTING RECEIPTS
	BUDGETARY RESOURCES	OBLIGATIONS INCURRED	NET OUTLAYS		
Combined Statement of Budgetary Resources (SBR)	\$ 1,254	\$ 739	\$ 514	\$ —	—
Items on SBR — Not on Budget:					
Expired Funds	(16)	—	—	—	—
Other SBR Adjustments	—	13	11	—	—
Budget of the United States Government	<u>\$ 1,238</u>	<u>\$ 752</u>	<u>\$ 525</u>	<u>\$ —</u>	<u>—</u>

The differences between the FY 2016 comparative amounts presented on the SBR and the actual amounts published in the FY 2018 President's Budget are due to the activity from expired funds and offsetting collections that are on the SBR but are not in the President's Budget. Additionally, audit adjustments and other rounding differences may be reflected on the SBR.

NOTE 23: Reconciliation of Net Cost of Operations to Budget

FASAB requires a reconciliation of proprietary and budgetary information (the former Statement of Financing) in a way that helps users to relate the two. The objective is to provide an explanation for the differences between budgetary and financial (proprietary) accounting and is accomplished by means of a reconciliation of budgetary obligations and non-budgetary resources available to the reporting entity with its net cost of operations.

Most entity transactions are recorded in both budgetary and proprietary accounts. However, because different accounting bases are used, some transactions may appear in only one set of accounts (e.g., accrual of workers' compensation liabilities is only recorded in proprietary records). Not all obligations or offsetting collections may result in expenses or exchange revenue (e.g., a building purchase is capitalized in proprietary accounts).

Exchange revenue with the public consists of revenues received for services provided, such as access to the Senate Health and Fitness Facility and House Wellness Center, as well as rent and interest. Exchange revenue with federal entities consists of revenue from services provided, such as steam and chilled water, work performed on reimbursable projects, and reimbursement for the TMFJB.

Resources Used to Finance Activities reflects the budgetary resources obligated and other resources used to finance AOC activities. The obligations of budgetary resources are net of offsetting collections, recoveries and receipts. Other resources are financing sources that increase net position but are not budgetary resources (e.g., donated property or imputed costs).

Resources Used to Finance Items Not Part of the Net Cost of Operations includes resources used to finance the activities of the entity to account for items that were included in net obligations and other resources but were not part of the SNC. This item includes undelivered orders reflected in net obligations but not part of current period SNC. It also includes budgetary resources and obligations recognized in the current period that do not affect the net cost of operations (e.g., an acquisition of assets reflected in net obligations but not in SNC).

Components Requiring or Generating Resources in Future Periods identifies items that are recognized as a component of the SNC for the current period but the budgetary resources (and related obligation) will not be provided (or incurred) until a subsequent period. Costs such as contingent liabilities and workers' compensation are not always funded in the period the costs are incurred and are included in this item.

Components Not Requiring or Generating Resources includes items that are recognized as part of the net cost of operations for the period but will not generate or require the use of resources, such as depreciation and amortization.

The reconciliation for the periods ending September 30, 2017, and 2016 is as follows:

Dollars in thousands

RECONCILIATION OF NET COST OF OPERATIONS TO BUDGET		2017	2016
Resources Used to Finance Activities			
Budgetary Resources Obligated			
New Obligations and Upward Adjustments	\$ 663,083	\$ 739,462	
Less: Spending Authority from Offsetting Collections and Recoveries	(67,154)	(114,414)	
Obligations Net of Offsetting Collections and Recoveries	595,929	625,048	
Less: Offsetting Receipts	—	—	
Net Obligations	595,929	625,048	
Other Resources			
Transfers In/(Out) Without Reimbursement	98,934	157	
Imputed Financing	25,318	26,975	
Net Other Resources used to Finance Activities	124,252	27,132	
Total Resources Used to Finance Activities	\$ 720,181	\$ 652,180	
Resources Used to Finance Items not Part of Net Cost of Operations (NCOO)			
Change in Budgetary Resources Obligated for Goods, Services and Benefits Ordered but not yet Provided	(45,540)	83,695	
Resources that Fund Expenses Recognized in Prior Periods	(1,515)	10,717	
Budgetary Offsetting Collections and Receipts that do not affect NCOO	45,583	(20)	
Resources that Finance the Acquisition of Assets	255,615	83,270	
Total Resources Used to Finance Items not Part of NCOO	254,143	177,662	
Total Resources Used to Finance the Net Cost of Operations	\$ 466,038	\$ 474,518	
Components of NCOO that will not Require or Generate Resources in the Current Period			
Components Requiring or Generating Resources in Future Periods	(425)	(176)	
Other	(1,549)	(9,767)	
Total Components of NCOO that will Require or Generate Resources in Future Periods	(1,974)	(9,943)	
Components not Requiring or Generating Resources			
Depreciation and Amortization	108,664	98,788	
Revaluation of Assets or Liabilities	4	6	
Other	2,345	41,606	
Total Components of NCOO that will not Require or Generate Resources	111,013	140,400	
Total Components of NCOO that will not Require or Generate Resources in the Current Period	\$ 109,039	\$ 130,457	
Net Cost of Operations	\$ 575,077	\$ 604,975	

Required Supplementary Information

Combining Schedule of Budgetary Resources

For the Period Ending September 30, 2017 (\$ in thousands)

	TOTAL	CAPITAL CONSTRUCTION AND OPERATIONS	CAPITOL BUILDING	CAPITOL GROUNDS
Budgetary Resources				
Unobligated Balance Brought Forward, October 1	\$ 514,952	\$ 7,588	\$ 38,710	\$ 10,918
Recoveries of Prior Year Unpaid Obligations — Actual	25,144	3,260	1,639	556
Other Changes in Unobligated Balances	26,506	484	1,926	88
Unobligated Balance from Prior Year Budget Authority, Net	566,602	11,332	42,275	11,562
Appropriations (Note 20)	632,831	92,957	32,584	12,884
Borrowing Authority (Note 13)	8,277	—	—	—
Spending Authority from Offsetting Collections	42,014	153	210	—
Total Budgetary Resources	\$ 1,249,724	\$ 104,442	\$ 75,069	\$ 24,446
Status of Budgetary Resources				
New Obligations and Upward Adjustments	\$ 663,083	\$ 96,561	\$ 40,291	\$ 12,402
Unobligated Balance, End of Year:				
Exempt from Apportionment	562,970	2,054	33,480	10,962
Unexpired Unobligated Balance, End of Year	562,970	2,054	33,480	10,962
Expired Unobligated Balance, End of Year	23,671	5,827	1,298	1,082
Unobligated Balance, End of Year	586,641	7,881	34,778	12,044
Total Budgetary Resources	\$ 1,249,724	\$ 104,442	\$ 75,069	\$ 24,446
Change in Obligated Balance				
Unpaid Obligations:				
Unpaid Obligations, Brought Forward, October 1	\$ 391,736	\$ 24,135	\$ 34,642	\$ 3,737
New Obligations and Upward Adjustments	663,083	96,561	40,291	12,402
Outlays (Gross)	(678,959)	(92,584)	(63,103)	(12,327)
Recoveries of Prior Year Unpaid Obligations	(25,144)	(3,260)	(1,639)	(556)
Unpaid Obligations, End of Year	\$ 350,716	\$ 24,852	\$ 10,191	\$ 3,256
Uncollected Payments:				
Uncollected Payments, Federal Sources, Brought Forward, October 1	(1,477)	—	—	—
Change in Uncollected Payments, Federal Sources	(16)	445	(100)	—
Uncollected Payments, Federal Sources, End of Year	(1,493)	445	(100)	—
Memorandum (Non-Add) Entries:				
Obligated Balance, Start of Year	\$ 390,259	\$ 24,135	\$ 34,642	\$ 3,737
Obligated Balance, End of Year (Note 3)	\$ 349,223	\$ 25,297	\$ 10,091	\$ 3,256
Budgetary Authority and Outlays, Net				
Budgetary Authority, Gross	\$ 683,122	\$ 93,110	\$ 32,794	\$ 12,884
Actual Offsetting Collections	(87,928)	(1,653)	(2,103)	(113)
Changes in Uncollected Payments, Federal Sources	(16)	445	(100)	—
Recoveries of Prior Year Paid Obligations	28,695	1,427	1,988	113
Budget Authority, Net (Total)	\$ 623,873	\$ 93,329	\$ 32,579	\$ 12,884
Outlays, Gross	678,959	92,584	63,103	12,327
Actual Offsetting Collections	(87,928)	(1,653)	(2,103)	(113)
Outlays, Net (Total)	591,031	90,931	61,000	12,214
Agency Outlays, Net	\$ 591,031	\$ 90,931	\$ 61,000	\$ 12,214

CAPITOL POLICE BUILDINGS, GROUNDS AND SECURITY	CAPITOL POWER PLANT	HOUSE OFFICE BUILDINGS	LIBRARY BUILDINGS AND GROUNDS	SENATE OFFICE BUILDINGS	SUPREME COURT BUILDING AND GROUNDS	U.S. BOTANIC GARDEN	U.S. CAPITOL VISITOR CENTER
\$ 14,827	\$ 32,159	\$ 207,322	\$ 38,099	\$ 78,331	\$ 59,635	\$ 7,871	\$ 19,492
119	4,483	7,972	2,550	2,333	921	396	915
(42)	(71)	22,815	111	517	463	49	166
14,904	36,571	238,109	40,760	81,181	61,019	8,316	20,573
20,033	86,646	202,731	47,080	88,406	14,886	14,067	20,557
—	—	—	—	—	8,277	—	—
103	8,967	93	3,631	657	22,067	—	6,133
\$ 35,040	\$ 132,184	\$ 440,933	\$ 91,471	\$ 170,244	\$ 106,249	\$ 22,383	\$ 47,263
\$ 22,296	\$ 91,301	\$ 164,941	\$ 48,467	\$ 93,275	\$ 51,682	\$ 15,779	\$ 26,088
12,579	34,490	271,262	41,070	75,603	54,567	6,082	20,821
12,579	34,490	271,262	41,070	75,603	54,567	6,082	20,821
165	6,393	4,730	1,934	1,366	—	522	354
12,744	40,883	275,992	43,004	76,969	54,567	6,604	21,175
\$ 35,040	\$ 132,184	\$ 440,933	\$ 91,471	\$ 170,244	\$ 106,249	\$ 22,383	\$ 47,263
\$ 11,067	\$ 37,148	\$ 202,853	\$ 36,389	\$ 20,144	\$ 14,823	\$ 3,438	\$ 3,360
22,296	91,301	164,940	48,468	93,275	51,682	15,779	26,088
(20,671)	(94,530)	(191,786)	(60,048)	(67,647)	(37,821)	(14,393)	(24,049)
(120)	(4,482)	(7,972)	(2,550)	(2,334)	(920)	(396)	(915)
\$ 12,572	\$ 29,436	\$ 168,035	\$ 22,260	\$ 43,438	\$ 27,764	\$ 4,428	\$ 4,484
—	(48)	—	—	—	(1,429)	—	—
—	(1,790)	—	—	—	1,429	—	—
—	(1,838)	—	—	—	—	—	—
\$ 11,067	\$ 37,100	\$ 202,853	\$ 36,389	\$ 20,144	\$ 13,394	\$ 3,438	\$ 3,360
\$ 12,572	\$ 27,599	\$ 168,035	\$ 22,260	\$ 43,438	\$ 27,764	\$ 4,427	\$ 4,484
\$ 20,136	\$ 95,613	\$ 202,824	\$ 50,712	\$ 89,062	\$ 45,230	\$ 14,067	\$ 26,690
(113)	(7,858)	(23,268)	(3,867)	(1,325)	(41,189)	(91)	(6,348)
—	(1,790)	—	—	—	1,429	—	—
10	310	23,175	235	668	448	91	215
\$ 20,033	\$ 86,275	\$ 202,731	\$ 47,080	\$ 88,405	\$ (5,933)	\$ 14,067	\$ 22,551
20,671	94,530	191,786	60,048	67,647	37,821	14,393	24,049
(113)	(7,858)	(23,268)	(3,867)	(1,325)	(41,189)	(91)	(6,348)
20,558	86,672	168,518	56,181	66,322	(3,368)	14,302	17,701
\$ 20,558	\$ 86,672	\$ 168,518	\$ 56,181	\$ 66,322	\$ (3,368)	\$ 14,302	\$ 17,701

(continued on the next page)

Combining Schedule of Budgetary Resources *(continued)*

For the Period Ending September 30, 2016 (\$ in thousands)

	TOTAL	CAPITAL CONSTRUCTION AND OPERATIONS	CAPITOL BUILDING	CAPITOL GROUNDS
Budgetary Resources				
Unobligated Balance Brought Forward, October 1	\$ 528,229	\$ 7,323	\$ 37,711	\$ 9,059
Recoveries of Prior Year Unpaid Obligations	16,218	3,105	2,432	722
Other Changes in Unobligated Balances	5,739	(248)	(224)	(194)
Unobligated Balance from Prior Year Budget Authority, Net	550,186	10,180	39,919	9,587
Appropriations (Note 20)	597,023	91,589	46,737	11,880
Spending Authority from Offsetting Collections	107,205	1,004	519	138
Total Budgetary Resources	\$ 1,254,414	\$ 102,773	\$ 87,175	\$ 21,605
Status of Budgetary Resources				
New Obligations and Upward Adjustments	\$739,462	\$ 95,184	\$ 48,464	\$ 10,688
Unobligated Balance, End of Year:				
Exempt from Apportionment	492,824	2,038	37,309	9,667
Unexpired Unobligated Balance, End of Year	492,824	2,038	37,309	9,667
Expired Unobligated Balance, End of Year	22,128	5,551	1,402	1,250
Unobligated Balance, End of Year	514,952	7,589	38,711	10,917
Total Budgetary Resources	\$ 1,254,414	\$ 102,773	\$ 87,175	\$ 21,605
Change in Obligated Balance				
Unpaid Obligations:				
Unpaid Obligations, Brought Forward, October 1	\$ 282,092	\$ 24,139	\$ 57,524	\$ 3,943
New Obligations and Upward Adjustments	739,462	95,184	48,464	10,688
Outlays (Gross)	(613,600)	(92,083)	(68,914)	(10,172)
Recoveries of Prior Year Unpaid Obligations	(16,218)	(3,105)	(2,432)	(722)
Unpaid Obligations, End of Year	391,736	24,135	34,642	3,737
Uncollected Payments:				
Uncollected Payments, Federal Sources, Brought Forward, October 1	(2,415)	—	—	—
Change in Uncollected Payments, Federal Sources	938	—	—	—
Uncollected Payments, Federal Sources, End of Year	(1,477)	—	—	—
Memorandum (Non-Add) Entries:				
Obligated Balance, Start of Year	\$ 279,677	\$ 24,139	\$ 57,524	\$ 3,943
Obligated Balance, End of Year (Note 3)	\$ 390,259	\$ 24,135	\$ 34,642	\$ 3,737
Budgetary Authority and Outlays, Net				
Budgetary Authority, Gross	\$ 704,228	\$ 92,593	\$ 47,256	\$ 12,018
Actual Offsetting Collections	(99,133)	(1,004)	(519)	(138)
Changes in Uncollected Payments, Federal Sources	938	—	—	—
Recoveries of Prior Year Paid Obligations	10,395	912	519	134
Budget Authority, Net (Total)	\$ 616,428	\$ 92,501	\$ 47,256	\$ 12,014
Outlays, Gross	613,600	92,083	68,914	10,172
Actual Offsetting Collections	(99,133)	(1,004)	(519)	(138)
Outlays, Net (Total)	514,467	91,079	68,395	10,034
Agency Outlays, Net	\$ 514,467	\$ 91,079	\$ 68,395	\$ 10,034

CAPITOL POLICE BUILDINGS, GROUNDS AND SECURITY	CAPITOL POWER PLANT	HOUSE OFFICE BUILDINGS	LIBRARY BUILDINGS AND GROUNDS	SENATE OFFICE BUILDINGS	SUPREME COURT BUILDING AND GROUNDS	U.S. BOTANIC GARDEN	U.S. CAPITOL VISITOR CENTER
\$ 3,268	\$ 31,739	\$ 277,734	\$ 36,979	\$ 66,016	\$ 33,384	\$ 8,114	\$ 16,902
149	813	4,391	1,171	1,603	504	580	748
8,089	(534)	(274)	(269)	(184)	—	(228)	(195)
11,506	32,018	281,851	37,881	67,435	33,888	8,466	17,455
25,434	94,722	184,962	40,689	84,221	(15,881)	12,113	20,557
225	8,655	6,091	7,696	5,644	71,714	135	5,384
\$ 37,165	\$ 135,395	\$ 472,904	\$ 86,266	\$ 157,300	\$ 89,721	\$ 20,714	\$ 43,396
 \$ 22,338	 \$ 103,235	 \$ 265,582	 \$ 48,169	 \$ 78,970	 \$ 30,085	 \$ 12,843	 \$ 23,904
14,637	28,054	203,159	36,440	76,565	59,636	6,882	18,437
14,637	28,054	203,159	36,440	76,565	59,636	6,882	18,437
190	4,106	4,163	1,657	1,765	—	989	1,055
14,827	32,160	207,322	38,097	78,330	59,636	7,871	19,492
\$ 37,165	\$ 135,395	\$ 472,904	\$ 86,266	\$ 157,300	\$ 89,721	\$ 20,714	\$ 43,396
 \$ 10,063	 \$ 37,141	 \$ 77,858	 \$ 33,142	 \$ 13,495	 \$ 16,693	 \$ 4,413	 \$ 3,681
22,338	103,235	265,582	48,169	78,970	30,085	12,843	23,904
(21,185)	(102,417)	(136,195)	(43,750)	(70,719)	(31,451)	(13,238)	(23,476)
(149)	(813)	(4,391)	(1,171)	(1,603)	(504)	(580)	(748)
11,067	37,146	202,854	36,390	20,143	14,823	3,438	3,361
—	(1,110)	—	—	—	(1,305)	—	—
—	1,062	—	—	—	(124)	—	—
—	(48)	—	—	—	(1,429)	—	—
\$ 10,063	\$ 36,031	\$ 77,858	\$ 33,142	\$ 13,495	\$ 15,388	\$ 4,413	\$ 3,681
\$ 11,067	\$ 37,098	\$ 202,854	\$ 36,390	\$ 20,143	\$ 13,394	\$ 3,438	\$ 3,361
 \$ 25,659	 \$ 103,377	 \$ 191,053	 \$ 48,385	 \$ 89,865	 \$ 55,833	 \$ 12,248	 \$ 25,941
(225)	(9,717)	(6,091)	(7,696)	(5,644)	(62,580)	(135)	(5,384)
—	1,062	—	—	—	(124)	—	—
185	197	5,253	1,045	1,422	75	136	517
\$ 25,619	\$ 94,919	\$ 190,215	\$ 41,734	\$ 85,643	\$ (6,796)	\$ 12,249	\$ 21,074
21,185	102,417	136,195	43,750	70,719	31,451	13,238	23,476
(225)	(9,717)	(6,091)	(7,696)	(5,644)	(62,580)	(135)	(5,384)
20,960	92,700	130,104	36,054	65,075	(31,129)	13,103	18,092
\$ 20,960	\$ 92,700	\$ 130,104	\$ 36,054	\$ 65,075	\$ (31,129)	\$ 13,103	\$ 18,092

Deferred Maintenance and Repairs

The AOC, which oversees more than 18.4 million square feet of facilities and more than 570 acres of grounds, is responsible for ensuring that the historic facilities and grounds entrusted to its care remain in a safe and suitable condition for the current and future needs of Congress, the Supreme Court and the American public. FASAB's *Statement of Federal Financial Accounting Standards (SFFAS) 42, Deferred Maintenance and Repairs: Amending SFFAS 6, 14, 29 and 32*, defines deferred maintenance and repairs (DM&R) as maintenance and repairs that were not performed when they should have been, or were scheduled, and are delayed for a future period.

SFFAS No. 42 requires federal entities to discuss: (1) their maintenance and repairs policies, (2) how they rank and prioritize maintenance and repairs activities, (3) the factors considered in determining acceptable condition standards, (4) whether DM&R relate solely to capitalized general property, plant and equipment (PP&E) and stewardship PP&E or also to non-capitalized or fully depreciated general PP&E, (5) PP&E for which management does not measure and/or report DM&R and the rationale, (6) beginning and ending DM&R balances by PP&E category and (7) significant changes from the prior year.

The AOC defines its acceptable level of condition of PP&E to be "good to very good" based on the Facility Condition Index (FCI). The index is based upon the facility replacement values, which are updated annually, and identified deferred maintenance and repairs. PP&E of less than "good" condition are determined to require significantly more maintenance than facilities in better FCI condition.

The three major classes of capitalized assets for which DM&R is tracked are: (1) buildings and other structures, (2) grounds (i.e., stewardship land) and (3) heritage assets. Additionally, while the AOC tracks capital equipment deferred maintenance and repairs, none was identified for FY 2017. Non-capitalized and fully depreciated PP&E are not included as part of the DM&R estimate. To evaluate the condition of buildings, other structures and grounds,

the AOC uses Facility Condition Assessments (FCAs) to identify deferred maintenance, capital renewal, capital improvements and capital construction work elements. The FCA tracks maintenance and repairs activities as work elements are scheduled for completion. Rank and prioritization for the work elements are based on the scheduled year, as well as project risk. Project risk is scored as low, medium, high and critical. The FCA cost models are considered early planning estimates to identify liabilities. They are not derived from fully completed construction drawings. The focus of this disclosure is solely deferred maintenance and repairs, as identified through the FCAs. It does not include capital renewal, capital improvements and capital construction work elements. However, the AOC monitors capital renewal work elements that, if not funded, could become deferred maintenance in the near future. Capital renewal work elements, identified within a five-year period, are combined with deferred maintenance and repairs and this figure is referred to as "backlog" at the AOC.

The AOC completed an initial FCA on most buildings and grounds under its purview, with some exceptions (the exceptions are identified in the note to the table and have been excluded from the DM&R totals). The AOC continues to complete and update the FCAs for all facilities for which it is responsible. As a result, the FCAs for some of these facilities are underway or in the planning stages and will be included in subsequent reports.

The AOC's estimate of the amount of accumulated deferred maintenance and repairs work required to bring facilities to a "good" condition, based on the Facility Condition Index, is approximately \$401 million for the fiscal year ending September 30, 2017.¹³ The deferred maintenance and repairs

¹³ The AOC aims to maintain its assets in at least good condition. Condition is defined by the FCI, which is calculated as the cost of deferred maintenance divided by the current replacement value. A ratio of less than 0.02 is considered "very good." A ratio of 0.02 to 0.05 is judged "good." A ratio of 0.05 to 0.10 is deemed "fair." A ratio of more than 0.10 is considered "poor." The AOC's goal is to attain a ratio of less than 0.05 (or "good" condition) for its assets. Although an asset may be rated as being in acceptable condition, individual systems within that asset may require deferred maintenance and repairs to return the system to an acceptable operating condition.

Deferred Maintenance and Repairs (\$ in thousands required to achieve "good condition")

CATEGORY	AS OF 10/1/16	AS OF 9/30/17	INCREASE (DECREASE)
Buildings and Other Structures	\$415,200	\$388,836	(\$26,364)
Grounds	\$12,067	\$12,031	(\$36)
Heritage Assets	\$534	\$540	\$6
Total	\$427,801	\$401,407	(\$26,394)

* The September 30, 2017 figures exclude the Library of Congress' Special Service Facilities Center, the U.S. Supreme Court, the Thurgood Marshall Federal Judiciary Building, pedestrian tunnels, the U.S. Capitol Police Courier Acceptance Facility, E Street S.E. Garage and most major equipment related to the Capitol Power Plant. Deferred maintenance calculations are based on FY 2016 AOC replacement values, completed in April 2017.

decline is largely related to the Rayburn House Underground Garage rehabilitation work funded, as well as a recent reassessment of the World War II-era warehouses at the Fort Meade campus. For these warehouses, a new approach is planned to consolidate storage into a limited number of warehouses and reduce maintenance for those warehouses no longer used. The table depicts deferred maintenance and repairs costs, by category, at the beginning and ending of the fiscal year to bring the assets to a good condition.

Heritage Assets

Introduction

The AOC is the steward of heritage assets located throughout the Capitol campus. In addition to the buildings and landscape, these assets include architectural fine and decorative art, architectural features, archival material and joint works of art. Many of these assets, both collectible and non-collectible (i.e., architectural), are national treasures.

The AOC Curator Division, including the Records Management and Archives Branch and the Photography Branch, manages the resources provided by Congress for the conservation of art and the preservation of other heritage assets, such as architectural drawings and photographs. The AOC follows professional standards established by the American Institute for Conservation and the National Archives and Records Administration. The AOC Curator prepares recommendations to the Joint Committee on the Library regarding acquisition and placement of joint works of art and shares responsibility with the Senate and House Curators for the care of collectible fine and decorative art.

The AOC's Curator maintains detailed records for each work of art and manages computerized inventories of heritage assets.¹⁴ The AOC contracts with professional fine art conservators for needed repairs or treatments. The AOC Curator maintains a library of conservation reports prepared in accordance with standards that require preservation work to be fully documented. The Curator provides advice to the AOC's jurisdictions on projects and contracts that involve heritage assets or preservation issues. The Records Management and Archives Branch preserves historic architectural and engineering drawings and textual records. The Branch also creates records policies. The Photography Branch documents facilities and projects, heritage assets and congressional events, and also manages and preserves the AOC's photographic records archive. Some vital records, including microfilm and photographic negatives, are stored off-site in stable and secure conditions. Curator Division staff support numerous projects by



The U.S. Botanic Garden's Bartholdi Park is currently going through the process of certification as a Sustainable SITES Initiative (SITES[®]) project, which is a program for certifying sustainable landscapes. The centerpiece of the park is the cast-iron *Fountain of Light and Water*, commonly called the Bartholdi Fountain.

¹⁴ The catalogue of the entire congressional art collection was last published in 1978 in *Art in the United States Capitol*.

conducting historical research and providing reproductions of photographs, architectural and engineering drawings, records, specifications and reports.

The AOC's Historic Preservation Officer is responsible for preserving the architectural features of the historic buildings maintained by the AOC. The Historic Preservation Officer works closely with the Curator in documenting, researching and providing information about buildings, architectural features and architectural decorative art; reviewing projects; developing specifications; and developing and implementing the AOC's Preservation Policy.

Historic Buildings and Structures

The AOC maintains the Capitol campus, which includes a number of historic buildings and structures. These include the U.S. Capitol Building, Russell Senate Office Building, Dirksen Senate Office Building, Hart Senate Office Building, Senate Underground Garage, Daniel Webster Page Residence, Cannon House Office Building, Longworth House Office Building, Rayburn House Office Building, East and West House Underground Garages, Ford House Office Building, Thomas Jefferson Building, John Adams Building, James Madison Memorial Building, U.S. Botanic Garden (USBG) Conservatory, USBG Administration

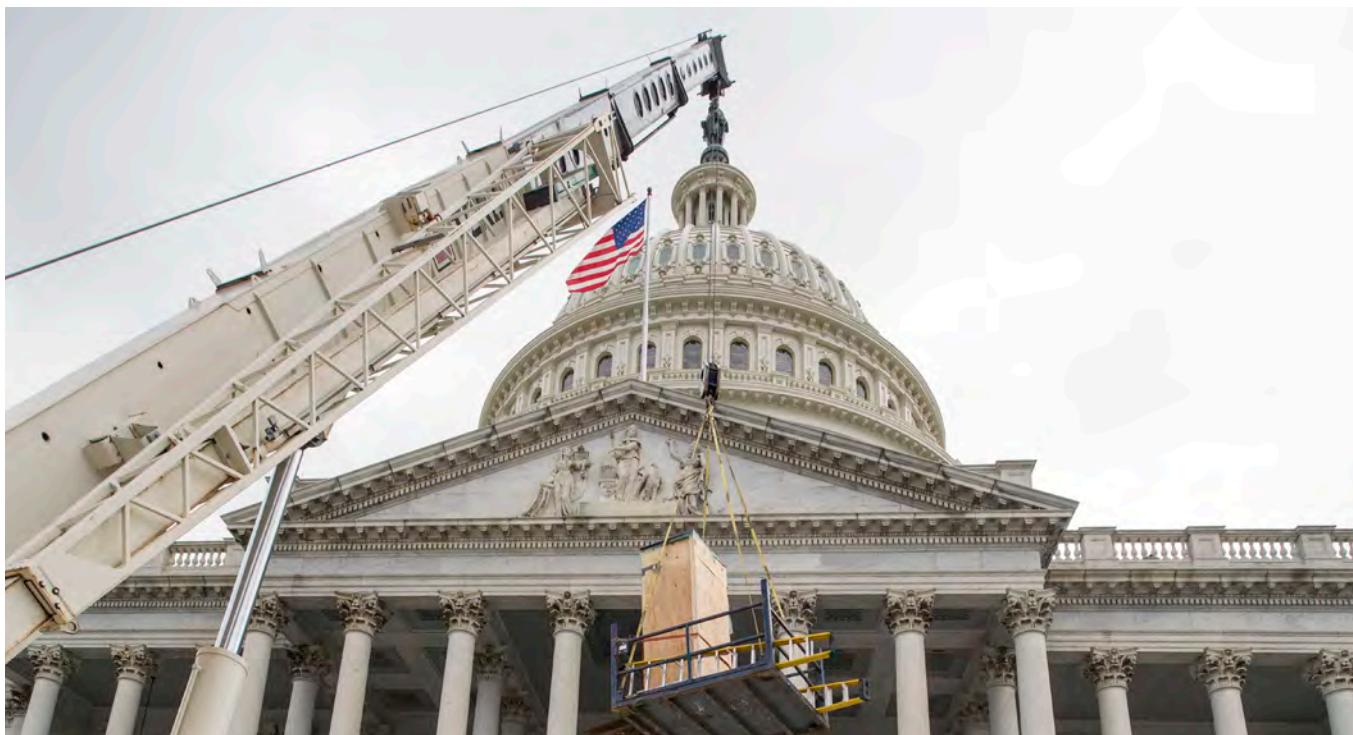
Building, Capitol Power Plant (CPP) Main Boiler Building, CPP East Refrigeration Plant, CPP Old Generator Building, U.S. Supreme Court and the Thurgood Marshall Federal Judiciary Building (TMFJB). All are considered multi-use heritage assets and assigned a cost on the Balance Sheet and presented under General Property, Plant and Equipment, Net. In general, historic buildings and structures are added or withdrawn through congressional action.

Stewardship Lands and Cultural Landscapes

The AOC-administered stewardship lands encompass more than 570 acres of grounds. This includes Capitol Square, the approximately 290 acres of grounds immediately surrounding the U.S. Capitol Building and designed by noted American landscape architect Frederick Law Olmsted. In addition, the AOC's cultural landscapes include Senate Park (Squares 632, 633, 634, 680, 681, 682, 683, 684, 685, 722 and 723), Senate office building sites and courtyards (Squares 686 and 725), House office building sites and courtyards (Squares 581, 635, 689 and 690), East and West House Underground Garage (Squares 637 and 691), Botanic Garden and National Garden (Square 576), Bartholdi Park (Square 578), USBG Administration Building site (Square 575), Union Square, Thomas Jefferson Building site (Square 730), John Adams Building site

AOC Heritage Assets Condition Rating Scales

CONDITION RATING SCALE	DEFINITION	PRIORITY
Heritage Assets		
Poor	Asset exhibits, or is in danger of, structural damage or loss. Requires major conservation or repair to achieve structural and aesthetic integrity.	High
Fair	Asset is structurally sound but requires major conservation to improve aesthetic integrity.	Medium
Good	Asset is structurally sound and retains aesthetic integrity. Requires routine maintenance or minor conservation.	Low
Excellent	Asset is new, or has been conserved as close to its original condition and appearance as possible, or a conservator has determined that no conservation treatment is needed.	No Treatment Needed
Historic Paper Records		
Poor	Records are not yet stored in archives or their preservation is endangered.	High
Fair	Records are preserved in secure and stable conditions in archives.	Medium
Good	Records are accessioned and placed in acid-free containers.	Low
Excellent	Records are fully processed and stored in archival folders with all major preservation problems attended to.	No Treatment Needed
Photographic Records		
Poor	Film photographs are not in secure storage or digital files are not identified, readable, or backed up.	High
Fair	Records are in secure storage, subject is identified, and image is backed up.	Medium
Good	Negatives are properly housed and inventoried or digital files are batch captioned and backed up in multiple locations	Low
Excellent	Negatives are stored off-site in archival conditions or digital files are fully captioned with images backed up in multiple locations with routine data migration.	No Treatment Needed



In FY 2017, the plaster models of War and Peace were removed from the Cannon House Office Building, conserved and placed in niches in the U.S. Capitol Rotunda lobby.

(Square 761), James Madison Memorial Building site (Square 732), U.S. Supreme Court site (Square 728), TMFJB site (Square 722) and memorial trees planted on the U.S. Capitol Grounds. In general, units of stewardship land are added or withdrawn through congressional action.

Memorial trees are living heritage assets planted to honor distinguished citizens, groups and national events. About half are located on the U.S. Capitol Building's East Front. Memorial trees are added through congressional action or donation. For more information about the AOC's memorial trees go to www.aoc.gov/trees. An inventory of the memorial trees as of September 30, 2017 and 2016 follows:

MEMORIAL TREES	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
2.3 Memorial Trees	138	144	6 ¹	Good

¹ In FY 2017, memorial trees were planted to commemorate Senator Frank Lautenberg, Representative Jack Brooks and The Revolutionary Spirit of New England. The AOC also added three trees to replace trees removed in prior years due to damage and failing health.

General Condition Standards

The AOC has defined condition standards based on principles and guidance used by members of the American Institute for Conservation (AIC) defined by Heritage Preservation before it merged into AIC. The AOC performs periodic condition surveys to ensure heritage assets are

documented and preserved for future generations. Assets must be monitored because they are located in working offices and public spaces rather than in a museum setting, so they can be damaged by touching, impact and surface deposits. Outdoor sculptures and fixtures are exposed to weather and pollutants. Once these objects are conserved, regular follow-up inspections and periodic maintenance treatments are essential for their preservation. The table on page 124 summarizes the condition survey rating scales used by the AOC for its heritage assets.

Collectible Heritage Assets

In the following tables, footnotes explain changes in condition or inventory count.

1. U.S. Capitol Building

The U.S. Capitol Building is an important example of 19th century neoclassical architecture. While a working building, the U.S. Capitol Building may also be considered a museum of American art and history with millions of visitors each year.

1.1. Fine Art

This collection includes principally unique works of art by known artists that are not permanently attached to or designed for the structure (i.e., collectible). They are separated into (a) works that are under the jurisdiction of the Joint Committee on the Library and cared for by the AOC and (b) those that were originally accepted by the

Joint Committee on the Library and are joint in subject matter or acquisition (these are counted in the AOC's inventory as possibly joint). The possibly joint assets are located in the Senate and House wings of the U.S. Capitol Building and, in many cases, are considered part of the Senate or House collections and are cared for by the Senate and House Curators.

1.1.1. Interior Sculpture

This collection is comprised primarily of the bronze and marble statues in the National Statuary Hall collection. This collection (comprised of 100 statues — two from each state) was established in 1864 and completed in 2005. In FY 2011, a long-range conservation maintenance contract for sculpture was implemented. By the end of FY 2017 all of the statues were maintained at least once (with most maintained multiple times) to keep them in excellent condition.

SCULPTURE	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
1.1.1.1 National Statuary Hall Statues	100	100	-	Excellent
1.1.1.2 Other Statues ¹	9	9	-	Excellent
1.1.1.3 Possibly Joint Statues	3	3	-	Good
1.1.1.4 Busts	16	16	-	Fair to Excellent
1.1.1.5 Possibly Joint Busts	21	21	-	Good
1.1.1.6 Other (Maquettes, etc.) ²	28	29	1	Good to Excellent

¹ The Magna Carta display, located in the Crypt, is included in this category.

² Two Horatio Stone sculpted vases are being conserved and will be displayed in FY 2018. Last year, the pair of vases were counted as one item. Upon review, the two vases will be inventoried as two separate items.

1.1.2. Framed Oil Paintings

Framed oil paintings under the AOC's stewardship include portraits of former Architects of the Capitol and other paintings. Many of the frames for these paintings are also heritage assets.

PAINTINGS	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
1.1.2.1 Portraits	17	17	-	Good to Excellent
1.1.2.2 Possibly Joint Portraits	26	26	-	Fair to Excellent
1.1.2.3 Paintings Other Than Portraits	12	12	-	Good to Excellent
1.1.2.4 Possibly Joint Paintings	23	23	-	Excellent

1.1.3. Works of Art on Paper

The AOC is the steward of works on paper primarily related to the U.S. Capitol Building. This collection is used for research and reference purposes and is generally not on display.

WORKS OF ART ON PAPER	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
1.1.3.1 Watercolors	6	6	-	Good
1.1.3.2 Prints and Drawings	72	72	-	Poor to Excellent
1.1.3.3 Sketches for Murals	Approx. 232	Approx. 232	-	Fair to Excellent

1.2. Decorative Art

Decorative art ranges from objects of great craftsmanship

and historical importance to mass-produced objects.

Often the name of the designer or maker is unknown.

Conservation treatment may be appropriate for the highest level of decorative art.

DECORATIVE ART	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
1.2.1 Gilded Mirror Frames ¹	93	90	(3) ²	Poor to Excellent
1.2.2 Historic Furniture	38	39	1 ³	Fair to Good
1.2.3 Antique Clocks	7	10	3 ⁴	Good to Excellent
1.2.4 Textiles	2	2	-	Good

¹ This number primarily includes frames in the House side of the U.S. Capitol Building. The Senate Curator has assumed responsibility for inventory and conservation of Senate mirror frames.

² After review of supporting documentation, we have identified 90 gilded mirror frames to include in inventory.

³ Added wood table used in 1989 inauguration ceremony to inventory.

⁴ Added three portable clocks to inventory. Both the table and clocks were found in storage.

1.3. Architectural Fine Art

This category of fine art is part of the fabric of a structure, permanently attached to the structure or building systems, or designed as part of an architectural space.

ARCHITECTURAL FINE ART	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
1.3.1 Pediments (exterior)	3	3	-	Poor to Excellent
1.3.2 Statues (interior and exterior)	6	6	-	Good to Excellent
1.3.3 Plaster Model of Sculpture	1	3	2 ¹	Excellent

ARCHITECTURAL FINE ART	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
1.3.4 Sculptured Stair Railings	4	4	-	Excellent
1.3.5 Reliefs	39	39	-	Good
1.3.6 Sculptured Bronze Doors (sets) (interior and exterior)	4	4	-	Excellent
1.3.7 Plaques	29	30	1 ²	Fair to Excellent
1.3.8 Stained Glass	16	16	-	Poor to Good
1.3.9 Rotunda Paintings	8	8	-	Good to Excellent
1.3.10 Rooms or Spaces with Fine Art Murals	84	84 ³	-	Fair to Excellent

¹ Plaster models of *War and Peace* were removed from the Cannon House Office Building Rotunda, conserved, and placed in niches in the East Front Rotunda Vestibule in FY 2017.

²The AOC has assumed responsibility for the inventory and conservation of an Old Supreme Court Chamber plaque, previously on the inventory of the Senate Curator.

³ Each room or space may contain multiple sections of murals in vaults and lunettes with individual mural scenes or figures. There are hundreds of images painted on the U.S. Capitol Building's walls. Mural conservation has been ongoing since 1981 and most murals are in at least "good" condition. The conservation of murals in the Brumidi Corridor was completed in July 2017.

1.4. Architectural Decorative Art

This decorative art is part of the fabric of a structure, permanently attached to the structure or building systems, or designed as part of an architectural space. Decorative art ranges from objects of great craftsmanship and historical importance to mass-produced objects. Often the name of the designer or maker is unknown. Conservation treatment may be appropriate for the highest level of decorative art. Approximate numbers are based on the Capitol Superintendent's CAFM inventory. Only about a third of

the lighting fixtures are historic and considered heritage assets appropriate for restoration. The more utilitarian fixtures are at times moved or replaced.

ARCHITECTURAL DECORATIVE ART	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
1.4.1. Mantels	Approx. 167	Approx. 167	-	Good
1.4.2. Chandeliers	Approx. 250	Approx. 250	-	Good to Excellent
1.4.3. Pendant Lights	Approx. 270	Approx. 270	-	Good
1.4.4. Sconces	Approx. 100	Approx. 100	-	Good
1.4.5. Rooms or Spaces with Decorative Murals	48	48	-	Fair to Excellent

1.5. Architectural Features

Historic architectural features include woodwork, shutters, columns, capitals, brackets, historic floors (e.g., the U.S. Capitol Building's Minton tile floors) and special architectural surfaces (e.g., marble and scagliola). The Capitol Superintendent (or the Senate Sergeant at Arms) maintains these assets. While an accurate count of these features does not exist, the numbers are large. For example, there are at least 450 interior columns and pilasters with carved capitals. In recent years, special attention has been paid to the restoration of historic scagliola.

2. U.S. Capitol Grounds

The U.S. Capitol Grounds cover approximately 290 acres on which the U.S. Capitol Building, Senate and House Office Buildings and Capitol Power Plant reside. The grounds include sculpture and monuments and living assets such as trees and plantings. Heritage assets include such elements as ornamental fountains, drinking fountains, outdoor seating, stone retaining walls and light fixtures.

2.1. Outdoor Sculpture

OUTDOOR SCULPTURE	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
2.1.1 Monuments/Statues	4	4	-	Excellent
2.1.2 Fountains with Sculpture	1	1	-	Good
2.1.3 Plaques	5	5	-	Good



The AOC is responsible for the stewardship of heritage assets located throughout the U.S. Capitol Building. These assets include artwork such as fine art, decorative art, architectural fine art and architectural decorative art.

2.2. Landscape Features and Fixtures (including fixtures on the exterior of the U.S. Capitol Building)

The U.S. Capitol Grounds is also the location of memorial trees. See *Stewardship Lands and Cultural Landscapes* in this section for more information.

LANDSCAPE FEATURES AND FIXTURES	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
2.2.1 Urns	20	20	-	Good
2.2.2 Lighting Fixtures	Approx. 166	Approx. 166	-	Fair to Excellent
2.2.3 Basins (with fountains)	2	2	-	Excellent

3. House Office Buildings

There are three major office buildings and two annex buildings for the House of Representatives: the Cannon, Longworth, Rayburn, O'Neill and Ford House Office Buildings, respectively.

ARCHITECTURAL FINE ART	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
3.1 Pediments (exterior)	1	1	-	Good
3.2 Sculpture (exterior)	8	8	-	Fair
3.3 Plaster Models of Sculpture	27	25	(2) ¹	Good
3.4 Architectural Models on Display	1	1 ²	-	Fair
3.5 Reliefs	1	1	-	Good
3.6 Murals	1	1	-	Good
3.7 Plaques	1	1	-	Good
3.8 Monuments/Statues	2	2	-	Good
3.9 Maquettes, etc.	1	1	-	Excellent

¹ Plaster models of *War* and *Peace* were moved from the Cannon House Office Building. See note 1.3.3.

² Plaster model of the U.S. Capitol Building by Emile Garet was moved offsite for conservation.

4. Senate Office Buildings

There are three major office buildings for the U.S. Senate: the Russell, Dirksen and Hart Senate Office Buildings.

ARCHITECTURAL FINE ART	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
4.1 Pediments (exterior)	1	1	-	Fair
4.2 Sculpture	1	1	-	Poor

ARCHITECTURAL FINE ART	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
4.3 Plaster Models of Sculpture	6	6	-	Good
4.4 Architectural Models on Display	4	4	-	Excellent
4.5 Maquettes, etc.	1	1	-	Good
4.6 Reliefs (exterior)	51	51	-	Good
4.7 Murals (rooms with)	1	1	-	Excellent

5. Library Buildings and Grounds

The Library of Congress's 1897 Thomas Jefferson Building contains large areas of decorative painting, relief plaster, woodwork, stone work and mosaic ceilings. The John Adams Building, which is embellished with Art Deco-style decorative metal and relief stone work, is not included in the inventory count.

ARCHITECTURAL FINE ART	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
5.1. Statues	27	27	-	Good to Excellent
5.2. Sculptured Stair Railings	2	2	-	Good
5.3. Reliefs (interior)	73	73	-	Good
5.4 Sculptured Bronze Doors (sets) (exterior)	17	17	-	Excellent
5.5. Stained Glass/Mosaics	17	17	-	Fair to Good
5.6. Rooms or Spaces with Fine Art Murals	32	32	-	Excellent
5.7. Fountains with Sculpture (exterior)	3	3	-	Poor to Excellent ¹
5.8 Sculptural Clock	1	1	-	Excellent
5.9 Exterior Sculpture	1	1	-	Fair

¹ The bronze Neptune sculpture was conserved in FY 2017.

6. Supreme Court Building and Grounds

The U.S. Supreme Court is richly adorned with decorative carvings in marble and wood, decorative metal and plaster work and decorative painting.¹⁵

¹⁵ The collectible fine art within the U.S. Supreme Court does not fall under the AOC's jurisdiction and is cared for by the Curator of the Supreme Court.



In FY 2017, the AOC conserved the bronze sculptures of the Thomas Jefferson Building's *Neptune Fountain* with a thorough cleaning to remove stains and mineral buildup caused by weathering and fountain water.

ARCHITECTURAL FINE ART	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
6.1 Pediments (exterior)	2	2	-	Poor to Excellent ¹
6.2 Sculpture (exterior)	2	2	-	Excellent
6.3 Reliefs	4	4	-	Good
6.4 Light Posts with Reliefs (exterior)	2	2	-	Poor to Fair
6.5 Bronze Door (set) (exterior)	1	1	-	Good

¹ Conservation of the east pediment sculpture began in FY 2017, as part of the exterior stone and metal preservation project.

7. U.S. Botanic Garden

The U.S. Botanic Garden (USBG) maintains a collection of living plants and includes all plants used to fulfill the mission of the institution. The collection is categorized as follows:

- Plants of historical or current institutional significance (e.g., individuals or descendants from the Wilkes expedition, commemorative gifts from foreign governments and descendants of plants of American historical significance)
- Plants appearing on approved permanent landscape planting plans for the Conservatory, National Garden, Bartholdi Park and the Production Facility

- Plants listed for rotation into permanent exhibits in the Conservatory, National Garden or Bartholdi Park
- Plants used in ongoing education programs
- Plants needed to support future exhibits or programs and whose quality or relative unavailability in the commercial trade justifies inclusion in the permanent collection
- Orchid species and selected orchid cultivars
- Listed rare and endangered species received under the Convention on International Trade in Endangered Species of Flora and Fauna repository agreement, through interagency transfer, or by other means
- Medicinal plants whose quality or relative unavailability in the commercial trade justifies inclusion in the permanent collection
- Plants used for accent and horticultural propagation stock, including those obtained for trial performance under local conditions

Plants are used for exhibition, study and exchange with other institutions. Noteworthy collections include economically significant plants, medicinal plants, orchids, cacti and succulents, bromeliads, cycads and plants of Mediterranean regions. The USBG's gardens and living collections are important resources, and are made available for the study of threatened plants and their conservation.

The USBG staff maintain extensive computerized records of the plant collections, which track the location, condition and provenance of each addition. A database with this information is available to the public on the USBG website, www.usbg.gov/plant-collections. Collections are continually reviewed for accuracy in identification.

Architectural Feature

OUTDOOR SCULPTURE	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
7.1 Fountains with Sculpture	1	1	-	Excellent

Living Botanical Assets

The table identifies the USBG's inventory of living botanical assets. Plant inventories for FY 2017 and the prior five years are provided to facilitate comparison. At the end of FY 2017, the USBG held more than 9,000 accessions including more than 44,000 individual plants at the Conservatory and the Blue Plains Production Facility in southwest D.C. The USBG maintains over 6,200 unique taxa in its collections.

ALL PLANTS (INCLUDING ORCHID COLLECTION)				
Fiscal Year	Accessions ¹	Names (Taxa) ²	Individuals ³	Deaccessions ⁴
2012	12,272	7,890	66,328	985
2013	11,740	7,459	58,944	1,654
2014	11,419	7,470	57,942	842
2015	11,626	7,610	60,574	639
2016	10,423	6,803	47,564	1,958
2017	9,468	6,227	44,026	707

¹ Current number of accessions assigned to living plants. An individual accession number might include multiple lots (divisions) that might include multiple individual plants.

² Number of names for living plants in our database. This includes species names, cultivars, varieties, etc. and is restricted to only the names for plants that are living at the Garden. In many cases, the USBG has numerous accessions (from different times, sources, etc.) of the same named plant.

³ This number captures individual plant counts and is thus quite a bit higher than the number of accessions due to accessions that have multiple individuals (note: this number has a high degree of inaccuracy).

⁴ Number of accession numbers that have been deaccessioned year-to-date. This is due to plants dying or being composted/discharged due to disease or change in institutional need.

Orchid Collection

There are over 4,000 individual orchids in the Botanic Garden's collections. The orchid collection is the single largest component of the USBG's plant inventory, accounting for over 30 percent of its accessions.

ORCHID COLLECTION				
Fiscal Year	Accessions	Names (Taxa)	Individuals	Deaccessions
2012	3,356	1,803	N/A	299
2013	3,587	1,847	N/A	232
2014	3,425	1,839	N/A	356
2015	3,444	1,876	N/A	208
2016	3,201	1,795	4,330	415
2017	3,017	1,795	4,230	395

8. Architectural and Engineering Artifacts

The AOC maintains an inventory of small architectural and engineering artifacts and models for research or exhibition. The AOC also maintains an inventory of large artifacts, such as pieces of stone removed from buildings or plaster models, for possible reuse or repairs. As an example, 150 tons of sculpture and stone removed from the East Front of the U.S. Capitol Building during its 1958 extension is held in a secure facility at Fort Meade, MD. The AOC Curator tracks these artifacts and maintains lists of the objects in storage. It is not possible to provide a meaningful count as some crates hold multiple pieces and some items are stored in pieces in multiple crates.

9. Historical Records and Reference Materials

The Records Management and Archives Branch preserves and provides access to architectural and engineering drawings, textual records and electronic records. The Branch creates records schedules based on archival appraisal and records surveys. The Branch arranges drawings and textual records in accordance with archival principles to facilitate control, access, reference, research and retrieval. Architectural and engineering drawings and manuscripts require special archival storage and handling because of their diverse physical attributes. The Branch maintains stable temperature and humidity conditions and high security for the records. Microfilm of many drawings is stored off-site for backup purposes. Digital scans of drawings are also important backups for the original drawings.

9.1. Architectural and Engineering Drawings

Beginning with plans for the construction of the U.S. Capitol Building in the early 1800s, and with primary holdings from the 1850s on, the architectural and engineering drawings in the archival collection document a wide range of subjects and contain many formats (e.g., pencil renderings, finely detailed ink and watercolor working drawings, polished presentation pieces, blueprints and modern computer-aided design drawings). These drawings are vital for current construction and maintenance projects, as well as for historic research. The specifications and files on previous projects aid in the planning and development of new projects.



Construction of the 8.9 million pound fireproof, cast-iron U.S. Capitol Dome began in 1855 and completed in 1866.

The AOC archives contain over 190,000 architectural and engineering drawings with new materials added each year. Approximately 60 percent of these drawings have been arranged, indexed and assigned control numbers. Most of those remaining are stored in drawing cabinets (arranged by building) waiting to be indexed and verified as not being duplicates. The Records Management and Archives Branch digitizes, uploads and indexes the drawings into an internal AOC web-based database to facilitate search and retrieval. The Archival staff performs preservation and conservation of drawings, with specialized work on fragile and historic drawings performed by contracted experts.

9.2. Construction and Administrative Textual Records

The AOC archives maintain administrative and project records that document the AOC's history as well as the construction history of Capitol campus buildings. These holdings date from the U.S. Capitol extension project in the 1850s and continue through the present. Of special value are the letters from artists and architects dating to the 1850s.

9.3. Photographs

The Photography Branch produces photographs relating to architectural design, construction, renovation and restoration of the historic buildings and grounds under the AOC's care. The Branch covers major ceremonial events, documents works of art and conservation projects and produces graphic slides, displays and video for the AOC and congressional use. The Branch maintains an archive of over 290,000 photographic images dating to the 1850s. The collection includes approximately 4,000 glass plates, in addition to hundreds of thousands of images in negative, print and

digital format. The number of images is growing rapidly since the conversion to digital format. Each unique image is given a control number (one image may exist in multiple formats). The majority of the glass and film negatives are stored off-site for long-term preservation. Digital files are systematically backed-up and copied.

9.4. Small Architectural Models

The AOC preserves a small number of display models as part of the architectural record for study and possibly future exhibit purposes.

9.5, 9.6 and 9.7. Reference Files, Library Materials and Conservation Reports

One of the largest curatorial functions the AOC performs is maintaining the inventory of, and files for, art and historical objects. The Curator maintains a file on each work of art, artist and room in the U.S. Capitol Building as well as files on the buildings and architectural subjects. The Curator also keeps records on major ceremonies, such as joint sessions of Congress and inaugurations. The AOC uses these files to answer questions from the AOC staff and contractors, members of Congress and their staffs and the public and to provide information for written fact sheets and publications. The U.S. Capitol Historical Society Fellowship, managed by the Curator, continually adds to the knowledge of the art and architecture of the U.S. Capitol Building.

RECORDS AND REFERENCE	AS OF 10/01/16	AS OF 9/30/17	CHANGE	GENERAL CONDITION
9.1 Architectural and Engineering Drawings	Approx. 187,641	Approx. 190,273	2,632	Fair to Excellent
9.2 Manuscripts and Other Textual Records	Approx. 8,672	Approx. 8,934	262	Fair to Good
9.3 Photographs	281,327	298,201	16,874	Good to Excellent
9.4 Small Architectural Models	18	18	-	Fair
9.5 Art and Reference Files	108 Drawers	108 Drawers	-	Good
9.6 Art and Reference Library (published volumes)	1,199 Vols.	1,208 Vols.	9	Good
9.7 Conservation Reports (in notebooks)	412	429	17	Good

Summary of Heritage Assets

This consolidating schedule reports the heritage assets by jurisdiction and AOC wide. Although records are related to all jurisdictions, for simplicity, such reference files are shown under the responsibility of the Capitol Building jurisdiction.

Category	FY2017								FY2016									
	AOC JURISDICTION								AOC JURISDICTION									
	CB	CCO	CG	HOB	LBG	SC	SOB	USBG	Total	CB	CCO	CG	HOB	LBG	SC	SOB	USBG	Total
Memorial Trees	—	—	144	—	—	—	—	—	144	—	—	138	—	—	—	—	—	138
Artwork																		
Fine art																		
Interior Sculpture																		
National Statuary Hall Statues	100	—	—	—	—	—	—	—	100	100	—	—	—	—	—	—	—	100
Other Statues	9	—	—	—	—	—	—	—	9	9	—	—	—	—	—	—	—	9
Possibly Joint Statues	3	—	—	—	—	—	—	—	3	3	—	—	—	—	—	—	—	3
Busts	16	—	—	—	—	—	—	—	16	16	—	—	—	—	—	—	—	16
Possibly Joint Busts	21	—	—	—	—	—	—	—	21	21	—	—	—	—	—	—	—	21
Other (Maquettes, etc.)	29	—	—	1	—	—	—	—	30	28	—	—	1	—	—	—	—	29
Sub-Total	178	—	—	1	—	—	—	—	179	177	—	—	1	—	—	—	—	178
Framed Oil Paintings																		
Portraits	17	—	—	—	—	—	—	—	17	17	—	—	—	—	—	—	—	17
Possibly Joint Portraits	26	—	—	—	—	—	—	—	26	26	—	—	—	—	—	—	—	26
Paintings Other Than Portraits	12	—	—	—	—	—	—	—	12	12	—	—	—	—	—	—	—	12
Possibly Joint Paintings	23	—	—	—	—	—	—	—	23	23	—	—	—	—	—	—	—	23
Sub-Total	78	—	—	—	—	—	—	—	78	78	—	—	—	—	—	—	—	78
Works of Art on Paper																		
Watercolors	6	—	—	—	—	—	—	—	6	6	—	—	—	—	—	—	—	6
Prints and Drawings	72	—	—	—	—	—	—	—	72	72	—	—	—	—	—	—	—	72
Sketches for Murals	232	—	—	—	—	—	—	—	232	232	—	—	—	—	—	—	—	232
Sub-Total	310	—	—	—	—	—	—	—	310	310	—	—	—	—	—	—	—	310
Sub-Total: Fine Art	566	—	—	1	—	—	—	—	567	565	—	—	1	—	—	—	—	566
Decorative Art																		
Gilded Mirror Frames	90	—	—	—	—	—	—	—	90	93	—	—	—	—	—	—	—	93
Historic Furniture	39	—	—	—	—	—	—	—	39	38	—	—	—	—	—	—	—	38
Antique Clocks	10	—	—	—	—	—	—	—	10	7	—	—	—	—	—	—	—	7
Textiles	2	—	—	—	—	—	—	—	2	2	—	—	—	—	—	—	—	2
Sub-Total	141	—	—	—	—	—	—	—	141	140	—	—	—	—	—	—	—	140
Architectural Fine Art																		
Pediments (exterior)	3	—	—	1	—	2	1	—	7	3	—	—	1	—	2	1	—	7
Statues/Sculpture	6	—	—	8	27	2	1	—	44	6	—	—	8	27	2	1	—	44
Plaster Models of Sculpture	3	—	—	25	—	—	6	—	34	1	—	—	27	—	—	6	—	34
Sculptured Stair Railings	4	—	—	—	2	—	—	—	6	4	—	—	—	2	—	—	—	6
Architectural Models on Display	—	—	—	1	—	—	4	—	5	—	—	—	1	—	—	4	—	5
Reliefs	39	—	—	1	73	4	51	—	168	39	—	—	1	73	4	51	—	168
Light Posts with Reliefs (exterior)"	—	—	—	—	—	2	—	—	2	—	—	—	—	2	—	—	—	2
Bronze Doors (Sets)	4	—	—	—	17	1	—	—	22	4	—	—	—	17	1	—	—	22
Plaques	30	—	—	1	—	—	—	—	31	29	—	—	1	—	—	—	—	30
Monuments/Statues	—	—	—	2	—	—	—	—	2	—	—	—	2	—	—	—	—	2
Stained Glass/Mosaics	16	—	—	—	17	—	—	—	33	16	—	—	—	17	—	—	—	33
Rotunda Paintings	8	—	—	—	—	—	—	—	8	8	—	—	—	—	—	—	—	8
Rooms or Spaces with Fine Art Murals	84	—	—	1	32	—	1	—	118	84	—	—	1	32	—	1	—	118
Maquettes	—	—	—	—	—	—	1	—	1	—	—	—	—	1	—	—	—	1
Sculptural Clock	—	—	—	—	1	—	—	—	1	—	—	—	1	—	—	—	—	1
Exterior Sculpture	—	—	—	—	1	—	—	—	1	—	—	—	1	—	—	—	—	1
Sub-Total	197	—	—	40	170	11	65	—	483	194	—	—	42	170	11	65	—	482

Category	FY2017									FY2016								
	AOC JURISDICTION									AOC JURISDICTION								
	CB	CCO	CG	HOB	LBG	SC	SOB	USBG	Total	CB	CCO	CG	HOB	LBG	SC	SOB	USBG	Total
Architectural Decorative Art																		
Mantels	167	—	—	—	—	—	—	—	167	167	—	—	—	—	—	—	—	167
Chandeliers	250	—	—	—	—	—	—	—	250	250	—	—	—	—	—	—	—	250
Pendant Lights	270	—	—	—	—	—	—	—	270	270	—	—	—	—	—	—	—	270
Sconces	100	—	—	—	—	—	—	—	100	100	—	—	—	—	—	—	—	100
Rooms/Spaces with Decorative Murals	48	—	—	—	—	—	—	—	48	48	—	—	—	—	—	—	—	48
Sub-Total	835	—	—	—	—	—	—	—	835	835	—	—	—	—	—	—	—	835
TOTAL	1,739	—	—	41	170	11	65	—	2,026	1,734	—	—	43	170	11	65	—	2,023
Architectural Features																		
Outdoor Sculptures																		
Monuments/Statues	—	—	4	—	—	—	—	—	4	—	—	4	—	—	—	—	—	4
Fountains with Sculpture	—	—	1	—	3	—	—	—	1	5	—	—	1	—	3	—	—	1
Plaques	—	—	5	—	—	—	—	—	5	—	—	5	—	—	—	—	—	5
Sub-Total	—	—	10	—	3	—	—	—	1	14	—	—	10	—	3	—	—	1
Landscape Features and Fixtures																		
Urns	—	—	20	—	—	—	—	—	20	—	—	20	—	—	—	—	—	20
Lighting Fixtures	—	—	166	—	—	—	—	—	166	—	—	166	—	—	—	—	—	166
Basins	—	—	2	—	—	—	—	—	2	—	—	2	—	—	—	—	—	2
Sub-Total	—	—	188	—	—	—	—	—	188	—	—	188	—	—	—	—	—	188
TOTAL	—	—	198	—	3	—	—	1	202	—	—	198	—	3	—	—	1	202
Reference and Library Materials																		
Art and Reference Files (drawers)	—	108	—	—	—	—	—	—	108	—	108	—	—	—	—	—	—	108
Art and Reference Library (volumes)	—	1,208	—	—	—	—	—	—	1,208	—	1,199	—	—	—	—	—	—	1,199
TOTAL	—	1,316	—	—	—	—	—	—	1,316	—	1,307	—	—	—	—	—	—	1,307
Archival Records																		
Architectural and Engineering Drawings	—	190,273	—	—	—	—	—	—	190,273	—	187,641	—	—	—	—	—	—	187,641
Manuscripts and Other Textual Records	—	8,934	—	—	—	—	—	—	8,934	—	8,672	—	—	—	—	—	—	8,672
Small Architectural Models	—	18	—	—	—	—	—	—	18	—	18	—	—	—	—	—	—	18
Conservation Reports	—	429	—	—	—	—	—	—	429	—	412	—	—	—	—	—	—	412
Photographs	—	298,201	—	—	—	—	—	—	298,201	—	281,327	—	—	—	—	—	—	281,327
TOTAL	—	497,855	—	—	—	—	—	—	497,855	—	478,070	—	—	—	—	—	—	478,070
Living Botanical Assets (acquisitions)	—	—	—	—	—	—	—	—	9,468	—	—	—	—	—	—	—	10,423	10,423

Key: **CB** = Capitol Building **CCO** = Capital Construction and Operations **CG** = Capitol Grounds **HOB** = House Office Buildings **LBG** = Library Buildings and Grounds
SC = Supreme Court Buildings and Grounds **SOB** = Senate Office Buildings **USBG** = U.S. Botanic Garden



In the U.S. Capitol Visitor Center, model makers removed and re-painted the 1/20th scale model of the U.S. Capitol Dome on display in Exhibition Hall. The touchable model features new paint colors to match those used in the restoration of the U.S. Capitol Dome and U.S. Capitol Rotunda.



SECTION IV

Other Information

Overview

This Other Information section presents a range of financial, operational, stewardship and performance material to supplement the agency information that appears in the previous three main sections. A brief overview of each sub-section is provided below.

Combined Schedule of Spending. This schedule provides, for the current and prior fiscal year, an accessible and easily understood summary of the resources that were available to spend, how much money was spent and who the money went to.

The Inspector General's Statement of Management Opportunities and Performance Challenges. This statement summarizes the most serious management and performance challenges facing the agency as identified by the AOC's Inspector General in accordance with the Reports Consolidation Act of 2000. It includes a brief assessment of the agency's progress in addressing the challenges.

Summary of Financial Statement Audit and Management Assurances. Summary tables of material weaknesses in internal controls and system non-conformances as determined during the independent auditors' financial statement audit, material weaknesses

resulting from management's evaluation of internal controls using the FMFIA and OMB Circular A-123 as general guidance, and management's evaluation of financial systems conformance with financial management system requirements referencing the FMFIA and FFMIA for general guidance.

Improper Payments Information Act and Related Laws and Regulations. An overview of the AOC's efforts to identify any programs where significant erroneous payments may have occurred and how the AOC's invoice payment process incorporates the Do Not Pay capability.

Reduce the Footprint. Though not subject to "Reduce the Footprint" disclosures, information about the AOC's real property square footage for the baseline year and the current fiscal year is presented.

Small Business Accomplishments. A summary of the AOC's small business set-aside program efforts for the U.S. Congress.

Energy and Sustainability Program Management. A summary that presents the AOC's notable energy and sustainability program achievements for the U.S. Congress.

Combined Schedule of Spending

The Combined Schedule of Spending provides an accessible and easily understandable financial summary of how and where agencies are spending (obligating) money for the reporting period. Although the Schedule of Spending is no longer required, the AOC opted to include a modified version of the schedule as it provides information that may interest the public. In contrast to last year's schedule, the AOC included just the agency totals for the current and prior fiscal year, and did not break out spending by AOC jurisdiction. **Table 19** provides an overview of how much money the AOC had available to spend, how or on what that money was spent, and who the money went to for the fiscal years ended September 30, 2017 and 2016. The data for the Combined Schedule of Spending is the same as is used to prepare the Statement of Budgetary Resources (SBR). However, the Combined Schedule of Spending provides a more detailed summary of the new obligations and upward adjustments shown on the SBR. The section of the Combined Schedule of Spending, What Money is Available to Spend?, identifies these obligations as a derivative of the agency's total budgetary resources, as shown on the SBR, net of any available (unexpired) and unavailable (expired) funds. The term "spend," as used in this report, means funds obligated (both paid and unpaid). It does not equate to expenses as reported in the Statement of Net Cost.

TABLE 19: Combined Schedule of Spending for the Years Ending September 30 (Dollars in Thousands)

	2017	2016
What Money is Available to Spend?		
Total Resources	\$ 1,249,724	\$ 1,254,414
Less Amount Available but Not Agreed to be Spent	(562,970)	(492,824)
Less Amount Not Available to be Spent	<u>(23,671)</u>	<u>(22,128)</u>
Total Amounts Agreed to be Spent	\$ 663,083	\$ 739,462
How was the Money Spent/Issued?		
Personnel Compensation/Benefits	\$ 268,084	\$ 265,791
Contracts	392,221	473,598
Other (Unclassified)	<u>2,778</u>	<u>71</u>
Total Amounts Agreed to be Spent	\$ 663,083	\$ 739,462
Who did the Money Go To?		
Employees	\$ 265,484	\$ 261,408
Federal Entities	96,797	46,606
Non-Federal Entities	<u>300,802</u>	<u>431,447</u>
Total Amounts Agreed to be Spent	\$ 663,083	\$ 739,462

The Inspector General's Statement of Management Opportunities and Performance Challenges



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United States Government

MEMORANDUM

DATE: October 3, 2017

TO: Stephen T. Ayers, FAIA, LEED AP
Architect of the Capitol

FROM: Christopher P. Failla *C. Failla*
Inspector General

SUBJECT: Statement of Management Opportunities and Performance Challenges

I am pleased to present the Statement of Management Opportunities and Performance Challenges (Statement) for the Fiscal Year ending September 30, 2017. This Statement, prepared pursuant to your request, identifies and assesses the most serious challenges facing the Architect of the Capitol (AOC) from the Office of Inspector General's perspective, and the AOC's progress in addressing challenges from prior year Statements.

We look forward to working with you, the Chief Operating Officer, and our colleagues on the entire AOC team in the coming year to help AOC achieve its strategic vision to build a culture of accountability and responsibility and to improve efficiency and effectiveness throughout the AOC. Collectively, we can promote economy and efficiency while working to prevent and eliminate fraud, waste and abuse.

If you have any questions, please contact me at 202.593.0260 or christopher.failla@aoc.gov.

Distribution List: Christine A. Mardon, P.E., CCM, Chief Operating Officer
Shalley Kim, Executive Officer

The Inspector General's Statement of Management Opportunities and Performance Challenges *(continued)*



Office of Inspector General

Statement of Management Opportunities and Performance Challenges 2017

Introduction

As part of the agency's Performance and Accountability Report (PAR) for Fiscal Year (FY) 2017, the Architect of the Capitol Stephen T. Ayers requested an Inspector General's (IG) Statement of Management Opportunities and Performance Challenges (Statement). As has been the case for every Architect of the Capitol (AOC) PAR since FY 2010, the AOC Office of Inspector General (OIG) provides this Statement for information and for inclusion in the upcoming PAR. This document identifies the AOC's most significant challenges and opportunities for improvement. The Statement is based on our observations, audits and investigative efforts, as well as on the AOC Financial Statements Audit. We appreciate this opportunity to provide the AOC with our unique perspective on areas that need increased management attention and decisive action.

While recognizing the AOC's accomplishments in executing its core mission amid fiscal uncertainty and constraints, the AOC must continue to make progress in the six Management Challenge areas identified in the 2016 Performance and Accountability Report (Deteriorating Condition of Grounds and Buildings, Energy Stewardship and Sustainability, Physical Security of Facilities, Workplace Safety and Health, Managing Concurrent Projects and Retaining and Attracting a Skilled and Engaged Workforce). From our vantage point, much progress has been made in these six areas to date, but emphasis on continuing to improve and ultimately eliminate these Management Challenges should remain. In addition to these six continuing challenges, the AOC OIG has identified additional management challenges that not only impact the AOC personnel and management, but also limit the effectiveness of the OIG to carry out its duties, which ultimately benefit the AOC.

The AOC OIG exists to promote efficiencies and economies along with preventing and reporting fraud, waste and abuse through inspections, evaluations, audits and investigations. In addition, we are a key tool for the Architect as we offer objective recommendations to better utilize resources and report any deficiencies that hinder the mission of the AOC. In recent months the OIG has engaged in several key efforts, including outreach strategies and conducting an independent AOC risk assessment, to aid the AOC in achieving its mission.

The OIG believes that focusing senior leadership attention on this Statement will help improve service delivery, promote economy and efficiency, and also reduce the potential for fraud, waste and abuse in the AOC operations. These challenges are summarized and discussed below.

The Inspector General's Statement of Management Opportunities and Performance Challenges *(continued)*

Additional OIG-Observed Management and Performance Challenges

1. Internal Controls Structure
2. A Single Source AOC Liaison Managing Concurrent Projects
3. Data Quality For Monitoring
4. Cyber Security
5. Lack of Whistleblower Protection

Internal Controls Structure

The AOC had made improvements in this area and this was no longer considered a management challenge. However, although the AOC began the process of implementing Enterprise Risk Management, the independent certified public accounting firm that performed the audits of AOC's Financial Statements for the years ending September 30, 2015 and 2016 found internal control weaknesses over financial reporting. Specifically, they found a material and significant internal control weaknesses for FY 2016. Implementing a strong internal control structure is central to preventing any hindrance to AOC's mission.

A Single Source AOC Liaison Managing Concurrent Projects

We identify having a single person serve as liaison for multiple construction projects is a challenge to the AOC as well as the OIG. AOC's Planning and Project Management Office provides project management services for all AOC construction projects and has one person serving as liaison for all projects. As the gatekeeper, this person receives all requests for documentation, scheduling interviews, and is responsible for providing answers to key questions relating to audits, evaluations, and other inquiries. We identified this as a management challenge because the OIG, the Government Accountability Office (GAO), and other government agencies need access to timely and relevant information. Further, these agencies need to be able to freely meet and ask AOC employees and contractors questions without having information vetted and the audit liaison present at these meetings. This creates an impediment to obtaining time-sensitive information and may inhibit personnel from freely answering questions. The Congress has charged agencies with providing timely, relevant, and accurate information to assist them in making informed decisions.

The Inspector General's Statement of Management Opportunities and Performance Challenges *(continued)*

Data Quality for Monitoring

The nature of the AOC and its construction projects introduces challenges typically not encountered by other agencies. AOC projects have unique and complex characteristics with a large volume of multifaceted data. However, these major projects require a uniform project management infrastructure capable of supporting extensive regulatory, financial, management and other stakeholder reporting requirements. The AOC needs to improve data quality for monitoring of project costs. The quality of data, or lack thereof, has a direct and substantial impact on the effectiveness of agency operations. AOC reports are available to provide status of funds and budgeted information but they do not provide enough detail. Data may be misrepresented, incomplete, unrecognized, not validated, or simply inaccurate; therefore, an effective project reporting system is vital to increase the transparency and accuracy of information used for decision-making and for ensuring compliance with regulations, acts and contractual requirements.

Cyber Security

The AOC is responsible for the maintenance, operations, development and preservation of the U.S. Capitol Complex. Additionally, it is responsible for effectively managing the information technology (IT) used in AOC operations. Information and communications technology has evolved significantly over the last half century, and is ubiquitous and increasingly integral to most facets of AOC programs and operations. The result is that IT devices and components are generally interdependent, and disruption of one may affect many others.

Recent and well publicized data breaches at the Office of Personnel Management and Equifax underscore the importance of securing sensitive data, and clearly demonstrate that the AOC is also vulnerable. Sophisticated attacks can result in significant releases of information and potential damage to the AOC's IT infrastructure, as well as the security of the Capitol complex.

In an era of ever-increasing cyber threats, the major challenges the AOC faces are the effective application of security policies and practices and the implementation of cyber security. The AOC must continue to emphasize protection of its own data and IT systems, while marshaling the necessary resources and tools to protect privacy and defend AOC IT systems from intrusion, attacks and unauthorized access for the foreseeable future.

Lack of Whistleblower Protection

In the past six months we received and developed a total of 41 complaints, which is 18 more than we reported during the last six months. This is very encouraging, and we attribute the increase in reported complaints to new leadership and initiatives in the OIG. Our revamped outreach initiatives have led to a newfound confidence in the AOC workforce that when they report allegations of fraud, waste, and abuse, their concerns will be taken seriously, acknowledged, and

The Inspector General's Statement of Management Opportunities and Performance Challenges *(continued)*

given full consideration, and they need not fear that the OIG will release their identity without their permission.

In spite of this shift, we also received 15 complaints from confidential witnesses still in fear of repercussions for reporting concerns. While it is encouraging to see an increase in the willingness to report fraud, waste, and abuse, without the enactment of a statutory legislative branch whistleblower protection program, leadership has the responsibility to ensure employee confidence in reporting programs, to encourage employees to report AOC crimes or administrative violations, and to provide a safe work environment after reporting violations. In order to do this, the AOC should reward integrity (doing the right thing) and emphasize to management that employees who see something, then say something are not reprimanded against.

Employees should never be in fear of retribution after reporting a crime or violation to the OIG; this leads to a decrease in the effectiveness of the OIG's Hotline program, the AOC's Speak-up program and the ability of the OIG to conduct meaningful investigations into fraud, waste and abuse, and ultimately diminishes deterrence. It will take only a single instance of reprisal to cause a chilling effect on the reporting of information, and for these complaint numbers to fall.

Conclusion

All Federal agencies have areas where improvements are needed. This Statement, as seen from the IG's perspective, should be taken in that context. The AOC has much to be proud of as it has reduced or eliminated previous years' challenges. The progress being made in the 2016 six management challenges is very encouraging, as is the Chief Financial Officer's transparency in having independent Financial Statement Audits conducted yearly. The AOC has carefully considered and implemented OIG recommendations in a timely manner, and the fact that there are only two outstanding recommendations awaiting resolution is very positive.

The additional five management challenges included above will improve AOC's efforts to prevent and detect fraud, waste and abuse and will also improve the effectiveness, efficiency and economy of its operations and overall mission.

As the OIG finds additional specific challenges through our efforts and the upcoming results of an independent risk assessment commissioned by our office, we will engage management with findings and recommendations via audits, inspections, evaluations and investigations. The intent of our findings and recommendations is to improve the effectiveness, efficiency and economy of AOC's operations as an aid to meeting its overall mission, and to support the Architect of the Capitol in rooting out fraud, waste, and abuse throughout his agency.

Summary of Financial Statement Audit and Management Assurances

The AOC tracks audit material weaknesses, as well as other requirements of the Federal Managers' Financial Integrity Act of 1982 (FMFIA). Below is management's summary of these matters, as required by OMB Circular No. A-136, *Financial Reporting Requirements*, revised.

TABLE 20: Summary of Financial Statement Audit

AUDIT OPINION TYPE RESTATEMENT (YES/NO)	Unmodified				
	No				
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated/ Reassessed	Ending Balance
Improvements to Project Cost Capitalization Analysis	1	0	1	0	0
Total Material Weaknesses	1	0	1	0	0

TABLE 21: Summary of Management Assurances

EFFECTIVENESS OF INTERNAL CONTROL OVER FINANCIAL REPORTING (FMFIA, PARA. 2)					
STATEMENT OF ASSURANCE	Unmodified				
	No				
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated/ Reassessed	Ending Balance
Improvements to Project Cost Capitalization Analysis	1	0	1	0	0
Total Material Weaknesses	1	0	1	0	0

EFFECTIVENESS OF INTERNAL CONTROL OVER OPERATIONS (FMFIA, PARA. 2)

EFFECTIVENESS OF INTERNAL CONTROL OVER OPERATIONS (FMFIA, PARA. 2)					
STATEMENT OF ASSURANCE	Unmodified				
	No				
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated/ Reassessed	Ending Balance
Total Material Weaknesses	0	0	0	0	0

COMPLIANCE WITH FEDERAL FINANCIAL MANAGEMENT SYSTEM REQUIREMENTS (FMFIA, PARA. 4)

STATEMENT OF ASSURANCE	Federal systems comply to financial system management requirements				
	No				
Nonconformances	Beginning Balance	New	Resolved	Consolidated/ Reassessed	Ending Balance
Total Nonconformances	0	0	0	0	0

COMPLIANCE WITH FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT ACT (FFMIA)

	Agency		Auditor
	1. System Requirements	2. Accounting Standards	3. U.S. Standard General Ledger (USSGL) at Transaction Level
1. System Requirements	No lack of compliance noted	No lack of compliance noted	No lack of compliance noted
2. Accounting Standards	No lack of compliance noted	No lack of compliance noted	No lack of compliance noted
3. U.S. Standard General Ledger (USSGL) at Transaction Level	No lack of compliance noted	No lack of compliance noted	No lack of compliance noted

Improper Payments Information Act and Related Laws and Regulations

Improper Payments Information Act, As Amended

The Improper Payments Information Act of 2002 (IPIA) defines requirements to reduce improper and erroneous payments made by the federal government. It requires the head of each agency to annually review all programs and activities that it administers and identify all such programs and activities that may be susceptible to significant improper payments. The Office of Management and Budget (OMB) also established specific reporting guidance for executive branch agencies with programs that have a significant risk of erroneous payments and for reporting on the results of payment recovery auditing activities. A significant erroneous payment, as defined by OMB, is an annual erroneous program payment that exceeds both 2.5 percent of the program payments and \$10 million.

In January 2013, the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA), which amended IPIA, was signed into law. IPERIA requires OMB to submit to Congress an annual report regarding the operation of the Do Not Pay Initiative, described below.

The AOC does not administer grant, benefit or loan programs. The AOC's most significant expenses are payroll and benefits for its employees, which are administered by the U.S. Department of Agriculture's National Finance Center. The AOC's most significant non-payroll expenses are its payments to vendors for subcontracting, professional services and goods procured during the course of normal operations.

The AOC is a legislative branch office and, as such, is not subject to IPERIA nor to the related OMB guidance. Nonetheless, as part of its internal control program (using FMFIA as a general reference tool), a formal annual assessment will be developed to identify any programs where significant erroneous payments may have occurred. Based on the assessment of risk, a monitoring plan will be implemented that outlines sample procedures and sample sizes, based on materiality and OMB guidelines. As part of this effort, the AOC will also refer to IPERIA for guidance. In addition, the AOC currently conducts quarterly financial reviews of its jurisdiction-level programs and activities, described in *Other Efforts*.

Do Not Pay Initiative

IPERIA requires OMB to submit to Congress an annual report regarding the operation of the Do Not Pay Initiative. The AOC uses the Department of Treasury's electronic Invoice Processing Platform (IPP) for centralizing its invoice payment process. IPP is a secure online platform which incorporates Do Not Pay for the federal agencies using this system.

Other Efforts

As the AOC's internal control program monitoring and testing plan is implemented, the AOC conducts other efforts to identify improper payments. By agency policy, the AOC conducts quarterly financial reviews of its jurisdiction-level programs and activities, including various sensitive payment areas. Establishing an internal, quarterly financial monitoring and verification policy has improved the reliability of the information used in the AOC's financial statements and budget execution reports. As part of this policy, a suite of reports are issued quarterly for verification by the parties responsible for each separate AOC appropriation. The responsible parties must concur (either without exception or with noted exceptions) that all post-payment transactions charged to AOC funds are valid and properly recorded. These financial reports include: (1) status of current funds, (2) document detail for all requisitions and obligations, (3) payroll detail, (4) travel and training detail and (5) open obligations and receivers for all expired funds. The reviews are managed by the Chief Financial Officer and are used to identify inaccurate payments and determine the effectiveness of controls over the obligation and payment process.

Sensitive payments are those where the dollar amounts involved are usually not significant, but the public disclosure of improper payments may result in significant criticism of the agency. The AOC has identified several areas of sensitive payments for routine review. They include purchase card expenditures, as well as travel and training costs.

Reduce the Footprint

Consistent with Section 3 of the OMB Memorandum M-12-12, *Promoting Efficient Spending to Support Agency Operations* and OMB Management Procedures Memorandum 2015-01, the “Reduce the Footprint” policy implementing guidance, all CFO Act departments and agencies shall not increase the total square footage of their domestic office and warehouse inventory compared to a FY 2015 baseline.

The AOC is a legislative branch agency and, as a result, is not subject to the “Reduce the Footprint” disclosures. The AOC’s mission includes managing a unique real estate portfolio that includes office and historic buildings on Capitol Hill for the legislative and judicial branches. Although it is not required to comply with the “Reduce the Footprint” disclosures, the AOC presents (see **Table 22**) its total square footage for the current and prior fiscal years as compared to the FY 2015 baseline. Total square footage includes a wide variety of real property that reflects the AOC’s diverse mission. Therefore, in addition to office and inventory storage space, this square footage figure also includes committee rooms, exhibit space, a conservatory, a plant production facility, a visitor center, two gift shops, restaurants, a power plant, tunnels for transportation and steam and chilled water delivery, multiple book storage modules, Summerhouse, and other facilities.

As shown, the total square footage for FY 2017 increased over this baseline. This is primarily a result of the transfer of 549,000 square feet of building space in the O’Neill House Office Building from the General Services Administration in June 2017. This space supports the U.S. House of Representatives and includes swing space to be used during the Cannon House Office Building Renewal project, which has recently moved into one of its major phases, displacing a large number of members and staff. This space provides offices, conference rooms, administrative functional areas and support spaces. In addition, the AOC completed construction of Collections Storage Module 5 this year, adding 18,000 square feet of preservation quality climate-controlled collections space for the Library of Congress.

TABLE 22: AOC Square Footage

	FY 2015 BASELINE (Rounded)	FY 2017 (Change from baseline)
Total Square Footage (in millions)	More than 17.4	More than 18.4 (Increased)



Congress authorized the transfer of the O’Neill House Office Building from the General Services Administration to the AOC in June 2017. The building is occupied by staff of various committees of the U.S. House of Representatives, the Clerk of the House, legislative support organizations and the U.S. Department of Health and Human Services.

Actions Taken to Reduce the Office and Warehouse Baseline

To reduce the operations and maintenance costs associated with its real property portfolio, the AOC has implemented a number of key initiatives. These include enhancing building system control strategies and performance monitoring capabilities to reduce energy and water usage, increasing recycling of occupant waste and construction debris, managing overtime hours, cancelling contracts and bringing the work in-house, and many others. In FY 2017 the AOC transitioned into a new warehouse that is expected to save approximately \$2.5 million in operating costs over the next 10 years. Past revisions to the agency’s telework program increased the number of telework days permitted per week and introduced the option of desk sharing — helping the AOC to manage its real property footprint and reduce the associated operating costs.

Small Business Accomplishments

As a best practice, the AOC voluntarily reports the agency's performance against its small business procurement goals. The AOC procurement authority is separate from the Competition in Contracting Act and other laws affecting the executive branch, and the AOC is not authorized by law to use the Small Business Act for set-aside programs or subcontracting plans. However, the AOC's procurement authority does provide discretion in the level of competition required when using small purchase procedures for open market purchases. As a result of this discretion, the AOC is interested in directing more business opportunities to the small business community and has created a small business subcontracting program and a small business set-aside program for small purchases of \$100,000 or less. The AOC works collaboratively with the U.S. Small Business Administration to implement and operate small business programs at the AOC.

The AOC established socio-economic goals through its small business programs for prime contract awards to small business, small disadvantaged business, women-owned small business, veteran-owned small business, service-disabled veteran-owned small business, and HUBZone small business concerns. In FY 2017, as shown in Table 23, a goal of 65 percent of all agency contract awards were to go to small businesses. The percentage of awards to the various small business categories within this goal is also shown. The AOC exceeded the goals for every category of small business concerns through increased visibility in the small business community, consultations with small business concerns



The AOC's efforts to support local and small businesses included hosting a Small Business Industry Day at the U.S. Capitol Visitor Center. In FY 2017, the AOC awarded contracts in excess of \$27.1 million to small businesses.

seeking information regarding the AOC's procurements, ongoing data collection efforts on the types of businesses the AOC utilizes, and actively seeking small business concerns for small purchases.

The AOC's efforts to support local and small businesses also include hosting a Small Business Industry Day at the CVC, and recognizing the AOC jurisdictions that met or exceeded socio-economic contracting goals through the Architect's Honor Awards Program. In FY 2017, the AOC awarded contracts in excess of \$27.1 million to small businesses.

TABLE 23: Small Business Program Accomplishments, October 1, 2016 to September 30, 2017

CATEGORY	FY 2017 GOAL	FY 2017 ACHIEVEMENTS*	GOAL MET?
Small Business	65%	80.5%	Yes
Small Disadvantaged Business	8%	17.8%	Yes
Women-Owned Small Business	11%	14.9%	Yes
Veteran-Owned Small Business	4%	8.6%	Yes
Service-Disabled Veteran-Owned Small Business	1%	3.0%	Yes
HUBZone Small Business	1%	2.6%	Yes

*Contract awards may fall under more than one category.

Energy and Sustainability Program Management

The AOC previously published a separate Annual Energy and Sustainability Report. This year, the results of the energy savings programs are consolidated in the agency's PAR to inform Congress and the public of the AOC's progress. As stewards of the Capitol campus, the AOC is required to meet reporting obligations identified within the Energy Independence and Security Act of 2007 (EISA2007). EISA2007 requires that the AOC report on (1) energy expenditures and savings estimates, (2) energy management and conservation projects and (3) future priorities to ensure compliance.

Energy Expenditures and Savings Estimates

Since FY 2005, the agency's implementation of Energy Saving Performance Contracts (ESPCs) and investments in infrastructure efficiency have saved the AOC more than \$100 million in cost avoidance and reduced the agency's long-term energy demand. From FYs 2015-2017, the AOC voluntarily continued its partnership with jurisdictions and stakeholders to run one of the federal government's most effective energy and sustainability programs. In FY 2017, the most impactful energy savings efforts include infrastructure and performance improvements. As detailed in **Table 24**, the AOC utilized \$385,250 in direct appropriations toward efficiency improvements at the Capitol Power Plant and performance improvements such as building automation and lighting upgrades. The ESPCs for the Capitol, House and Senate buildings are now in their performance periods and continue to generate their guaranteed savings.

In FY 2016, the AOC initiated an ESPC for Library of Congress facilities and, in FY 2017, a Notice of Intent to Award a new ESPC was issued to evaluate and execute energy-efficient infrastructure upgrades to the Library of Congress' facilities. The kick-off meeting for the preliminary assessment phase was conducted in September 2017. The AOC examines the details of proposed energy conservation measures and performs a payback assessment prior to undertaking any energy projects. By statute, the ESPC savings must be guaranteed by the Energy Service Company (ESCO) and exceed payments in each year of the contract. In addition, because these projects are fully financed by the ESCO and the AOC is able to achieve energy conservation savings without significant appropriations, funds can be used for other priorities, such as deferred maintenance or life-safety initiatives.

In FY 2005, the AOC established a program for the collection and sale of recyclable materials. Proceeds from the sale of recyclable materials are placed into a revolving fund. In FY 2017, the AOC utilized revolving funds to forward four initiatives in support of the agency's sustainable waste management program:

- Waste stream audits of the Ford, Rayburn, Longworth and Cannon House Office Buildings to facilitate the reduction of ongoing waste and toxins generated by building occupants and operations
- An industrial paper shredder for secure documents to increase security and improve the AOC's recycling diversion rate

TABLE 24: FY 2017 Investments in Energy and Water Management

SOURCES OF INVESTMENT	DIRECT APPROPRIATIONS	FY 2017 ANNUAL GOAL-SUBJECT ENERGY SAVINGS (MMBTU)	
Energy and Sustainability Program Expenditures	\$ 385,250		13,885
ESPC/UESC Expenditures	FY 2017 Annual Payments	Guaranteed Annual Cost Savings	Final Payment
House Office Buildings ESPC	\$3,886,293	\$3,914,643	FY 2027
Senate Office Buildings ESPC	\$3,933,751	\$3,933,851	FY 2027
U.S. Capitol Building ESPC	\$1,996,895	\$1,996,896	FY 2022
Capitol Power Plant Cogeneration UESC	N/A	N/A	N/A
Library of Congress ESPC	N/A	N/A	N/A
FY 2017 Annual Payment Total	\$9,816,939	\$9,845,390	

- A hard drive crusher to facilitate efficient recycling by eliminating travel for the destruction of electronics
- A food waste dehydrator to assist in the process of diverting food from landfills to a composting facility

Energy Management and Conservation Projects

The AOC continued to make great strides in reducing energy consumption, complying with mandates and encouraging environmentally friendly operations. In FY 2017, the AOC continued to track the agency's FY 2017–FY 2021 energy and sustainability goals. To meet these goals, the AOC employed solutions to remove barriers, balance its mission of preservation and conservation, solve customer needs, and provide value to the taxpayer. The AOC's FY 2017 initiatives included:

- **Reduced Energy Use.** As part of the AOC's commitment to energy efficiency, the agency set a goal of reducing its energy use between FY 2016 and FY 2025. In FY 2016, the AOC set a new target of an additional annual 2 percent reduction during the next 10 years, targeting a 50 percent reduction by FY 2025. As seen in **Figure 57**, the AOC fell short of meeting its target of 34 percent for FY 2017, with a final reduction of 33.7 percent. The shortfall reflects the impact of an absence of active energy reduction projects in FY 2017 and a warmer than normal summer leading to additional energy consumption. In consideration of energy projects in the pipeline for FY 2018 and building on our continued performance savings, we believe that we will successfully meet our FY 2018 energy reduction goal.

▪ **Tracked and assessed water use.** In FY 2017, the AOC focused on water consumption and the continued efforts to reconcile water usage, malfunctioning meters and estimated billing. Water progress reports will help explain variations in water use, understand potential risks and impacts, identify inefficiencies, and manage savings opportunities.

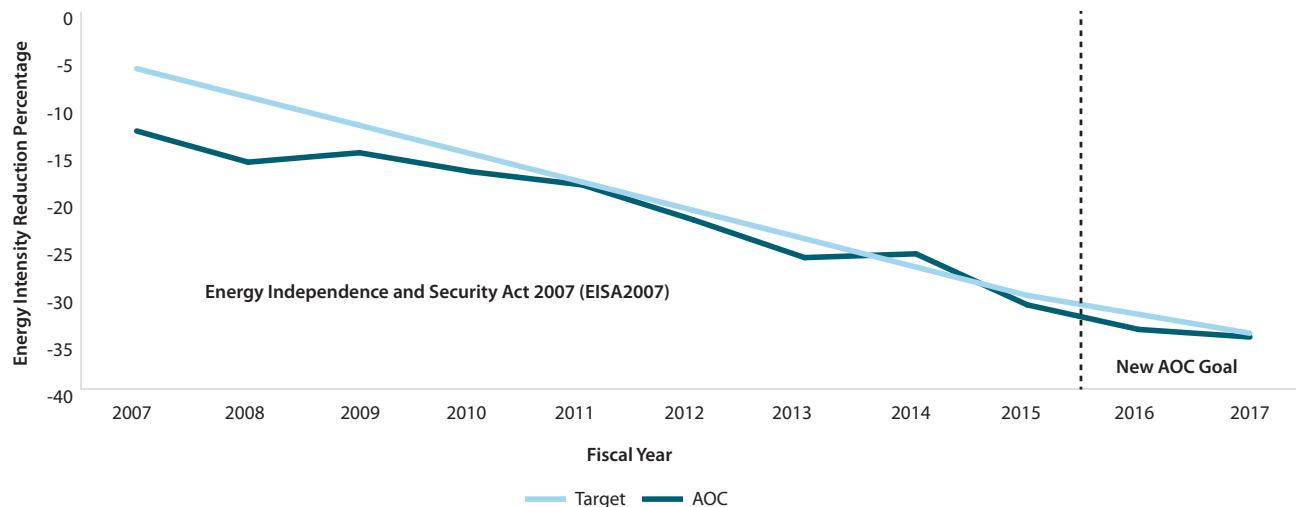
▪ **Reduced waste.** The AOC reduced building occupant waste by 44.4 percent and diverted construction waste for recycling by 6.0 percent. In FY 2017, the AOC continued best practices and standards to maximize the agency's potential toward ecosystem protection and resource conservation.

▪ **Achieved cost savings through demand response plans.** The AOC implemented "Gold Days," a key approach on peak electricity grid consumption days. During these times, demand for electricity is at its highest; therefore, the AOC earns credits toward utility bills when it reduces usage on peak savings days.

▪ **Executed sustainability scorecards.** The AOC's sustainability scorecard helps to ensure best practices are evaluated throughout the planning, design and construction process. It provides a framework to navigate opportunities to make better decisions in support of the AOC's sustainability commitments.

▪ **Executed task orders for performance monitoring support services.** Performance monitoring involves in-depth time and event-based data analysis of the mechanical systems, energy metering and the interactions between systems. At a building level, performance

FIGURE 57: The AOC's FY 2007 through FY 2017 Energy Reduction Success



monitoring ensures the persistence of savings with actionable items for operational improvements. At a project level, performance-based commissioning ensures that all systems and components are designed, installed, tested, operated and maintained according to the project requirements.

- **Continued updates of the AOC's FY 2017–2021 energy and sustainability goals.** These updates incorporated jurisdiction comments into the AOC's Energy and Sustainability Policy.
- **Continued retro-commissioning efforts.** Retro-commissioning can vastly improve building performance by optimizing existing mechanical systems. Retro-commissioning addresses malfunctioning equipment, automation and control logic deviations.
- **Supported communication outreach events.** Earth Week tours were provided for AOC and congressional staff; the House and Senate Office Buildings, Library of Congress and Botanic Garden held annual environmental showcases.
- **Engaged other agencies in the field.** The AOC worked with external groups and participated alongside executive branch agencies to discuss, inform and gather information regarding ongoing energy and sustainability efforts.

Future Priorities to Ensure Compliance

In positioning itself for success, the AOC will focus on operations and the commitments in its sustainability plan.

This will result in a Capitol campus that prioritizes agile resource management, increased resilience, protection of the environment and enhanced health and well-being. The AOC anticipates taking the following long-term steps:

- Oversee the installation of an energy-efficient cogeneration system at the Capitol Power Plant. Cogeneration will contribute more than half of the AOC's new 10-year energy reduction strategy.
- Identify significant and remaining life-cycle cost-effective opportunities to improve energy and water performance, reliability and environmental conditions in its buildings and the Capitol Power Plant. The cornerstones of the AOC's energy management program follow:
 - Maintain and optimize building performance through operational improvements and control strategies
 - Make incremental improvements through small-scale retrofits and energy-efficient equipment replacements
 - Continue long-term and interim building performance metrics and track them through advanced metering and data analytics
 - Ensure operations and maintenance staff receive appropriate training to maintain and augment required skillsets

The AOC's 10-year energy reduction strategy is depicted in **Figure 58**. The AOC evaluated prioritized energy projects and identified the key steps necessary to achieve the 50 percent reduction target. **Tables 25, 26** and **27** report the congressionally-required energy savings data.

FIGURE 58: The AOC's 10-Year Energy Reduction Priorities

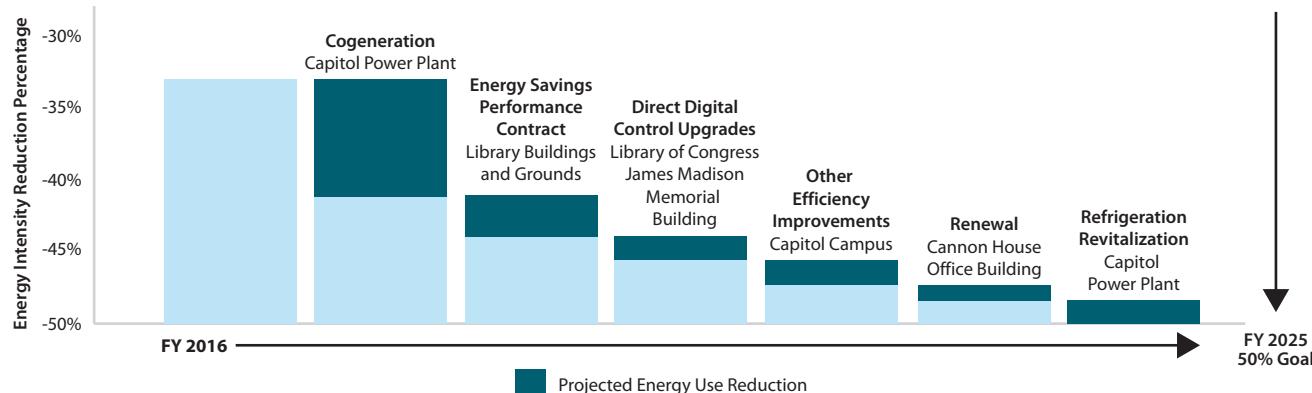


TABLE 25: EPAct Goal Subject Buildings

UTILITY TYPE	CONSUMPTION UNITS	ANNUAL CONSUMPTION	ANNUAL COST (\$1,000)	UNIT COST (\$)	UNIT OF MEASURE	SITE-DELIVERED BBTU	ESTIMATED SOURCE BBTU
Electric	MWH	183,983.3	\$18,065	\$0.10	/kWh	627.8	1,971.1
Fuel Oil	KGal	33.6	\$67	\$1.99	/Gallon	4.7	4.7
Natural Gas	KCF	1,094,680.8	\$11,654	\$10.65	/KCF	1,094.7	1,149.4
Coal	Short Ton	1,204.0	\$379	\$314.68	/Short Ton	33.7	33.7
Purchased Steam	BBTU	14.8	\$607	\$41.06	/MMBTU	14.8	32.8
Purchased CHW	BBTU	4.6	\$647	\$73.05	/MMBTU	4.6	5.8
Excluded Steam	BBTU	(182.8)	(\$5,828)	\$31.88	/MMBTU	(182.8)	(261.1)
Excluded CHW	BBTU	(45.2)	\$790	\$17.50	/MMBTU	(45.2)	(57.3)
Excluded Security	BBTU	(43.3)	\$694	\$16.02	/MMBTU	(43.3)	136.0
Purchased Renewable							
Electric	MWH	75,828.1	\$7,445	\$0.10	/kWh	258.7	0.0
Totals	BBTU	1,767.7	\$38,827			1,743.93	2,764.3
FY 2017 Goal Subject Buildings Gross Square Feet (Thousands)		16,175.1	FY 2017 Goal Subject Buildings Actual KBTU/GSF			111.1	172.4

TABLE 26: EPAct Goal Excluded Buildings

UTILITY TYPE	CONSUMPTION UNITS	ANNUAL CONSUMPTION	ANNUAL COST (\$1,000)	UNIT COST (\$)	UNIT OF MEASURE	SITE-DELIVERED BBTU	ESTIMATED SOURCE BBTU
Electric	MWH	41,551.5	\$4,191	\$0.10	/kWh	141.8	445.2
Fuel Oil	KGal	390.1	\$778	\$1.99	/Gallon	54.6	54.6
Natural Gas	KCF	24,734.4	\$263	\$0.01	/KCF	24.7	26.0
Coal, Purchased Steam and CHW	Short Ton, BBTU	—	—	—	/Short Ton, /MMBTU	—	—
Excluded Steam	BBTU	182.8	\$5,828	\$31.88	/MMBTU	182.8	261.1
Excluded CHW	BBTU	45.2	\$790	\$17.50	/MMBTU	45.2	57.3
Excluded Security	BBTU	43.3	\$694	\$16.02	/MMBTU	43.3	136.0
Purchased Renewable (Electric)	MWH	—	—	—	/kWh	—	—
Totals	BBTU	492.4	\$12,545			492.40	980.2
FY 2017 Goal Excluded Buildings Gross Square Feet (Thousands)		1,083.3	FY 2017 Goal Subject Buildings Actual KBTU/GSF			207.2	412.5

* Annual consumption and cost figures for FY 2017 are reported as of 11/8/17

Key for Energy Tables:

BBTU Billion British Thermal Units

MWH Megawatt Hours

CHW Chilled Water

Short Ton A unit of weight equal to 2,000 pounds

KGal Kilogallons

TABLE 27: Goal Performance

ENERGY MANAGEMENT REQUIREMENT	FY 2003 KBTU/GSF	FY 2017 KBTU/GSF	PERCENT CHANGE FY 2003–FY 2017	FY 2017 GOAL TARGET
Reduction in Energy Intensity in Facilities Subject to EPAct Goals	167,570	111,078	-33.7%	-34.0%
RENEWABLE ENERGY REQUIREMENT	RENEWABLE ELECTRICITY USE (MWH)	TOTAL ELECTRICITY USE (MWH)	PERCENTAGE	
Eligible Renewable Electricity Use as a Percentage of Total Electricity Use	75,828	301,363		25.2%
WATER INTENSITY REDUCTION GOAL	FY 2007 GALLON/GSF	FY 2016 GALLON/GSF	PERCENT CHANGE FY 2003–FY 2017	FY 2017 GOAL TARGET (AOC INTERNAL METRIC)
Reduction in Potable Water Consumption Intensity	28.2	22.4	-20.6%	-20.0%
SUSTAINABLE WASTE MANAGEMENT	PERFORMANCE METRIC	FY16 GOAL	FY16 ACTUAL	FY17 GOAL
Divert Building Occupant Waste	Waste Diverted/ Total Occupant Waste	40%	44%	42.0%
Reduce, Reuse and Recycle Construction and Demolition Debris	Waste Diverted/ Total Construction Waste	80%	90%	90.0%
Compost Non-Construction Waste	Waste Diverted/ Total Occupant Waste	N/A	N/A	6.0%
UTILITY METERING	NUMBER OF BUILDINGS METERED	METERED AREA (GSF)	PERCENT OF BUILDINGS METERED	PERCENT OF ADVANCED METERING
Electric	72	17,872,119	100.0%	91.0%
Steam	27	19,514,362	99.0%	99.0%
Natural Gas	18	1,592,260	100.0%	0.0%
Chilled Water	25	16,251,351	99.0%	99.0%
Potable Water	36	17,381,130	99% metered 57% estimated	65.0%

* Annual consumption and cost figures for FY 2017 are reported as of 11/8/17

Key for Energy Tables:

BBTU Billion British Thermal Units

MWH Megawatt Hours

CHW Chilled Water

Short Ton A unit of weight equal to 2,000 pounds

KGal Kilogallons

The U.S. Capitol Grounds includes several memorial trees. These trees commemorate members of Congress and other notable citizens, national organizations and special events.

U.S. CAPITOL GROUNDS
MEMORIAL TREE
MAGNOLIA GRANDIFLORA
(SOUTHERN MAGNOLIA)
IN COMMEMORATION OF THE
HONORABLE WILLIAM M. COLMER



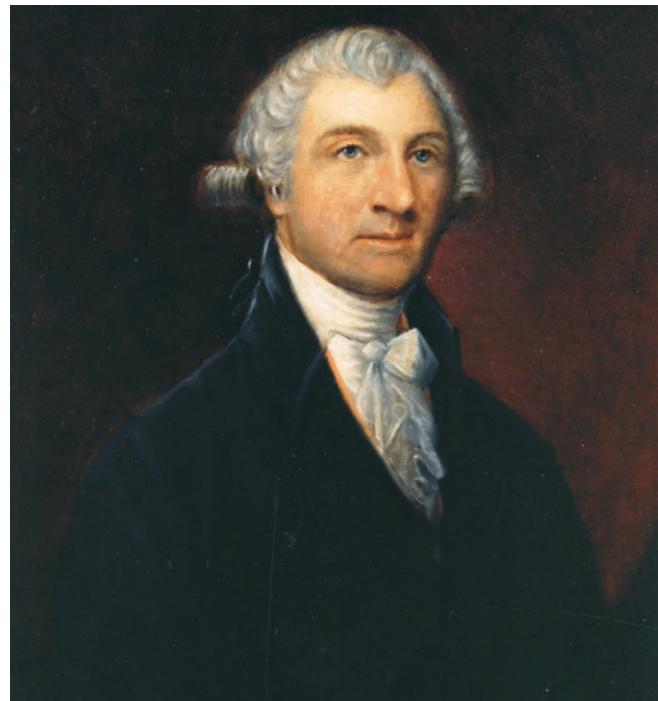
The AOC has undertaken the ambitious U.S. Capitol Exterior Stone and Metal Preservation Project to address deferred maintenance, extend the life expectancy of the deteriorated stone and replace missing elements of the historic U.S. Capitol Building.

Appendices

Appendix A: Architects of the Capitol Past and Present

Eleven individuals are credited with holding the title of Architect of the Capitol. Each person, along with their dates of service and hyperlinks to their biography, is listed in **Table 28**.

Dr. William Thornton was an amateur architect who is honored as the “first architect” because his architectural design for the U.S. Capitol was accepted by President George Washington in 1793. The first official use of the title “Architect of the Capitol,” referring to both the person and the agency, was on March 30, 1867, when Edward Clark was named Architect of the Capitol through legislation. Clark had previously held the title “Architect of the Capitol Extension,” as had his predecessor Thomas U. Walter. The title was dropped following Clark’s death in 1902 and Elliott Woods was appointed as the “Superintendent of the Capitol Buildings and Grounds.” However, in 1921, the title Architect of the Capitol was awarded to Woods for meritorious service. Following Woods, it has remained the official title of both the person and the agency.



Dr. William Thornton is honored as the “first architect.” His design for the U.S. Capitol Building was selected in 1793.

TABLE 28: Architects of the Capitol

NAME	DATES OF SERVICE	BIOGRAPHICAL INFORMATION
Dr. William Thornton	1793	www.aoc.gov/architect-of-the-capitol/dr-william-thornton
Benjamin Henry Latrobe	1803–1811 1815–1817	www.aoc.gov/architect-of-the-capitol/benjamin-henry-latrobe
Charles Bulfinch	1818–1829	www.aoc.gov/architect-of-the-capitol/charles-bulfinch
Thomas Ustick Walter	1851–1865	www.aoc.gov/architect-of-the-capitol/thomas-ustick-walter
Edward Clark	1865–1902	www.aoc.gov/architect-of-the-capitol/edward-clark
Elliott Woods	1902–1923	www.aoc.gov/architect-of-the-capitol/elliott-woods
David Lynn	1923–1954	www.aoc.gov/architect-of-the-capitol/david-lynn
J. George Stewart	1954–1970	www.aoc.gov/architect-of-the-capitol/j-george-stewart
George M. White, FAIA	1971–1995	www.aoc.gov/architect-of-the-capitol/george-m-white-faia
Alan M. Hantman, FAIA	1997–2007	www.aoc.gov/architect-of-the-capitol/alan-m-hantman-faia
Stephen T. Ayers, FAIA, CCM, LEED AP	2010–present	www.aoc.gov/architect-of-the-capitol/stephen-t-ayers-faia-ccm-leed-ap-architect-capitol

Appendix B: List of the Major Facilities Under the AOC's Care

The AOC serves as builder, caretaker and curator of many of the nation's most iconic landmark buildings in the U.S. government's legislative branch. The major AOC facilities, organized by jurisdiction, are listed in **Table 29** with their location and the date the AOC assumed responsibility for them, whether through construction completion, acquisition, transfer or lease.

TABLE 29: List of Major AOC Facilities

FACILITY	LOCATION	YEAR BUILT OR ACQUIRED
Capitol Building		(The AOC's acquisition date appears in parentheses if acquired after the year built)
U.S. Capitol Building	Washington, DC	1793 (construction started) and various dates (later expansions)
Capital Construction and Operations		
Construction Division Shops	Washington, DC	1982
Construction Division Warehouse	Landover, MD	Leased a portion of facility since 2016
Capitol Grounds		
Summerhouse	Washington, DC	1881
Capitol Square	Washington, DC	1894
Union Square	Washington, DC	Transferred from National Park Service in 2011
Capitol Police Buildings, Grounds and Security		
Eney, Chestnut, Gibson Memorial Building (U.S. Capitol Police Headquarters)	Washington, DC	1930 (1986)
Vehicle Maintenance Facility	Washington, DC	1930
Courier Acceptance Facility	Washington, DC	1996
Canine Facility	Washington, DC	1996 (2004)
Fairchild Building	Washington, DC	Leased a portion of facility since 2004
Alternate Computer Facility	Location Withheld	1983 (2005)
Interim Off-site Delivery	Washington, DC	2006
Capitol Power Plant		
Generator Building	Washington, DC	1909
Main Boiler Plant	Washington, DC	1909
East Refrigeration Plant	Washington, DC	1937
Administration Building	Washington, DC	1978
West Refrigeration Plant	Washington, DC	1978 and various other dates
Coal Facilities	Washington, DC	1990
House Office Buildings		
Cannon House Office Building	Washington, DC	1908
Longworth House Office Building	Washington, DC	1933
Rayburn House Office Building	Washington, DC	1965
East and West House Underground Garages	Washington, DC	1968
Ford House Office Building	Washington, DC	1939 (1974)
House Page Dormitory	Washington, DC	1940 (1986)
O'Neill House Office Building	Washington, DC	1963 (Transferred from GSA in 2017 (previously leased a portion of facility since 2013))
Library Buildings and Grounds		
Thomas Jefferson Building	Washington, DC	1897 (1922)
John Adams Building	Washington, DC	1938
James Madison Memorial Building	Washington, DC	1980
St. Cecilia Special Services Facilities Center	Washington, DC	1990 (1991)

FACILITY	LOCATION	YEAR BUILT OR ACQUIRED
		(The AOC's acquisition date appears in parentheses if acquired after the year built)
Congressional Campus, which includes:		
Ft. Meade Warehouse Buildings	Columbia, MD	1942 (Transferred from the U.S. Army in 1993)
Ft. Meade Collection Storage Modules	Columbia, MD	2002 (Module 1), 2005 (Module 2), 2009 (Modules 3 and 4) and 2017 (Module 5)
Packard Campus	Culpeper, VA	2007
Senate Office Buildings		
Russell Senate Office Building	Washington, DC	1909
Senate Underground Garage	Washington, DC	1932
Dirksen Senate Office Building	Washington, DC	1958
Robert A. Taft Memorial	Washington, DC	1959
Hart Senate Office Building	Washington, DC	1982
Webster Hall Page Dormitory	Washington, DC	1930 (1993)
Senate Child Care Center	Washington, DC	1998
Senate Mail Handling Facility	Landover, MD	2008
Supreme Court Building and Grounds		
U.S. Supreme Court	Washington, DC	1935
Thurgood Marshall Federal Judiciary Building	Washington, DC	1992
U.S. Botanic Garden		
Administration Building	Washington, DC	1931
Bartholdi Park and Fountain	Washington, DC	1932
Conservatory	Washington, DC	1933
Production Facility Greenhouse, Headhouse and Other Facilities	Washington, DC	1993 and various other dates
U.S. Capitol Visitor Center		
U.S. Capitol Visitor Center	Washington, DC	2008



The AOC's mission includes the care of more than 18.4 million square feet of facilities, including iconic buildings such as the Cannon, Longworth and Rayburn House Office Buildings.

Appendix C: The AOC Jurisdictions' Key Accomplishments and Priorities

The AOC is an office in the U.S. government's legislative branch and is organized by multiple jurisdictions. Each jurisdiction receives their own appropriation and, with one exception, has distinct responsibilities for the maintenance, operation, development and preservation of a designated area of the Capitol campus. The exception, Capital Construction and Operations, provides agency-wide shared program management and business services. Table 31 identifies the AOC jurisdictions. This appendix highlights their accomplishments and priorities in support of the AOC's mission and supplements the information provided in *Section I: Management's Discussion and Analysis*.

TABLE 30: The AOC Jurisdictions

Capitol Building Responsible for the maintenance, care and stewardship of the U.S. Capitol, one of the most iconic and historically significant buildings and the centerpiece of Capitol Hill, and for the care and maintenance of the Capitol Visitor Center.
Capitol Grounds Responsible for preserving and maintaining approximately 290 acres of historic landscape and grounds infrastructure across Capitol Hill.
Capitol Police Buildings, Grounds and Security Responsible for the AOC security operations and the maintenance, care and operations of the U.S. Capitol Police buildings and grounds.
Capitol Power Plant Responsible for providing centralized utility services for Capitol Hill and maintaining and operating the Capitol Power Plant, which provides steam and chilled water to heat and cool the U.S. Capitol and 22 other facilities.
House Office Buildings Responsible for the support and maintenance of the facilities supporting the office and committee space for the members of the U.S. House of Representatives and their staff.
Library Buildings and Grounds Responsible for the maintenance, operations and care of the Library of Congress facilities and grounds.
Senate Office Buildings Responsible for the support and maintenance of the facilities supporting the office and committee space for U.S. senators and their staff.
Supreme Court Building and Grounds Responsible for the operations and maintenance of the U.S. Supreme Court and the Thurgood Marshall Federal Judiciary Building (TMFJB).
U.S. Botanic Garden Responsible for the maintenance, operation and care for the U.S. Botanic Garden Conservatory, support facilities, the National Garden, Bartholdi Park, and USBG's heritage and other plant collections.
U.S. Capitol Visitor Center Responsible for visitor services and general operations at the Capitol Visitor Center — including informational exhibits, a restaurant, two orientation theaters, a large auditorium and two gift shops.
Capital Construction and Operations Responsible for providing direct support to the agency — including campus-wide architectural and engineering design, construction management, planning and development, safety monitoring, emergency operations, historic preservation, energy and water conservation, and other critical business services.



Capitol Building



Capitol Grounds

Key Accomplishments in FY 2017

In addition to the support for the 2017 Presidential Inauguration and completion of the U.S. Capitol Dome, the completion of the First Women in Congress Exhibit and Brumidi Corridors restorations (discussed in the MD&A), the jurisdiction:

Completed Pre-Inauguration Phase of Stone and Metal Preservation

The jurisdiction completed the pre-inauguration phase of the exterior stone restoration at the Senate's North Balcony and Façade and the East Portico and Façade. The preservation included removing, carving and installing over 185 rosettes and installing 50 brackets at the cornice. All carved elements were laser cleaned and all joints were re-pointed.

Upgraded the House Chamber Sound System

The jurisdiction replaced the outdated sound system in the U.S. Capitol's House Chamber during the August Congressional Recess, while still allowing for pro-forma sessions and leadership activity to seamlessly take place.

Supported Smoke Control Project

A new smoke control system was installed in the U.S. Capitol to provide safe building egress and address an Office of Compliance citation. The jurisdiction abated hazardous materials, relocated utilities, and installed new copper roofing.

What's Next? FY 2018 Priorities

Continue U.S. Capitol Stone Restoration

The jurisdiction will complete the exterior stone and metal restoration at the west side of the Senate Extension and Connecting Corridor (East and West Façades). The jurisdiction will commence the remaining project phases, beginning at the West Front and the west side of the House Extension.

Complete POW/MIA Chair Project

The jurisdiction will complete the display of the Prisoner of War Missing in Action (POW/MIA) Chair, which will be located in the U. S. Capitol Visitor Center. This display will consist of the historic Thomas Walter chair with a POW/MIA sash placed on a marble base and flanked by the American and POW/MIA flags and a bronze plaque.

Key Accomplishments in FY 2017

In addition to its support for the Grant Memorial restoration and the Capitol Grounds' designation as a nationally recognized and accredited arboretum (both discussed in the MD&A), the jurisdiction:

Developed Capitol Grounds Education Initiative

A grassroots program was developed by jurisdiction staff to allow them to educate fellow coworkers, industry professionals and visitors about the landscape resources on the U.S. Capitol Grounds. To support this initiative, tours and educational sessions will be provided for jurisdiction staff on topics such as memorial trees, tree care and landscape history.

Completed House Office Buildings Cultural Landscape Report

In support of the preservation policy objective to document and inventory significant heritage assets maintained by the AOC, the jurisdiction completed a cultural landscape report for the House office buildings. This report will provide the framework to sustainably manage these historically significant landscapes.

Alleviated Access Barriers on Capitol Square

The jurisdiction continued to alleviate Americans with Disabilities Act access barriers identified by the Office of Compliance. The ongoing design work will address shortcomings on Capitol Square, while being mindful of the historic preservation concerns.

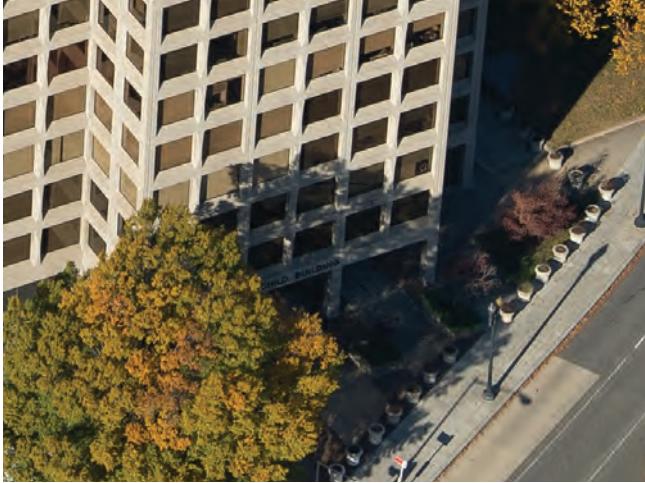
What's Next? FY 2018 Priorities

Develop an Arboretum Management Plan

After earning accreditation as a nationally recognized arboretum, the jurisdiction plans to develop an Arboretum Management Plan. This plan will include an updated tree inventory, risk management and environmental impacts.

Perform the Summerhouse Restoration

Following an FY 2017 update to the restoration design, the jurisdiction plans to begin the Summerhouse restoration in FY 2018. This project will restore the Summerhouse, its landscape and grotto to more closely match the original design by Frederick Law Olmsted.



Capitol Police Buildings, Grounds and Security

Key Accomplishments in FY 2017

In addition to the Alternate Computer Facility (ACF) chiller repair and support for the 2017 Presidential Inauguration (discussed in the MD&A), the jurisdiction:

Replaced Steam Station at U.S. Capitol Police Headquarters

The jurisdiction replaced the steam station at the Eney, Chestnut, Gibson Memorial Building after finding defective valves and controllers that resulted in massive amounts of steam leakage through the station which is used for heating during the winter and for hot water year round.

Upgraded Fire Systems and Exterior Lighting at Maintenance Facility

The jurisdiction replaced all the smoke detectors and upgraded fire panels in order to meet current system requirements at the Capitol Police Maintenance (67 K Street, NE NW or SW) Facility. In addition, the jurisdiction installed new energy-efficient LED flood lights to illuminate areas of the facilities that have been prone to vandalism.

Replaced Internal Key Lock System

The jurisdiction replaced a proprietary internal key and lock system on all doors at the ACF. This security vulnerability required the replacement of the aging key system with new lock and key systems throughout the facility, which will provide greater interior security.

What's Next? FY 2018 Priorities

Replace ACF Uninterruptible Power Supply

The jurisdiction will assess the electrical issues currently affecting the ACF data center. Future upgrades will focus on maintaining continuity of the system to ensure data center uptime during scheduled preventive maintenance. Steps include replacement of the uninterrupted power supply and phased upgrades of the existing electrical infrastructure.

Repair and Replace Barrier and Kiosk

The jurisdiction will address the growing security requirement for special events and is currently working on designing a new type of security kiosk to eliminate some of the recurring deferred maintenance issues that must be addressed.



Capitol Power Plant

Key Accomplishments in FY 2017

In addition to its support for the cogeneration project (discussed in the MD&A), the jurisdiction:

Supported Safety Initiatives

The jurisdiction worked with the Safety, Fire and Environmental Programs office to develop and implement an iPhone app that supervisors can use to conduct safety observations. The app will prompt supervisors on important safety topics and help spot behavior trends.

Continued the Refrigeration Plant Revitalization (RPR) Program

During phase 3S, the jurisdiction made structural repairs to the cooling towers in the West Refrigeration Plant to mitigate the overhead concrete hazards and deterioration of the cooling tower superstructure. The jurisdiction achieved substantial completion early, 28 days ahead of schedule, which allowed the cooling towers to go into an operational status prior to the summer cooling season.

Improved Utility Systems in the House Page Dormitory

After discovering significant corrosion in the buried steam and chilled water pipes supplying 501 F Street, SE Building (the former Page Dormitory), the jurisdiction worked with Capital Construction and Operations to replace the piping and install a vault to protect the pipes, and allow easy service access.

What's Next? FY 2018 Priorities

Continue Major Infrastructure Improvements

As in this past fiscal year, the jurisdiction will focus on power plant infrastructure improvements which will improve the efficiency of the Capitol campus. In the next year, the jurisdiction will continue with the construction of the cogeneration facility and award phase 3A of the RPR program.

Begin Utility Master Plan

The jurisdiction will complete several utility system feasibility studies and will begin a comprehensive utility master planning effort. This plan will assess the plant's equipment condition, evaluate technologies and serve as a road map for future energy needs.



House Office Buildings

Key Accomplishments in FY 2017

In addition to its support for the Cannon House Office Building Renewal project, the 115th congressional transition and the O'Neill House Office Building transfer (all discussed in the MD&A), the jurisdiction:

Updated Underground Subway Cars

The jurisdiction replaced and modernized the drive and control systems for the underground subway cars connecting the Rayburn House Office Building to the U.S. Capitol. As the original system was placed in service over 50 years ago, its drive components, controls and electronics were expensive to maintain. This update utilizes new technological developments, while maintaining the appearance and feel of the original system.

Replaced Outdated Elevator Controllers

The jurisdiction replaced the outdated elevator controllers in the Longworth House Office Building with new modern controllers. The upgraded controllers enhance the door operator safety features, and its new programming features will improve response times and provide communication links to an elevator monitoring system for improved maintenance capabilities.

Implemented Campus Security Updates

The jurisdiction supported U.S. Capitol Police efforts to improve campus security by installing enabling infrastructure. To maximize efficiency, the security upgrade work is being incorporated into spaces addressed by existing larger projects.

What's Next? FY 2018 Priorities

Complete Phase 1 for Major Construction Projects

The jurisdiction will complete phase 1 for two of their multi-phased construction projects — the Cannon Building Renewal and the Rayburn Garage Interior Rehabilitation. The completed phases will address the west wing (New Jersey Avenue, SE) side of the Cannon Building and the SE quadrant of the Rayburn underground parking structure.

Finalize Space Planning for O'Neill Building

The jurisdiction will complete space planning for the O'Neill Building, which was transferred to the AOC in June 2017. The concepts for this facility will include plans for child care space and other potential future tenants.



Library Buildings and Grounds

Key Accomplishments in FY 2017

In addition to its Court of Neptune Fountain conservation, John Flanagan Clock maintenance and demonstration war gardens installation (all discussed in the MD&A), the jurisdiction:

Installed Fall Protection System in Madison Building

The James Madison Memorial Building fall protection system was completed below budget, at a cost of \$1.75 million. The critical life-safety equipment installation provides a fully tested and certified protection system for authorized personnel from the AOC, Library of Congress and qualified outside entities.

Revised and Released Energy and Sustainability Procedures

The jurisdiction revised and released two key standard operating procedures, for electrical curtailment and recyclable metals. The latter established a process to encourage the recycling of metal materials, including simplified collection procedures and new steps for segregating high-value metals.

Implemented Code Blue Strategy Improvements

The jurisdiction implemented an improved Code Blue strategy to allow reductions in energy while also protecting the air handling unit coils in Library facilities. Through improved temperature monitoring, supervisors can ensure sufficient preheating and identify inefficient units — resulting in a 2.3 percent energy reduction from the prior year.

What's Next? FY 2018 Priorities

Install Energy Savings Infrastructure Upgrades

An initial \$4.3 million was appropriated to support an Energy Savings Performance Contract (ESPC) for the Library Buildings and Grounds jurisdiction. While the jurisdiction manages its facilities in an energy-efficient manner, significant energy reductions require infrastructure upgrades, which will be accomplished via an ESPC public-private partnership.

Renovate Madison and Adams Buildings Elevators

In FY 2017, the jurisdiction received \$4.3 million to upgrade the elevators to current standards and increase their reliability. The elevators are past their useful life, operate with outdated technology, include parts that are no longer manufactured and frequently break down. The renovations will address these issues and reduce annual maintenance costs.



Senate Office Buildings



Supreme Court Building and Grounds

Key Accomplishments in FY 2017

In addition to its support for the Presidential Inauguration, the 115th Congress election-year moves, the Senate Post Office renovation, a full-time job rotation program and an expanded ride-along program (all discussed in the MD&A), the jurisdiction:

Completed the Dirksen Window Restoration Project

The jurisdiction completed the preservation of 121 historic windows on the Constitution Avenue side of the building. The project involved restoring the bronze window frames and window casements.

Completed the Russell Kitchen Exhaust Upgrade

The jurisdiction completed a major kitchen upgrade in the Russell Senate Office Building, seamlessly maintaining an active food service operation while installing code-compliant ductwork, kitchen hoods, exhaust fans and fire suppression systems.

Assumed Management of the Senate Food Service Contracts

The jurisdiction assumed management of the Senate Restaurants food service contracts in the U.S. Capitol and the Senate Office Buildings in October 2016. As a result of the change, the jurisdiction has been able to provide more direct oversight of the Senate food service operations and increase client satisfaction with the Senate food service experience.

What's Next? FY 2018 Priorities

Continue Work on the Russell Exterior Envelope Project

The jurisdiction is undertaking a five-year project to restore the Russell Building exterior. The restoration includes exterior stone cleaning, repairing and repointing the stone façade and brick chimneys, restoring the windows and exterior doors, and refurbishing historic lighting fixtures and bronze railings.

Complete the Senate Underground Garage Project

The jurisdiction is undertaking a major project to restore the Senate Underground Garage, including waterproofing at the upper plaza level, upgrading the fountain and reflecting pool systems, installing new hardscape and softscape, improving stormwater management and repairing deteriorating concrete.

Key Accomplishments in FY 2017

In addition to the U.S. Supreme Court's façade restoration (discussed in the MD&A), the jurisdiction:

Supported Special Events

The jurisdiction provided support, setup and coverage for over 50 events at the U.S. Supreme Court, including the live broadcast memorial in the Great Hall in honor of the late Justice Antonin Scalia in November 2016.

Replaced Critical Steam Line

The jurisdiction replaced a critical steam line which was original to the U.S. Supreme Court and ran overhead of its main data center. To prevent data interruptions, information technology personnel were on-site at all times while each steam pipe was replaced. Special abatement precautions were taken to address the piping's original asbestos insulation.

Implemented a National Demonstration Project

The jurisdiction, with assistance from AOC support divisions, designed and constructed the Integrated Workplace Initiative — a National Demonstration Project — for the Administrative Office of U.S. Courts at the Thurgood Marshall Federal Judiciary Building (TMFJB). The project models a prototype workplace for all U.S. courthouses and will help the federal courts achieve a targeted 3 percent reduction in their real estate footprint.

What's Next? FY 2018 Priorities

Begin Courtyard Stone and Bronze Restoration Project

The jurisdiction will begin the U.S. Supreme Court courtyard stone and bronze restoration, which is expected to be completed in 2020. This \$4.5 million project will clean and restore the stone in all four courtyards, as well as bronze windows, doors and lampposts.

Commence TMFJB Façade Repairs

The jurisdiction will enter the construction phase for the TMFJB granite façade repair program. The first construction phase is exploratory and will quantify the extent of the damage to the granite façade fastening system. Follow-on phases will remove, repair and restore the facility's granite cladding panels.



U.S. Botanic Garden



U.S. Capitol Visitor Center

Key Accomplishments in FY 2017

In addition to its support for the North Façade restoration and the updated Children's Garden (discussed in the MD&A), the jurisdiction:

Participated in Overseas Plant Exploration Expedition

The USBG Plant Curator led the first USBG overseas plant exploration expedition in over 150 years. The expedition explored two floral regions of the Philippines in search of unique species.¹⁶ The expedition was a resounding success, returning many unique living specimens to the USBG — some have never before been grown in the Western Hemisphere or in greenhouses.

Reconstructed Two Bridges

The jurisdiction reconstructed the bridge through the Orchid House and the small bridge in The Tropics. Both were nearing the end of their useful life and had deteriorated to the point of being a potential safety hazard.

Removed Four Palm Trees from Collection

The jurisdiction safely removed three Royal Palm trees, and one Oil Palm tree from the Conservatory. These trees grew in excess of 80 feet and interfered with the facility's mechanical and structural elements. To extend an educational opportunity, the process was performed in view of the public and with in-house talent, which saved the AOC approximately \$70,000.

What's Next? FY 2018 Priorities

Complete Conservatory Roof and Façade Repairs

The jurisdiction will complete the USBG Conservatory Roof and Façade Restoration project. Despite some unique challenges, such as timing the work around weather and visitor events, this project is expected to be completed on schedule.

Begin the Production Facility Redesign

The jurisdiction will award a contract for the design phase of the USBG Production Facility redesign project. This will be a highly complicated project due to the need to upgrade the complex systems required to maintain the greenhouse plant collections.

¹⁶ The species were in the genera *Rafflesia*, *Tetrastigma* and *Amorphophallus*.

Key Accomplishments in FY 2017

In addition to its support for the Presidential Inauguration and app development for the U.S. Capitol Grounds (discussed in the MD&A), the jurisdiction:

Continued Planning for Exhibition Hall Refresh

The jurisdiction continued planning for a refresh of Exhibition Hall. The effort aims to impart a greater understanding of the U.S. democratic process and Americans' role in it, the significance of Congress to the everyday lives of citizens and an understanding of "We the People."

Resumed Dome Tours and Training

In anticipation of reopening the U.S. Capitol Dome after a two-year hiatus, the jurisdiction developed specialized training, finalized safety signage and installed historical displays. An online system was updated to permit member offices to track their Dome tour reservations.

Implemented Tour Support Enhancements

For the congressional community, the jurisdiction released an updated guide providing logistical information for staff-led tours. Via the Capitol Tour Training program (which had nearly 5,000 participants), staff learned the tour route and received material to tailor tours for their state. In addition, the CVC introduced a message system allowing congressional staff and walk-up guests to receive text alerts.

What's Next? FY 2018 Priorities

Continue Enhancing the Visitor Experience

The jurisdiction will continue to improve visitor access to information at the U.S. Capitol Visitor Center through personal engagement, public Wi-Fi and digital displays. For people unable to visit in person, the CVC will enhance its website as a learning resource for teachers and students.

Enhance the Visitor Experience through Facility Improvements

In addition to its efforts to update the content and design of Exhibition Hall, the CVC will conduct an online gift shop feasibility study. The CVC will also conduct an evaluation of the Capitol Café floorplan to explore ways to expedite service.



Capital Construction and Operations

Key Accomplishments in FY 2017

In addition to the execution of numerous construction and renovation projects, the preservation and conservation of heritage assets, and operational accomplishments (all discussed in the MD&A), the jurisdiction:

Improved Emergency Preparedness and Spill Prevention

The jurisdiction improved the AOC's emergency preparedness response posture by training over 200 office coordinators in emergency mitigation situations. At the same time, the agency updated its spill prevention and countermeasure training materials.

Implemented SharePoint Records Center

In an ongoing effort to clean up, manage and preserve electronic records throughout the agency, the AOC helped its jurisdictions adopt SharePoint records management functionality to increase efficiencies.

Executed Construction and Facilities Projects

The AOC's in-house construction workforce completed 116 projects, representing an executed budget of \$24 million. These projects included the disposition of over \$230,000 of excess equipment and materials, transition into a new warehouse, which is expected to save approximately \$2.5 million over 10 years, and the completion of high-visibility projects.

Implemented Management Coaching Training

Several (225) AOC managers and supervisors completed coaching and performance management training that supports employee communication and promotes organizational effectiveness.

What's Next? FY 2018 Priorities

Implement Updated Safety Observation Program

The AOC will implement the Safety Observation and Reflection 2.0 training and utilize the computer-aided facility management system to provide greater safety protection.

Continue Focus on Priority Construction Projects

The agency plans to continue to make progress on several priority projects in FY 2018 or soon thereafter including phase one of the Cannon House Office Building Renewal and the Capitol Power Plant Cogeneration project.



Appendix D: Websites and Media Platforms

TABLE 31: Websites of Interest

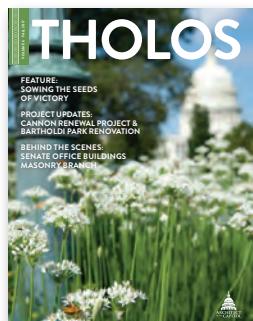
NAME	WEBSITE
Architect of the Capitol	www.aoc.gov
Library of Congress*	www.loc.gov
The Supreme Court of the United States*	www.supremecourt.gov
U.S. Botanic Garden	www.usbg.gov
U.S. Capitol Police*	www.uscapitolpolice.gov
U.S. Capitol Visitor Center	www.visitthecapitol.gov
U.S. House of Representatives*	www.house.gov
U.S. Senate*	www.senate.gov

Note: Asterisk (*) denotes a non-AOC website that may be of interest to the reader.

TABLE 32: Media Platforms of Interest

NAME	WEBSITE
Facebook	www.facebook.com/architectofthecapitol
Flickr	www.flickr.com/photos/uscapitol
Flipboard [†]	www.flipboard.com/@USCapitol
Instagram	www.instagram.com/uscapitol
Pinterest	www.pinterest.com/uscapitol
RSS Feeds	feeds.feedburner.com/architectofthecapitol
Twitter	www.twitter.com/uscapitol
YouTube	www.youtube.com/aocgov

[†] The AOC has online magazines available in Flipboard, a popular social media app. These include: *Restoring the Capitol Dome*, *Renewing the Cannon House Office Building*, *Caring for America's Capitol* and *The Nation's Stage*.



Tholos Magazine

The AOC publishes a quarterly employee magazine, *Tholos*, to spotlight the staff who work behind the scenes 24 hours a day, seven days a week as the stewards of the buildings and grounds on the Capitol campus. This magazine may be found at www.aoc.gov/tholos-magazine or via Flipboard.

We have apps for that!

The AOC has developed apps to provide U.S. Capitol information to visitors and the general public. The apps are available in the Apple iTunes store and the Android Google Play store. These include: Guide to State Statues, My Capitol, U.S. Capitol Rotunda, U.S. Capitol Visitor Center Guide and, new for FY 2017, U.S. Capitol Grounds. Each app is available for both smartphones and tablets. In addition, for the fourth consecutive year, the agency developed an app version of the AOC Performance and Accountability Report (for tablets only).

The AOC has online magazines available in Flipboard, a popular social media app. These include: *Restoring the Capitol Dome*, *Renewing the Cannon House Office Building*, *Caring for America's Capitol* and *The Nation's Stage*.



Appendix E: Major Exhibitions and Programs

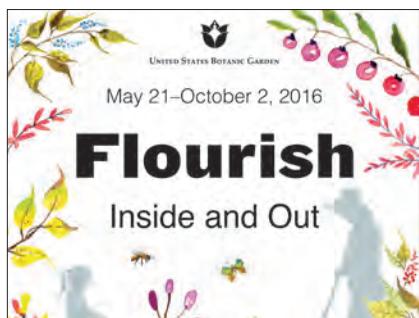
The U.S. Botanic Garden and U.S. Capitol Visitor Center are committed to creating and offering extraordinary exhibitions and programs that delight, educate and inspire the public. This Appendix summarizes the exhibitions and programs held during FY 2017.

U.S. Botanic Garden



Flora of the National Parks: February 2016–January 2017

In celebration of the 100th anniversary of the National Park Service, this art exhibit showcased some of the plant species and communities found throughout the more than 400 national parks. From giant redwoods and aspen forests to endangered Virginia spiraea and water lilies, the national parks contain a diverse representation of the North American flora. Illustrations, paintings and photography revealed the beauty and importance of the American flora to visitors.



Flourish Inside and Out: May 2016–October 2016

This exhibit, a collaboration with the Chicago Botanic Garden's Buehler Enabling Garden, was designed to excite and motivate visitors to find their place through nature. Demonstrated through accessible gardens, adaptive tools, engaging programs and vignettes showcasing the intersection of humans and nature, a visit to the exhibit highlighted how people flourish through interactions with plants.



Seasons Greenings: National Parks and Historic Places: November 2016–January 2017

The 2016 edition of the annual holiday show celebrated the 100th anniversary of the National Park Service and the 50th anniversary of the National Historic Preservation Act. In this year's model train show, the trains chugged around, below, through and above more than 50 plant-based recreations of iconic national parks and historic places like the Grand Canyon and the Statue of Liberty.



Orchids: A Moment: January–May 2017

The 2017 orchid exhibit, a collaborative effort between the Smithsonian Gardens, U.S. Botanic Garden and Smithsonian Exhibits, was held in Washington D.C.'s Hirshhorn Museum for the first time. Exhibit designers from the Hirshhorn created artistic structures for showcasing the orchids that enabled visitors to move through the display and experience their own personal moment.

Exhibitions may also be viewed online at: www.usbg.gov/exhibits and www.visitthecapitol.gov/exhibitions.



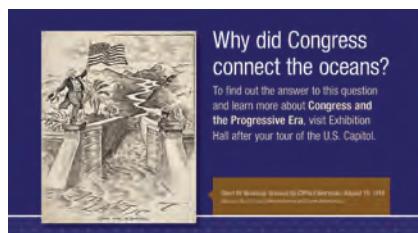
You Can Grow It!: February–October 2017

The world of horticulture is for everyone. Growing and caring for plants might seem daunting, but this exhibit helped experienced and novice gardeners have more fruitful indoor and outdoor gardening experiences.

Permanent Exhibits

The permanent exhibits in the U.S. Botanic Garden Conservatory will take you around the world all year long. It houses collections of plants from subtropical, tropical and arid regions and showcases orchids, medicinal, economic, endangered and Jurassic plants.

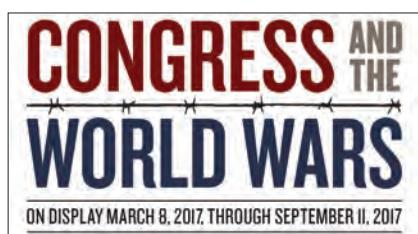
U.S. Capitol Visitor Center



Congress and the Progressive Era — Part II:

September 2016–March 2017

This exhibit highlighted the dramatic social, cultural and political changes from the 1890s to the 1920s, and how Congress reexamined the government's role in the economy, the environment and the nation's place in the world.



Congress and the World Wars:

March 2017–September 2017

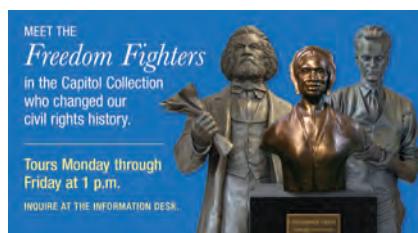
World War I (1914–1918) and World War II (1939–1945) were cataclysmic events, which spurred Congress to address the nation's role in the world. To prepare the country for these wars, Congress debated and passed legislation to recruit citizens to serve their country, expand the U.S. citizenry and their rights, regulate the domestic economy, and define national loyalty.



Recognition of Black History Month:

February 2017

Several programs were presented to commemorate Black History Month. Highlights included *Family Thursdays*, which celebrated Frederick Douglass and his legacy through a story and art project. Programs also included archived footage and related materials of the 1963 March on Washington for Jobs and Freedom.



Special Programs and Encounters

A variety of guided programs and activities are offered on a daily basis at the U.S. Capitol. Examples from this past fiscal year included *Hall of the Senate Tour*, *Stories in the Old Senate Chamber* and *Freedom Fighters in the Capitol Collection Tour*.

Appendix F: U.S. Capitol Campus Visitation Statistics

TABLE 33: Number of Visitors to the Capitol Campus by Month, FY 2017 (Rounded to the nearest 1,000)

MONTH	U.S. CAPITOL VISITOR CENTER	U.S. BOTANIC GARDEN	LIBRARY BUILDINGS AND GROUNDS
October 2016	193,000	78,000	132,000
November 2016	143,000	75,000	104,000
December 2016	113,000	150,000	80,000
January 2017	71,000	53,000	62,000
February 2017	94,000	50,000	76,000
March 2017	257,000	83,000	159,000
April 2017	296,000	101,000	185,000
May 2017	296,000	80,000	182,000
June 2017	326,000	73,000	188,000
July 2017	308,000	70,000	152,000
August 2017	220,000	81,000	127,000
September 2017	130,000	59,000	112,000
Monthly Average	204,000	79,000	130,000
Total	2,447,000	953,000	1,559,000

TABLE 34: Number of Visitors to the Capitol Campus by Year, FY 2012-FY 2017 (Rounded to the nearest 1,000)

FISCAL YEAR	U.S. CAPITOL VISITOR CENTER	U.S. BOTANIC GARDEN	LIBRARY BUILDINGS AND GROUNDS
2012	2,190,000	1,232,000	1,655,000
2013	2,122,000	1,696,000	1,600,000
2014	2,054,000	1,185,000	1,450,000
2015	2,001,000	1,317,000	1,586,000
2016	2,205,000	1,184,000	1,429,000
2017	2,447,000	953,000	1,559,000
6-Year Average	2,170,000	1,261,000	1,547,000



The AOC welcomes millions of visitors each year to the Capitol campus. Tours of the U.S. Capitol Building may be booked online through the Advance Reservation System. U.S. residents may also go directly through the office of their Representative or Senators for a staff-led tour.

Appendix G: Reimbursable Accounts Summary

The AOC has stewardship responsibility for reimbursable accounts, along with trust and revolving funds. All trust and revolving funds are identified and described in *Section III: Financial Information*, under financial statement note 1.F. The reimbursable accounts fall under two general categories: (1) reimbursements collected and posted to a specific AOC appropriation and (2) reimbursements collected and transferred to the U.S. Treasury. The assets, liabilities and transactions associated with the reimbursable accounts are included in the AOC's audited financial statements.

AOC Reimbursements Collected and Posted to a Specific AOC Appropriation

Battery Recharging Stations (2 U.S.C. §2170, P.L. 112-167 (Senate); 2 U.S.C. §2171, P.L. 112-170 (House), and §2171a, P.L. 114-113 (Library)). In 2012, the AOC was authorized to establish battery recharging stations for privately owned vehicles in parking areas under the jurisdiction of the U.S. Senate and the U.S. House of Representatives at no net cost to the federal government. Similarly, in 2015, the AOC was authorized to establish battery recharging stations for privately owned vehicles in parking areas under the jurisdiction of the Librarian of Congress at no net cost to the federal government. Any fees, charges or commissions collected by the AOC shall be deposited to the credit of the appropriations account for the Capitol Power Plant. Monies deposited are available for obligation in the fiscal year collected or the following year.

Capitol Complex E-85 Refueling Station (2 U.S.C. §2169; P.L. 110-140, Title V, §502). In 2007, the AOC was authorized to construct a fuel tank and pumping system for E-85 fuel at or within close proximity to the Capitol Grounds Fuel Station. The AOC's E-85 fuel tank and pumping system "shall be available for use by all legislative branch vehicles capable of operating with E-85 fuel, subject to such other legislative branch agencies reimbursing the Architect of the Capitol for the costs of E-85 fuel used by such other legislative branch vehicles."

Disposition of Surplus or Obsolete Personal Property (2 U.S.C. §1817a; P.L. 111-68, Div. A, Title I, §1301). In 2009, the AOC was authorized, "within the limits of available appropriations, to dispose of surplus or obsolete personal

property by inter-agency transfer, donation, sale, trade-in, or discarding. Amounts received for the sale or trade-in of personal property shall be credited to funds available for the operations of the Architect of the Capitol and be available for the costs of acquiring the same or similar property. Such funds shall be available for such purposes during the fiscal year received and the following fiscal year."

Utility Reimbursements for Steam and Chilled Water (P.L. 115-31, Div. I, Title I, and prior year Appropriations Acts). The Capitol Power Plant may collect amounts for providing steam for heating the Government Publishing Office and Washington City Post Office, and providing steam for heating and chilled water for air conditioning for the U.S. Supreme Court, the Union Station complex, the Thurgood Marshall Federal Judiciary Building and the Folger Shakespeare Library, expenses for which shall be advanced or reimbursed upon request of the Architect of the Capitol. Amounts so received shall be deposited into the Treasury (General Fund).

AOC Reimbursements Collected and Transferred to the U.S. Treasury

Flag Flying Fees (2 U.S.C. §1867; P.L. 104-53, Title I). In 1995, Congress directed that "expenses, based on full cost recovery, for flying American flags and providing certification services therefore shall be advanced or reimbursed upon request of the Architect of the Capitol, and amounts so received shall be deposited into the Treasury (General Fund)."

Rent — The Monocle Restaurant (P.L. 91-382). In 1970, as part of the extension of the Senate Office Building site (including square 724 in the District of Columbia, which includes the lot on which The Monocle Restaurant is located), the AOC was authorized "to lease any or all of such property for such periods and under such terms and conditions as he [the Architect of the Capitol] may deem most advantageous to the United States and to incur any necessary expenses in connection therewith." No specific appropriation for the deposit of the lease revenue was provided and, as a result, are deposited into the Treasury (General Fund).

Appendix H: Performance Indicators Added or No Longer Used

TABLE 35: Performance Indicators Removed

PERFORMANCE INDICATOR REMOVED	MAPPING TO STRATEGIC GOAL	REVISION AND EXPLANATION
Perception of Internal Service Provider (ISP) Improvements	ES	The newly designed Peer Survey indicators will replace ISP Survey indicator criteria in FY18.
Sustain Investment in Learning	IEW	KPI did not have a quantifiable target
Volume of Honor Awards	IEW	KPI did not have a quantifiable target
Participation in the Architect Mobility Program (AMP)	ES	KPI did not have a quantifiable target
Customer Satisfaction with Cleanliness	ES	New survey has not been designed

TABLE 36: Performance Indicators Added

PERFORMANCE INDICATOR ADDED	MAPPING TO STRATEGIC GOAL	REVISION AND EXPLANATION
Energy and Sustainability Plan Targets	AIF 2.0	New KPI in AOC Strategic Plan 2017–2021
Favorability Ratings for FEVS Development, Accountability and Coaching Dimensions	IEW 1.0	New KPIs in AOC Strategic Plan 2017–2021
Favorability Ratings for FEVS Innovation Dimension	IEW 2.0	New KPI in AOC Strategic Plan 2017–2021
Business Units with a Bureaucracy Reduction	IEW 2.0	New KPI in AOC Strategic Plan 2017–2021
Injury and Illness Rates (Rolling Five-Year Average)	IEW 3.0	New KPI in AOC Strategic Plan 2017–2021
Favorability Ratings for FEVS Safety and Security Dimensions	IEW 3.0	New KPIs in AOC Strategic Plan 2017–2021
Employees Trained in Safety Observation and Reflection Training	IEW 3.0	New KPI in AOC Strategic Plan 2017–2021
Business Units that have Reviewed Emergency Procedures within the Fiscal Year	IEW 3.0	New KPI in AOC Strategic Plan 2017–2021
Business Units that Conducted Emergency Exercises within the Fiscal Year	IEW 3.0	New KPI in AOC Strategic Plan 2017–2021
Jurisdictions that Completed All Routine Internal Inspections On Time	IEW 3.0	New KPI in AOC Strategic Plan 2017–2021
Favorability Ratings for FEVS Collaboration Dimension	OTOM 1.0	New KPI in AOC Strategic Plan 2017–2021
Favorability Ratings for FEVS Communication Dimension	OTOM 1.0	New KPI in AOC Strategic Plan 2017–2021
Favorability Ratings for FEVS Alignment Dimension	OTOM 1.0	New KPI in AOC Strategic Plan 2017–2021
Business Units with Successfully Implemented Partnering Plans	OTOM 1.0	New KPI in AOC Strategic Plan 2017–2021
Employees Placed in Cross-Organization Opportunities	OTOM 1.0	New KPI in AOC Strategic Plan 2017–2021

TABLE 37: Performance Indicators Realigned

PERFORMANCE INDICATOR REALIGNED	MAPPING TO STRATEGIC GOAL	REVISION AND EXPLANATION
Usage of Overtime	Moved from OTOM to AIF	Most overtime charges occurring within facility management operations.
Service Request Work Orders Timeliness	Moved from ES to AIF	Service Request execution directly contributes to AIF execution. All work orders have a target on-time rate. The BSCSS will assess the customer service assessment.
Customer Satisfaction With Projects	Moved from AIF to ES	This survey provides direct feedback on project feedback — ensuring good customer service to the AOC's internal partners.
Adherence to Procurement Acquisition Lead Times	Moved from OTOM to ES	Timely procurements awarded by AMMD ensure good customer service to the AOC's internal partners.
Injuries and Illnesses rates	Moved from AIF to IEW	The AOC's new strategic plan highlights safety objectives and in IEW.



The August 2017 solar eclipse captured at the U.S. Capitol Building.

Appendix I: Performance Indicator Assessment Table

Table 38 provides information on each of the AOC's indicators specifically focusing on two main areas: the quality or validity of the indicator and the quality of the data collected for reporting. The following indicators are not included in this Appendix because they were one time only efforts that were important for the achievement and baselining of data to inform future measurement and strategies: AIF KPI 2 (Safety/Compliance Key Industry Standards Established), ES KPI 1 (Peer Survey), ES KPI 2 (CVC Customer Satisfaction Survey) and IEW KPI 4 (Training in Performance Management Coaching).

TABLE 38: Performance Indicator Assessment Table

INDICATOR PROFILE			
Description / Objective	Calculation	Indicator Validation	Data Source and Frequency
AIF KPI 1: Energy and Sustainability Plan Targets	Satisfaction of Energy, water, waste, construction debris and composting targets	The indicator is important for how well the AOC manages its Energy and Sustainability Plan	Data Source: PPM Sustainability Reports Frequency: Monthly to Yearly
AIF KPI 3: Preventive Maintenance Work Order Timeliness	PM work orders closed as planned, divided by total PM's scheduled	The indicator is important for how well preventive maintenance is completed in a timely manner	Data Source: WebTMA, work order management system Frequency: Daily
AIF KPI 4: Corrective Maintenance Work Order Timeliness	CM + Recurring Work Orders closed within cycle time, divided by total CM+RW due	The indicator is important for how well corrective maintenance and repairs are completed in a timely manner	Data Source: WebTMA, work order management system Frequency: Daily
AIF KPI 5: Service Request Work Order Timeliness	Service requests closed with cycle time, divided by total service requests due	The indicator is important for how well customer service calls are resolved in a timely manner	Data Source: WebTMA, work order management system Frequency: Daily
AIF KPI 6: Adherence to Cleaning Standards	Number of item cleaned successfully, divided by total number of items inspected	Tracks how well the cleaning and custodial teams operate and where improvement may occur	Data Source: Formal Team Inspections Frequency: Daily
AIF KPI 7: Usage of Overtime	Sum of hours of overtime recorded in the time and attendance system (excludes Office of the Attending Physician)	This indicator is an important indicator of the organization's operating efficiency	Data Source: AOC Payroll System via ODS, extracted from the Executive Dashboard Frequency: Quarterly
ES KPI 3: Customer Satisfaction with Projects	Number of projects rated as satisfactorily completed, divided by total evaluated	This measures how well customers perceive design and construction projects	Data Source: PPM Customer Survey Frequency: Project Basis
ES KPI 4: Adherence to Procurement Acquisition Lead Times	Number of requisitions awarded within PALT divided by total requisitions awarded (excludes Interagency Agreements)	Measures how well the contractual process is operating; Data is utilized to determine if certain processes or procedures are impediments to timely awards	Data Source: AOC Financial Management System Frequency: Monthly
IEW KPIs 1, 2 and 3: Favorability Ratings for FEVS Development, Accountability and Coaching Dimensions	Conduct the Federal Employment Viewpoint Survey (FEVS), generate recommendations and implement corrective actions	This indicator is an important indicator of the AOC's commitment to improve employee skills, development and performance	Data Source: FEVS Survey Frequency: Every two years
IEW KPI 5: Favorability Ratings for Best Places to Work Dimension	Conduct the FEVS, generate recommendations and implement corrective actions	This indicator is an important indicator of the AOC's commitment to make the agency one of the best places to work	Data Source: FEVS Survey Frequency: Every two years
IEW KPI 6: AOC Ranking in the Partnership for Public Service's Best Places to Work Survey	Conduct the FEVS, generate recommendations and implement corrective actions	This indicator is important to the AOC's commitment to make the agency one of the best places to work	Data Source: FEVS Survey Frequency: Every two years
IEW KPIs 7, 8 and 9: Favorability Ratings for FEVS Innovation, Rewards and Recognition, and Hiring and Promotions Dimensions	Conduct the FEVS, generate recommendations and implement corrective actions	These indicators are important to the AOC's dedication to remove barriers, job recognition and job opportunities	Data Source: FEVS Survey Frequency: Every two years
IEW KPI 10: Business Units with a Bureaucracy Reduction	Total number of business units divided by the total number of business units	This indicator tracks the amount of bureaucracy reductions — ensuring service delivery at the lowest practical levels	Data Source: Jurisdiction Action Plans Frequency: Every two years

DATA QUALITY			
Accuracy	Reliability / Comparability	Consistency	Data Limitations
Collection staff are skilled/trained in proper procedures	Data is compared between months, quarters and years to assess performance	Results are collected and reported in adherence to sustainability schedule	None
Staff who enter and close work orders are provided WebTMA training	Data is compared between months and years where hours and cost are assessed through the Executive Dashboard	Data is updated as work orders are closed in the system	None
Staff who enter and close work orders are provided WebTMA training	Data is compared between months and years where hours and cost are assessed through the Executive Dashboard	Data is updated as work orders are closed in the system	None
Staff who enter and close work orders are provided WebTMA training	Data is compared between months and years where hours and cost are assessed through the Executive Dashboard	Data is updated as work orders are closed in the system	None
Independent inspectors assess cleaned surfaces and capture results in a form	Data is comparable between months and years to assess performance	Independent results are fed into tracking spreadsheets	None
Timekeeping training is available online for employees while the supervisors and time keepers approve/disapprove OT on timecard	Data is compared between months and previous years where hours and cost can be assessed through the Executive Dashboard	Timekeeping reporting procedures are documented and strictly adhered to and data is automatically filtered from the payroll database	None
Data comes directly from a survey and inputs are the client's assessment	Each survey is examined with a follow-up to the client and overall results are assessed yearly	Data source and schedules are well defined, documented and followed	None
Staff are provided with annual training and manuals to enable accurate FMS data entry. Also, quarterly data samples are calculated for error.	Data is comparable between months and years, thus impacts of process or workload changes can be easily identified	Data source and schedules are well defined, documented and followed	AMMD recently began tracking additional PALT categories to better capture acquisition award times. Reporting tools are being updated to reflect changes.
Collection staff are skilled/trained in proper procedures	The AOC uses the FEVS, plus added questions to assess progress and aid comparison with the previously used Organizational Assessment Survey (OAS)	Collection standards are documented, available and used	None
Collection staff are skilled/trained in proper procedures	The AOC uses the FEVS, plus added questions to assess progress and aid comparison with the previously used OAS	Collection standards are documented, available and used	None
Collection staff are skilled/trained in proper procedures	The AOC uses the FEVS, plus added questions to assess progress and aid comparison with the previously used OAS	Collection standards are documented, available and used	None
Collection staff are skilled/trained in proper procedures	The AOC uses the FEVS, plus added questions to assess progress and aid comparison with the previously used OAS	Collection standards are documented, available and used	None
Data reporting staff have been trained in the proper procedures and tools	Data reporting staff have been trained in the proper procedures and tools	Results are tracked in Action Plans and recorded into the Strategic Plan Dashboard	None

INDICATOR PROFILE			
Description / Objective	Calculation	Indicator Validation	Data Source and Frequency
IEW KPI 11: Adherence to Hiring Cycle Time	Total number of days from request to fill a vacancy to date new employee is on boarded, divided by the total number of positions filled	This indicator is important to assess the timeliness of filling recruitments and direct hire actions within set standards	Data Source: HCMD Employment Classification Branch statistics Frequency: Monthly
IEW KPI 12: Injuries and Illnesses Rate	Number of injury claims sent to DOL in the FY, divided by average number of employees	This indicator is important in assessing the safety of AOC employees from injuries and illnesses at work	Data Source: HCMD Workers Comp Claims Frequency: As recorded
IEW KPI 13: Injuries and illnesses Rate (Rolling Five-Year Average)	Five-year average of (the number of injury claims sent to DOL in the FY, divided by average number of employees)	This indicator is important in assessing the safety of AOC employees from injuries and illnesses at work	Data Source: HCMD Workers Comp Claims Frequency: As recorded
IEW KPIs 14 and 15: Favorability Ratings for FEVS Safety and Security Dimensions	Conduct the FEVS, generate recommendations and implement corrective actions	This indicator is important to the AOC's commitment to a safe and secure workplace	Data Source: FEVS Survey Frequency: Every two years
IEW KPI 16: Employees Trained in Safety Observation and Reflection Training	Number of employees who attended SOAR training divided by the number of AOC employees	Monitors accountability for mandatory behavior-based safety training	Data Source: SFEP SOAR Training Logs Frequency: As Recorded
IEW KPI 17: Business Units that have Reviewed Emergency Procedures within the Fiscal Year	Total number of business units that reviewed emergency procedures divided by the number of business units	Monitors accountability for mandatory review of safety procedures — ensuring staff is versed in the event of an emergency	Data Source: Jurisdiction / Business Unit Action Plans Frequency: Yearly
IEW KPI 18: Business Units that Conducted Emergency Exercises within the Fiscal Year	Total number of business units that conducted emergency procedures divided by the number of business units	Monitors accountability for mandatory emergency safety exercise — ensuring staff can act in the event of an emergency	Data Source: Jurisdiction / Business Unit Action Plans Frequency: Yearly
IEW KPI 19: Jurisdictions that Completed All Routine Internal Inspections On Time	Total number of jurisdictions that completed inspections on time divided by the number of jurisdictions	This indicator is important for ensuring all jurisdictions are accountable to performing internal safety inspections	Data Source: Jurisdiction Action Plans Frequency: Yearly
OTOM KPIs 1, 2 and 3: Favorability Ratings for FEVS Collaboration, Communication and Alignment Dimensions	Conduct the FEVS, generate recommendations and implement corrective actions	This indicator is an important indicator of the AOC's commitment to accomplish work objectives through teamwork	Data Source: FEVS Survey Frequency: Every two years
OTOM KPI 4: Business Units with Successfully Implemented Partnering Plans	Total number of business units that implemented partnering plans divided by the number of business units	Tracks how many business units implement partnering plans to improve communication, clarify roles and improve processes	Data Source: Jurisdiction Action Plans Frequency: Every two years
OTOM KPIs 5 and 6: Employees Placed in Cross-Organization Opportunities and Cross-Organization Opportunities for Employees	Total number of business units that were placed or welcomed into in cross-organizational opportunities divided by the number of business units	Tracks the number of opportunities employees were given to collaborate with and gain exposure to another business unit's operations	Data Source: Jurisdiction Action Plans Frequency: Yearly

DATA QUALITY			
Accuracy	Reliability / Comparability	Consistency	Data Limitations
Data collection staff are skilled and trained in proper procedures	Data is comparable between years and deviations from targets can be identified	Data source and schedules are well defined, documented and followed	None
Safety and Workers Comp staff are trained in identifying and recording injuries	Data is comparable between months and years to assess trends and identify areas of improvement	Processes and schedules are defined and followed	None
Safety and Workers Comp staff are trained in identifying and recording injuries	Data is comparable between months and years to assess trends and identify areas of improvement	Processes and schedules are defined and followed	None
Collection staff are skilled/trained in proper procedures	The AOC uses the FEVS, plus added questions to assess progress and aid comparison with the previously used OAS	Collection standards are documented, available and used	None
Data comes directly from training attendance logs	Data is assessed to ensure the AOC trains 100 percent of its staff every year	Training sessions are coordinated with each jurisdiction and new employee orientation	None
Data reporting staff have been trained in the proper procedures and tools	Data reporting staff have been trained in the proper procedures and tools	Results are tracked in Action Plans and recorded into the Strategic Plan Dashboard	None
Data reporting staff have been trained in the proper procedures and tools	Data reporting staff have been trained in the proper procedures and tools	Results are tracked in Action Plans and recorded into the Strategic Plan Dashboard	None
Data reporting staff have been trained in the proper procedures and tools	Data reporting staff have been trained in the proper procedures and tools	Results are tracked in Action Plans and recorded into the Strategic Plan Dashboard	None
Collection staff are skilled/trained in proper procedures	The AOC uses the FEVS, plus added questions to assess progress and aid comparison with the previously used OAS	Collection standards are documented, available and used	None
Collection staff are skilled/trained in proper procedures	Data reporting staff have been trained in the proper procedures and tools	Results are tracked in Action Plans and recorded into the Strategic Plan Dashboard	None
Collection staff are skilled/trained in proper procedures	Data reporting staff have been trained in the proper procedures and tools	Results are tracked in Action Plans and recorded into the Strategic Plan Dashboard	None

Appendix J: Glossary

This glossary contains a select list of terms used at the Architect of the Capitol.

Americans with Disabilities Act (ADA): This federal law prohibits discrimination in employment, transportation, public accommodations, communications and government activities and guarantees people with disabilities equal opportunity.

Architect's Mobility Program (AMP): This program offers opportunities for employees who occupy “career limiting” positions and lack qualifying experience to enter other fields. This program addresses the AOC’s commitment to employee development, while providing continuity of talent and critical trade skills.

Backlog: The total of deferred maintenance plus capital renewal projects that are expected to become deferred maintenance within a five-year window.

Brumidi Corridors: The vaulted, ornately decorated corridors on the first floor of the Senate wing in the U.S. Capitol Building are called the Brumidi Corridors in honor of Constantino Brumidi, the 19th century Italian artist who designed the murals and other major elements.

Building Services Customer Satisfaction Survey (BSCSS): A biennial customer survey conducted by the AOC. This survey measures different aspects of facility services delivery, such as cleanliness and the overall building’s condition.

Capital Construction and Operations: Appropriation providing the essential construction, central management, and operational and professional support in connection with the facilities and activities under the AOC’s care.

Capital Improvements Plan (CIP): Projects annual funding requirements and provides an evaluation of capital projects based on key criteria including regulatory compliance (which incorporates fire and life-safety needs), security, mission accommodation, historic preservation, economic considerations and sustainability and energy.

Capitol Christmas Tree: Every year, a Capitol Christmas Tree is erected and decorated on the West Front Lawn of the U.S. Capitol Building to celebrate the Christmas holiday season. The tradition is relatively recent and began in 1964. The AOC’s Capitol Grounds Superintendent is responsible for overseeing the selection, installation and decoration of the tree.

Capitol Complex Master Plan (CCMP): The comprehensive, long-range framework that guides the AOC in its mission to maintain, renovate and develop the Capitol campus.

Chief Financial Officers Act of 1990 (CFO Act): This act designated the formal establishment of a chief financial officer in each major executive branch agency, assigned the

Office of Management and Budget with the responsibility for setting accounting and financial reporting standards, increased internal controls, required annual independent financial statement audits for agencies and established financial management systems requirements.

Cogeneration: The Capitol Power Plant’s cogeneration system, currently under construction, will use natural gas in a combustion turbine to simultaneously generate electricity and steam.

Computer-Aided Facilities Management (CAFM): Facilities management system used by the AOC jurisdictions to track facility maintenance work orders and preventive maintenance.

Congressional Gold Medal Ceremony: This ceremony recognizes those who have been awarded the Congressional Gold Medal by the U.S. Congress. Awardees are chosen based on achievements that have impacted American history and culture.

Congressional Office Moves: These are the member and committee office moves and space reassignments associated with the biennial November elections for the U.S. Senate and U.S. House of Representatives. Related activities include managing the suite selection process; developing architectural layouts; moving furniture; painting offices; removing, relocating and installing partitions; and updating the electrical, data and telecommunications infrastructure.

Construction Work-in-Process (CWIP): Construction work-in-process is a general ledger account used to record the costs that are directly associated with constructing a fixed asset.

Corrective Maintenance: Corrective and emergency maintenance activities undertaken to identify, isolate and rectify an unscheduled deficiency of equipment or systems.

Cox Corridors: The three corridors located on the first floor of the U.S. Capitol Building’s House wing, were designed by renowned artist Allyn Cox. The Cox Corridors are decorated with wall and ceiling murals that depict the development and growth of the United States.

Deferred Maintenance and Repairs (DM&R): DM&R are maintenance and repairs that were not performed when they should have been, or were scheduled to be, and which are delayed to a future period. Maintenance and repairs are activities directed toward keeping fixed assets in an acceptable condition, as defined by management.

Emancipation Hall: The U.S. Capitol Visitor Center hall is a central gathering place for visitors to the U.S. Capitol. The hall was named to recognize the contributions of the enslaved laborers who helped build the U.S. Capitol.

Energy Savings Performance Contract (ESPC): These contracts represent public-private partnerships for financing energy savings construction projects. ESPCs were used by the AOC to finance needed energy conservation improvements for three of its jurisdictions (Capitol Building, House Office Buildings and Senate Office Buildings) and will soon be used for a fourth jurisdiction (Library Buildings and Grounds).

Enterprise Risk Management (ERM): ERM is a process in which management and leadership identify, assess and manage risks across an enterprise to make informed decisions toward risk reduction.

Exchange of Critical Expertise and Learning (ExCEL): A workforce enhancement program to improve organizational efficiencies and increase employee knowledge through the exchange of skills and knowledge across the AOC's jurisdictions.

Executive Leadership Team (ELT): The AOC's intra-agency ELT is composed of the agency's senior officials, who are dedicated to the AOC's mission to serve, preserve and inspire.

Exhibition Hall: The U.S. Capitol Visitor Center's Exhibition Hall is home to "E Pluribus Unum — Out of Many, One," the exhibition dedicated to telling the story of the U.S. Congress and the U.S. Capitol.

Facility Condition Assessment (FCA): A program that assesses the condition of building systems, remaining life and deferred maintenance requirements.

Facility Condition Index (FCI): An overall assessment (excellent, good, fair or poor) of the condition of a facility. It is measured by the ratio of deferred maintenance costs to estimated building replacement costs.

Federal Employee Viewpoint Survey (FEVS): The survey is a U.S. Office of Personnel Management tool that measures employees' perceptions of whether, and to what extent, conditions characterizing successful organizations are present in their agencies.

Federal Financial Management Improvement Act of 1996 (FFMIA):

Statute that advanced federal financial management by ensuring that federal financial management systems provide accurate, reliable and timely financial management information to the government's managers.

Federal Managers' Financial Integrity Act of 1982 (FMFIA):

Statute that amended the Accounting and Auditing Act of 1950. This act required the establishment of guidelines for evaluating agencies' systems of internal control with three objectives: operational effectiveness and efficiency, regulatory and statutory compliance, and reliable financial reporting.

Government Performance and Results Act of 1993 (GPRA):

Statute that provided for the establishment, testing and evaluation of strategic planning and performance measurement in the federal government. Later amended by GPRAMA.

Government Performance and Results Modernization Act of 2010 (GPRAMA):

Statute that updated GPRA to create a more defined performance framework, including the designation of cross-cutting federal priority goals and agency-level priority goals.

Jurisdiction: The AOC has oversight responsibility for several jurisdictions. Each jurisdiction is responsible for a designated geographic area and individuals of the Capitol campus.

Leadership in Energy and Environmental Design (LEED):

LEED is a green building certification program, sponsored by the U.S. Green Building Council, which recognizes best-in-class facility strategies and practices.

Memorial Trees: Memorial trees are living heritage assets planted to honor distinguished citizens, groups and national events. The AOC is responsible for their care. About half of the memorial trees are located on the U.S. Capitol's East Front.

National Financial Center (NFC): The NFC is the U.S. Department of Agriculture's shared services provider for financial management and human resources. The NFC administers the AOC's payroll and benefits.

National Statuary Hall Collection: The National

Statuary Hall Collection is comprised of statues donated by individual states to honor notable individuals in their history. The collection is displayed throughout the U.S. Capitol Building and the U.S. Capitol Visitor Center. The AOC is responsible for the care and preservation of the entire collection, which consists of 100 statues contributed by 50 states, two statues each.

Olmsted Plan: A grand landscape architecture plan for the U.S. Capitol Grounds was designed between 1874 and 1892 by Frederick Law Olmsted, the father of landscape architecture in America.

Presidential Inauguration: The Presidential Inauguration is, perhaps, the most widely known of the ceremonies held at the U.S. Capitol Building. Every four years, the AOC is responsible for constructing the inaugural platform on the U.S. Capitol's West Front, setting up the seating and fencing on the grounds and coordinating other activities with the Joint Congressional Committee on Inaugural Ceremonies.

Preventive Maintenance: The recurring or scheduled care and servicing of equipment, systems and facilities to keep them in good operating condition by providing inspection, detection and correction of failures either before they occur or before they develop major defects.

Responsibility, Ownership and Courteous Program (ROC): An AOC customer service training program for employees to exceed expectations through personalized and proactive support, respect and courtesy.

Refrigeration Plant Revitalization (RPR): The Capitol Power Plant's multi-phase Refrigeration Plant Revitalization program, currently underway, will improve the efficiency and reduce the long-term operating costs of producing chilled water to cool the buildings on the Capitol campus.

Reimbursable Accounts: The AOC has reimbursable budget authority provided by statute to establish certain reimbursable agreements with other federal agencies. The AOC utilizes funds in designated reimbursable accounts to make expenditures on behalf of other agencies, which the other agencies pay back at an agreed upon time. Further information may be found in Appendix G: Reimbursable Accounts Summary.

Senior Advisory Team (SAT): One of two committees providing oversight of the AOC's Internal Control Program (the Senior Management Council is the other). The SAT helps fulfill the AOC's fiduciary responsibilities by overseeing daily internal control operations.

State of the Union Address: The State of the Union Address is derived from Article II, Section 3, Clause 1 of the U.S. Constitution which states: "He (the President) shall from time to time give to the Congress information of the State of the Union." The AOC works behind the scenes to ensure that everything is impeccable for this important event, including readying the House Chamber where the Address occurs.

Sustainable Sites Initiative (SITES): SITES is an interdisciplinary partnership led by the American Society of Landscape Architects, the Lady Bird Johnson Wildflower Center at The University of Texas at Austin and the U.S. Botanic Garden to transform land development and management practices.

Senior Management Council (SMC): One of two committees providing oversight of the AOC's Internal Control Program. The SMC is long-term oriented, forward-thinking about internal control, risk management and missed strategic opportunities.

Statue of Freedom: The bronze Statue of Freedom is the crowning feature of the U.S. Capitol Dome. The statue's plaster model is on display in the U.S. Capitol Visitor Center's Emancipation Hall.

Union Square: Union Square is an 11-acre plaza to the west of the U.S. Capitol Building containing the Ulysses S. Grant Memorial and the Capitol Reflecting Pool. In 2011, the property was transferred from the National Park Service to the AOC.

U.S. Capitol Dome: The cast-iron U.S. Capitol Dome, situated atop the U.S. Capitol Building, was designed by the fourth Architect of the Capitol, Thomas U. Walter. Construction of the 8.9 million pound Dome began in 1855 and was finished in 1866.

U.S. Capitol Grounds: The U.S. Capitol Grounds include Capitol Square, the approximately 290 acres of grounds that provide a park-like setting for the U.S. Capitol Building. The grounds were designed by noted American landscape architect Frederick Law Olmsted.

U.S. Capitol Rotunda: The large, domed, circular room located in the center of the U.S. Capitol Building. The Rotunda is visited by thousands of people daily and is also used for ceremonial events.

U.S. Capitol Visitor Center: The U.S. Capitol Visitor Center, the newest addition to the U.S. Capitol Building, is located underground on the east side of the U.S. Capitol Building. Since opening in December 2008, millions have visited the U.S. Capitol Building, entering through the visitor center.

Appendix K: List of Abbreviations and Acronyms

A

ACF	Alternate Computer Facility
ADA	Americans with Disabilities Act
AGA	Association of Government Accountants
AIA	American Institute of Architects
AIC	American Institute for Conservation
AICPA	American Institute of Certified Public Accountants
AIF	Maintain Awe-Inspiring Facilities
AMMD	Acquisition and Material Management Division
AMP	Architect's Mobility Program
AOC	Architect of the Capitol

B

BSCSS	Building Services Customer Satisfaction Survey
BBTU	Billion British Thermal Units

C

CAFM	Computer-Aided Facilities Management
CAO	Chief Administrative Officer
CAP	Cross-Agency Performance
CCM	Certified Construction Manager
CCMP	Capitol Complex Master Plan
CCR	Communications and Congressional Relations
CCRC	Central Contractor Registration Connector
CEAR	Certificate of Excellence in Accountability Reporting
CERCLA	Comprehensive Environmental Response, Compensation and Liability Act
CFM	Certified Facilities Manager
CFO	Chief Financial Officer
CFO ACT	Chief Financial Officers Act
CGFM	Certified Government Financial Manager
CIP	Capital Improvement Plan
CM	Corrective Maintenance
COO	Chief Operating Officer
COTS	Commercial Off-the-Shelf
CPA	Certified Public Accountant
CSRDF	Civil Service Retirement and Disability Fund
CSRS	Civil Service Retirement System
CVC	U.S. Capitol Visitor Center
CWIP	Construction Work-in-Process

D

DATA Act	Digital Accountability and Transparency Act
DM&R	Deferred Maintenance and Repairs
DOL	U.S. Department of Labor

E

ELT	Executive Leadership Team
EPA	U.S. Environmental Protection Agency
ERM	Enterprise Risk Management

E

ES	Provide Extraordinary Services
ESCO	Energy Service Company
ESPC	Energy Savings Performance Contract
ExCEL	Exchange of Critical Expertise and Learning

F

FAIA	Fellow, American Institute of Architects
FASAB	Federal Accounting Standards Advisory Board
FBWT	Fund Balance with Treasury
FCA	Facility Condition Assessment
FECA	Federal Employees Compensation Act
FERS	Federal Employees Retirement System
FEVS	Federal Employee Viewpoints Survey
FFMIA	Federal Financial Management Improvement Act
FISCAM	Federal Information System Controls Audit Manual
FISMA	Federal Information Security Management Act
FMFIA	Federal Managers' Financial Integrity Act
FMS	Financial Management System
FTE	Full-Time Equivalent
FY	Fiscal Year

G

GAAP	Generally Accepted Accounting Principles
GAO	U.S. Government Accountability Office
GC	General Counsel
GFRS	Governmentwide Financial Report System
GPO	U.S. Government Publishing Office
GPRA	Government Performance and Results Act
GPRAMA	GPRA Modernization Act
GSA	U.S. General Services Administration
GTAS	Governmentwide Treasury Account Symbol Adjusted Trial Balance System

H

HCMD	Human Capital Management Division
HRIS	Human Resources Information System
HVAC	Heating, Ventilation and Air Conditioning

I

I&I	Injuries and Illnesses
ICOR	Internal Control over Reporting
ICS	Inventory Control System
IEW	Foster an Innovative and Empowered Workforce
IG	Inspector General
IPAC	Intra-Governmental Payment and Collection
IPERIA	Improper Payments Elimination and Recovery
IPIA	Improvement Act
IPPIA	Improper Payments Information Act
IPP	Invoice Processing Platform
ISP	Internal Service Provider

IT	Information Technology	R	
ITD	Information Technology Division	ROC	Responsibility, Ownership and Courteous program
J		RPR	Refrigeration Plant Revitalization
JCCIC	Joint Congressional Committee on Inaugural Ceremonies	RSI	Required Supplementary Information
JMMB	James Madison Memorial Building	RSOB	Russell Senate Office Building
L		RSS	Rich Site Summary
LBFMS	Legislative Branch Financial Management System	RSSI	Required Supplementary Stewardship Information
LED	Light-Emitting Diode		
LEED AP	Leadership in Energy and Environmental Design Accredited Professional	SAM	System for Award Management
LICP	Line Item Construction Program	SAT	Senior Advisory Team
LOC	Library of Congress	SBR	Statement of Budgetary Resources
M		SCNP	Statement of Changes in Net Position
MD&A	Management's Discussion and Analysis	SEIM	Security Event and Information Management
N		SFEP	Safety, Fire and Environmental Programs
NCOO	Net Cost of Operations	SFFAS	Statement of Federal Financial Accounting Standards
NFC	National Financial Center	SITES	Sustainable Sites Initiative
NIST	National Institute of Standards and Technology	SMC	Senior Management Council
O		SNC	Statement of Net Cost
OAS	Organizational Assessment Survey	SOAR	Safety Observations and Reflections
ODS	Operational Data Store	SOC1	Service Organization Controls report
OIG	Office of Inspector General		
OMB	Office of Management and Budget	T&A	Time and Attendance
OOC	Office of Compliance	TMFJB	Thurgood Marshall Federal Judiciary Building
OPM	U.S. Office of Personnel Management	TSP	Thrift Saving Plan
OSP	Office of Security Programs	Treasury	Department of Treasury
OTOM	Operate as One Team, Dedicated to One Mission	TROR	Treasury Report on Receivables
P		U	
PALT	Procurement Acquisition Lead Time	UDO	Undelivered Orders
PAR	Performance and Accountability Report	UESC	Utility Energy Service Contract
PE	Professional Engineer	USBG	U.S. Botanic Garden
PIC	Project Information Center	USC	United States Code
PL	Public Law	USCP	U.S. Capitol Police
PM	Preventive Maintenance	USSGL	U.S. Standard General Ledger
POS	Point of Sale		
POW/MIA	Prisoner of War/Missing in Action	W	
PP&E	Property, Plant and Equipment	WRP	West Refrigeration Plant
PPM	Planning and Project Management	Y	
		YTD	Year-to-Date

Appendix L: Operate as One Team, Dedicated to One Mission

The AOC works collectively to preserve and maintain the facilities entrusted to its care. This fiscal year, the following employees were recognized for exemplifying the AOC's mission to serve, preserve and inspire. Their portraits may be found on pages 78–79.

Melaku Banteamlak (1), Safety, Fire and Environmental Programs; Fire Protection Engineer: Melaku was instrumental in moving the fire and safety inspection program forward. He integrated occupational safety and health guidelines into the AOC's inspection program and led a team that documented fire and safety issues in the AOC-managed facilities in order to proactively manage risk.

Lee Coykendall (2), U.S. Botanic Garden; Children's Education Specialist: Lee was a distinguished recipient of the American Horticultural Society's Jane L. Taylor award this year. This is among the most prestigious and selective awards in gardening and horticultural education in the nation.

Katie Serock (3), Capitol Grounds; Gardening Supervisor: A new supervisor, Katie demonstrates strong leadership and the ability to help her staff achieve high-performance levels. Katie delivers outstanding customer service, and she has provided numerous high-level sustainable landscape designs, including at the Rayburn House Office Building Courtyard, Ford House Office Building and the Senate Rain Garden.

William S. Wood, Jr. (4), House Office Buildings; Assistant Superintendent: Bill has provided exceptional client service for over four decades. His commitment to quality craftsmanship and preservation is matched only by his relentless devotion to getting work done, which serves as an inspiration for all those who work with him.

Kellie Woody (5), Capitol Building; Building Services Coordinator Leader: Kellie demonstrated tremendous leadership in her development and implementation of a revised procurement process to ensure consistency and quality.

Jennifer Blancato (6), Curator Division; Senior Museum Curator: Jennifer joined the Curator Division in 2006. Whether inspecting the condition of Freedom atop the U.S. Capitol Building, overseeing conservation contracts or educating a new class of police recruits, Jennifer is an exemplary employee who has fully embraced the AOC's mission to "serve, preserve and inspire."

Elizabeth Yoder (7), Senate Office Buildings; Writer-Editor: Elizabeth improved her jurisdiction's internal and external communications program to keep jurisdiction employees, the Senate community, AOC administrators and staff and visitors better informed on a range of Senate project and operational

issues — providing extraordinary service and promoting an innovative and empowered workforce.

Joe Abriatis (8), Planning and Project Management, Capital Projects Control Manager: Joe's perseverance, proactive attitude and selfless service exemplifies the AOC's strategic goal of maintaining awe-inspiring facilities. Through his management, the U.S. Capitol Dome Restoration project was delivered on-time, within budget and with high quality.

Angela Davis (9), Library Buildings and Grounds; Plasterer: Angela joined the AOC in the Senate Labor Shop and, after participating in the Architect's Mobility Program, moved to the Masonry Shop. Angela was recently promoted to a plasterer position and now works on the preservation of the Library's historic building plaster fabric.

Brian Kohler (10), Human Capital Management Division; Management and Program Analyst: Brian assumed additional responsibilities this year supporting budget matters, lapse in appropriations coordination and policy management. Brian handled dual roles for both HCMD and the Chief Administrative Officer organization due to a key vacancy.

Francie Altermatt (11), Capitol Power Plant; Environmental Engineer: Francie's enthusiasm and dedication to environmental excellence has consistently improved the environmental culture at the plant and resulted in the successful development and implementation of a comprehensive Environmental Management System.

Andrew Tremel (12), U.S. Capitol Visitor Center; Visitor Guide: Andrew exemplifies the AOC's core values by consistently providing extraordinary service to its visitors and demonstrating pride in all his efforts. His love of history makes his tours engaging and helps every person he comes into contact with feel connected to the U.S. Capitol and its history.

Not Pictured

Joshua Butcher, Supreme Court Building and Grounds; Maintenance Mechanic Supervisor: Josh has a proactive maintenance philosophy. His efforts, team leadership, and hands-on support have greatly minimized equipment failures, especially for the jurisdiction's air handling units and fountains.

Appendix M: Acknowledgements

This *Performance and Accountability Report* was produced with the energies and talents of the AOC's staff. To these dedicated individuals, we offer our sincerest thanks. In particular, we recognize the following individuals for their hard work and contributions:

Stephen T. Ayers, FAIA, CCM, LEED AP, Architect of the Capitol	Larry Brown Nina Bryant Sarah Bublitz Joseph Campbell Michael Cason Trista Claxon Kimberly Coats Michele Cohen, Ph.D. Laura Condeluci Tom Costello Erin Courtney William Curley Migdali Delgado Andrew Dentamaro Sherry Deskins Devin Dotson Michael Dunn Patrick Easton Antonio Edmonds Tom Fontana Kristen Frederick Derek Gleich Peggy Hernandez Tarah Hightower Anthony Hutcherson Charles Iliff	Ramon Jimenez Jonathan Kavalier Jim Kaufmann Michelle Kayon John Kelly Shalley Kim Brian Kohler Cesar Korzeniewicz Kristy Long Pam McConnell Yakira McLaughlin Curtis McNeil John McPhaul Kristy Miller Peter Mueller, PE, PMP Erin Nelson Ari Novy, Ph.D. James O'Keefe Ramon Odom Mary Oehrlein Eric Paff Mary Jean Pajak Tina Pearson Susan Pell Joseph Peter, CPA, CGFM Beth Plemmons	Christopher Potter Stefanie Pryor Mark Reed, PE, CFM James Rosenthal Beth Schnakenberg Kristin Schmehl Marlene Sherman Kathy Sherrill Nancy L. Skinkle, AIA, LEED AP Diane Soriano Jessica Suarez Bonilla Micha Winker Thomas Deatra Trinidad Takis Tzamaras, PE Victoria Villano Kyle Wallick Terry Watson William Weidemeyer, PE, CFM Jay Wiegmann Patricia Williams Darryl Williamson Alesia Wubben Elizabeth Yoder
Christine A. Merdon, PE, CCM, Chief Operating Officer			
Thomas J. Carroll, CFM, Chief Financial Officer			
Amy E. Johnson, Chief Administrative Officer			
Susan Adams Mona Amatie, CGFM Chuck Badal Teresa Bailey Jason Baltimore Natalie Barnes, CGFM Lawrence Barr Theodore Bechtol Thomas Bergeron Mamie Bittner Jennifer Blancato Jessica Blanche Susanne Bledsoe Franklin Bradley			

We offer special thanks to the AOC's Photography Branch for providing the photographs contained in this report.

The FY 2017 Performance and Accountability Report was prepared with the assistance of OmniStudio, Inc. and AOC Solutions, Inc. In addition, Grant Thornton assisted with the preparation of the AOC's FY 2017 financial statements.

Copyedited by Joseph Peter and Darryl Williamson.

This report is issued with data as of November 15, 2017.



We Would Like to Hear From You

Thank you for your interest in the Architect of the Capitol and its Fiscal Year 2017 Performance and Accountability Report. We would like to hear from you! Suggestions or comments on how we can make this report more informative may be directed to the AOC by phone (202.226.2552) or email (aocpar@aoc.gov). If you prefer, written comments may be submitted to:

Architect of the Capitol
ATTN: AOC Chief Financial Officer — PAR
Ford House Office Building, Room H2-205
2nd & D Street, SW
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Capitol Tours

Capitol tours are free and may be booked in advance online at: www.visitthecapitol.gov. Tours may also be booked through the offices of your senators or representative or through the Office of Visitor Services by calling 202.226.8000.

The Capitol Visitor Center is open Monday – Saturday between 8:30 a.m. – 4:30 p.m. Tours of the U.S. Capitol Building are offered Monday – Saturday 8:50 a.m. – 3:20 p.m.

The Capitol Visitor Center is closed Sundays, Thanksgiving Day, Christmas Day, New Year's Day and Inauguration Day.



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