

2013  
Architect of the Capitol

# Performance and Accountability Report

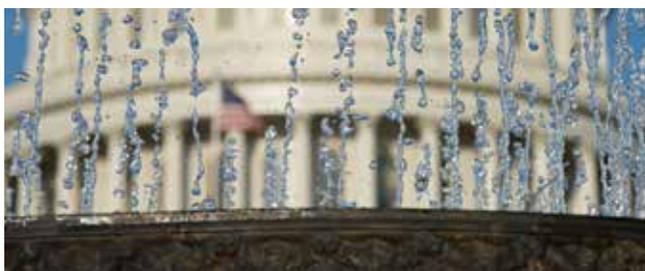
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## A Fiscal Year 2013 Performance and Financial Summary Report to Congress and the Citizens of the United States



### WHO WE ARE ARCHITECT OF THE CAPITOL

**What We Do:** The Architect of the Capitol (AOC) is a nonpartisan, professional services office with responsibility for 17.4 million square feet of facilities and more than 630 acres of grounds. AOC is responsible for the maintenance, renovation and new construction of the buildings and grounds on Capitol Hill.

**Established:** In 1876 by an Act of Congress

**Branch of Government:** Legislative

**Mission:** Serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable experiences for our visitors

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

**Number of Full-Time Equivalents:** 2,102 as of September 30, 2013

**Fiscal Year 2013 Budget Authority:** \$524.8 million



### Did You Know?

- AOC serves as the builder, caretaker and steward of many of the nation's most iconic buildings. These include the U.S. Capitol, the Supreme Court, three Senate office buildings, four House of Representatives office buildings, four Library of Congress buildings, the U.S. Botanic Garden Conservatory and Administrative Building and other support facilities.
- Dr. William Thornton, whose design for the Capitol was selected by President George Washington, is recognized as the first Architect of the Capitol.
- The Architect of the Capitol serves a 10-year term following the recommendation of a bipartisan, bicameral, congressional panel, with appointment by the President and confirmation by the Senate.
- AOC heritage assets include works of art located throughout Capitol Hill and range from bronze and marble statues to oil paintings, frescos and other murals.
- The 580,000-square-foot Capitol Visitor Center (CVC) has welcomed over 10 million visitors since its opening in December 2008.
- The Capitol Power Plant operates year round to provide steam and chilled water service to heat and cool the U.S. Capitol and 23 other facilities located on or near Capitol Hill.
- AOC has administered the U.S. Botanic Garden (USBG) since 1934. Founded by Congress in 1820, the USBG is one of the oldest botanic gardens in North America and houses more than 58,000 individual plants.
- The U.S. Capitol's cast-iron Dome is the second that has topped the building. The first dome was made of brick and wood and was replaced in the nineteenth century. In Fiscal Year (FY) 2014, scaffolding will be built around the Dome to allow for the next phase of the U.S. Capitol Dome Restoration Project.

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# The Year at a Glance: Fiscal Year 2013 Performance Highlights

## AOC'S FISCAL YEAR 2013 ACCOMPLISHMENTS: Serve — Preserve — Inspire

### One Team, One Mission

- Participation and collaboration from each of the jurisdictions and administrative offices ensured the success of the 57th Presidential Inauguration.
- Expansion of cross-jurisdictional programs, such as an organization-wide document management tool and online training courses, maximized organizational resources and reduced redundancies.

### Innovative and Empowered Workforce

- AOC expanded the Architect's Mobility Program in FY 2013 and increased available positions from three in FY 2012 to six in FY 2013. The program promotes career advancement by providing opportunities for employees to transition from labor positions to skilled trades.
- AOC piloted an Exchange of Critical Expertise and Learning (ExCEL) program to allow employees from one jurisdiction to work directly with their counterparts in other jurisdictions. The program promotes sharing of best practices and camaraderie between the various jurisdictions.

### Awe-Inspiring Facilities

- AOC completed the Senate Energy Savings Performance Contract that will produce an estimated 35 percent reduction in energy consumption.
- The Brumidi Corridor Restoration Project continued with completion of the Zodiac Corridor, the east and west Inner Corridor walls, the refectory area walls, and the ceiling and walls of the reception area.

### Extraordinary Services

- AOC welcomed its 10-millionth visitor through the Capitol Visitor Center in June 2013.
- AOC's support of the 113th congressional transition included relocation of 222 House offices (to include setting up new office space for the member-elects) and 133 member storage rooms.

TABLE 1: AOC Strategic Goals

Goal 1	One Team, One Mission
Goal 2	Innovative and Empowered Workforce
Goal 3	Awe-Inspiring Facilities
Goal 4	Extraordinary Services

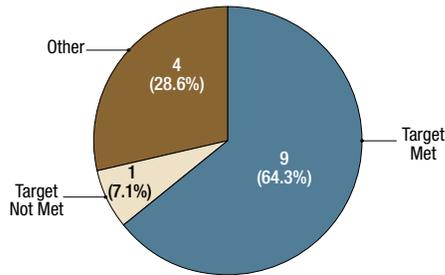
TABLE 2: Summary of Select Performance Metrics

Key Performance Metric	FY 2012 Target	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2013 Results
<b>STRATEGIC GOAL 1: One Team, One Mission</b>					
Overtime Usage	<213,243 hours	141,529 hours	<141,529 hours	123,361 hours	 Target Met
<b>STRATEGIC GOAL 2: Innovative and Empowered Workforce</b>					
Honor Awards Program	No Target Established	800	No Target Established	601	Other
<b>STRATEGIC GOAL 3: Awe-Inspiring Facilities</b>					
Preventive Maintenance	≥90.0%	92.8%	≥90%	90.0%	 Target Met
Injury and Illness Rate	<3.66%	3.85%	<3.85%	3.28%	 Target Met
Energy Consumption	≤-21.0%	-21.8%	≤-24.0%	-25.2%	 Target Met
<b>STRATEGIC GOAL 4: Extraordinary Services</b>					
Service Requests	≥90.0%	90.3%	≥90.0%	89.7%	Target Not Met



AOC received its ninth consecutive clean audit opinion on its financial statements and cleared all outstanding material weaknesses in FY 2013.

**FIGURE 1: Strategic Goal Performance Results**



Number of Performance Metrics: 14

## Fiscal Year 2013 Financial Highlights

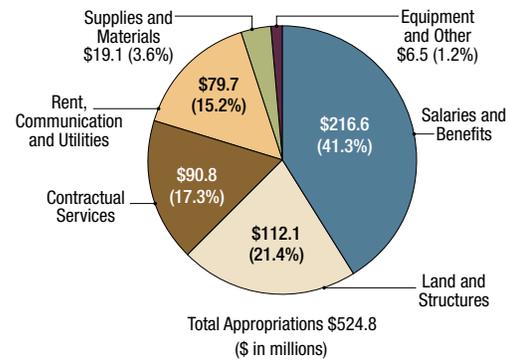
**TABLE 3: Select Financial Data (\$ in millions)**

	FY 2013	FY 2012
Total Assets	\$2,502	\$2,517
Total Liabilities	\$347	\$301
Net Position	\$2,155	\$2,216
Annual Net Position Change	-3%	0%
Ratio of Debt to Net Position	1:6.21	1:7.36
Revenues	\$53	\$58
Net Cost of Operations	\$545	\$608
Actual FTEs at Fiscal Year-End	2,102	2,186

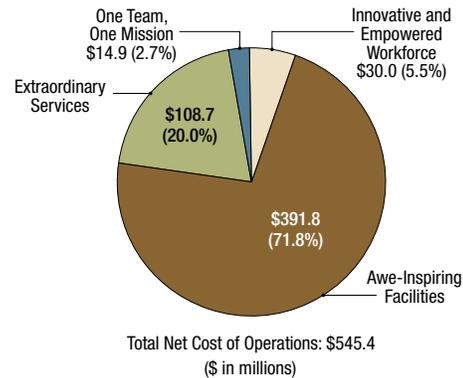
**TABLE 4: Independent Auditor's Internal Control Findings**

CATEGORY	FY 2013 AUDIT FINDINGS
Material Weaknesses	None
Significant Deficiencies	None

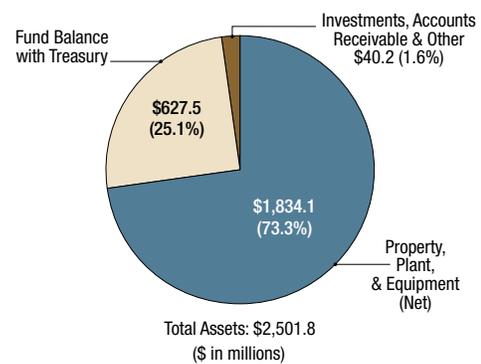
**FIGURE 2: Budget Authority**



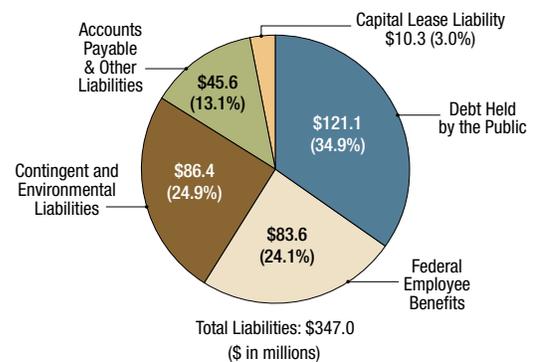
**FIGURE 3: Net Cost of Operations by Strategic Goal**



**FIGURE 4: Total Assets**



**FIGURE 5: Total Liabilities**





The Brumidi Corridor Restoration Project is a multi-year effort to restore the corridor decoration to its original appearance. In FY 2013, AOC completed the restoration of the Zodiac Corridor, the east and west inner corridor walls, the refectory area walls, and the ceiling and walls of the reception area.

## What's Next? Future Challenges and Priorities

### Management Challenges

- **Sequestration Management**—Sequestration reduced AOC's budget by approximately five percent. In an already constrained budget environment, the effects of sequestration require AOC to take measures to limit spending and to prioritize projects to ensure the most pressing needs are met.
- **Deferred Maintenance and Capital Renewal Backlog**—Reduced funding, coupled with the maintenance requirements of AOC's aging infrastructure, has created a substantial backlog of unmet deferred maintenance and capital renewal requirements. AOC's FY 2013 deferred maintenance backlog and capital renewal requirements are estimated at \$1.41 billion.
- **Energy Stewardship and Sustainability**—AOC is required to meet annual reductions in energy consumption. Although AOC has met its energy reduction goals through FY 2013, future energy savings opportunities have longer payback periods with significant financial commitments.
- **Physical Security of Facilities**—AOC is responsible for supporting the U.S. Capitol Police and other security functions. AOC must balance safety, security, historic preservation and accessibility under the constrained budget environment with the requirement of leaving the facilities open for visitors and conducive to congressional operations.

- **Workplace Safety and Health**—AOC is responsible for ensuring that safety and health standards are met for those who work on or visit Capitol Hill. AOC must meet this responsibility while preserving the historical integrity of the facilities, providing modern and efficient work facilities, maintaining access for the public and meeting security requirements.

The AOC Inspector General (IG) identified additional challenges facing the organization. These include: enhancing internal control, policy enforcement, procurement policy and improving human capital management.

The *AOC Citizen's Report* provides a brief summary of AOC's FY 2013 performance and fiscal results contained in the *Performance and Accountability Report*. The full *AOC Performance and Accountability Report* is available online at [www.aoc.gov/publications/annual-reports](http://www.aoc.gov/publications/annual-reports) or by scanning the QR code below.

For more information about the Architect of the Capitol, visit our website at: [www.aoc.gov/](http://www.aoc.gov/)

This report is issued with data as of December 31, 2013.



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## A Message from the Architect of the Capitol



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

The Architect of the Capitol (AOC) is responsible for the maintenance, operation and preservation of the nation's most iconic landmarks that comprise the U.S. Capitol. By serving in this stewardship role, AOC and our 2,102 employees support the needs of Congress, the Supreme Court, and millions of visitors each year, ensuring that the buildings and grounds meet modern standards for sustainability and accessibility while preserving the historic legacy of the landmarks.

AOC is dedicated to meeting high standards of government reporting and accountability. Our Fiscal Year (FY) 2012 Performance and Accountability Report (PAR) received a *Certificate of Excellence in Accountability Reporting* from the Association of Government Accountants (AGA)—the second consecutive year AOC has received the award. In addition, the AGA recognized our FY 2012 PAR for presenting the *Best Analysis of an Agency's Financial Statements*.

I am pleased to present AOC's FY 2013 PAR. The PAR provides a comprehensive accounting for the public funds entrusted to AOC and the program and financial results for the fiscal year. It highlights our successes and cost-saving measures and identifies the challenges we face in carrying out our mission.

### Key Accomplishments

AOC has prioritized projects to ensure the most pressing needs receive available resources. Inside the U.S. Capitol, the multi-year restoration of the Brumidi Corridor continued on schedule. AOC completed the Russell Building waterproofing project that preserves the structural integrity of the historic entrance to the building's Rotunda. We met our energy and water reduction goals and recorded an annual energy savings of more than three percent this fiscal year. We continued to improve operational efficiency and initiated projects that implement new technologies to help us achieve further energy savings.

The Senate Energy Savings Performance Contract projects were completed this year. Included in this effort was the implementation of a new building automation system that provides the capability to perform more complex energy management strategies on the buildings' mechanical systems. This effort alone will produce an estimated energy reduction of nearly two percent of the overall AOC-wide consumption.

In addressing the elements of our historic preservation mission, our curatorial responsibilities increased with the addition of two bronze statues depicting historic figures who contributed

much to our national story: one of Rosa Parks that is exhibited in Statuary Hall and one of Frederick Douglass located in Emancipation Hall. In June 2013, AOC welcomed its 10-millionth visitor to the Capitol Visitor Center (CVC) since its opening in 2008. AOC was instrumental in the planning and execution of President Obama's second inauguration, most notably in the construction of the inaugural platform. In addition, AOC supported numerous congressional office moves following the November 2012 elections.

### Management Opportunities and Challenges

Reduced funding has necessitated difficult programmatic decisions and careful prioritization planning by our senior leadership team. We focused our limited resources on our highest priorities and addressed the most pressing stewardship obligations. We set aside more than eight percent of our total FY 2013 funds to prepare for budget cuts under sequestration. We prioritized spending on the most urgent repairs across the Capitol Complex, initiated hiring freezes, reduced overtime and enacted other cost-cutting measures to minimize the impact of sequestration on AOC operations and employees. The agility of our plan gave us the flexibility to continue to execute mission-critical projects.

Our Capital Improvements Plan and Capitol Complex Master Plan assist in managing necessary capital improvement projects and maintenance. Reassignment of capital renewal work to out years has reduced immediate funding requirements, but it also created a greater risk of failure and will likely result in higher future replacement costs. Although our deferred maintenance backlog decreased by 18 percent (from \$1.6 billion to \$1.4 billion) from FY 2012 to FY 2013, it remains a continuing challenge for AOC as funds for needed projects are limited.

AOC has cultivated an atmosphere of accountability and responsibility. This fiscal year AOC received an unmodified (clean) audit opinion on its FY 2013 financial statements. This is our ninth consecutive year with a clean opinion. In addition, we cleared the material weakness from past years regarding our Internal Control Program and therefore, for the first time, have neither material weaknesses nor significant deficiencies resulting from our annual audit. Nonetheless, we remain dedicated to continual improvement in identifying and addressing potential risk areas, especially associated with internal controls.

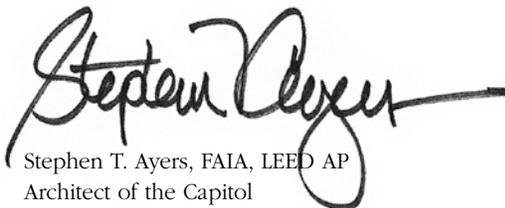
The AOC Inspector General identified four performance challenges which present opportunities for AOC organizational improvement. We are aware of these issues and are committed to addressing them as efficiently as possible. In FY 2013,

we worked hard to address the challenges identified by the Inspector General in previous years. These efforts addressed issues of policy atrophy and the timeliness of addressing the Inspector General challenges. As a result, the Inspector General eliminated one challenge and downgraded a second.

Our employees are essential to AOC's ability to meet its mission, and it is due to their hard work and dedication that we were able to make FY 2013 a successful year. Our talented and skilled employees are paramount to effectively and efficiently preserving the historical buildings that provide both a world-class workplace for Congress and the Supreme Court and a destination that millions of Americans will continue to visit and enjoy.

This report exemplifies the transparency and accountability that is at the core of AOC's mission. I provide my assurance that the financial and performance data presented herein are complete, reliable and accurate.

Sincerely,



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

December 31, 2013



## JIMMIE DICKENS

*AOC Senate Office Buildings*

Jimmie is a dedicated member of the AOC Senate Office Buildings Masonry Section. Since joining AOC in 1974, he has faithfully executed his responsibilities to preserve and enhance the stonework of the Senate office buildings. He shares his vast experience and inherent working knowledge of the buildings with his co-workers, serving as a role model and mentor for a future generation of masons. In addition to the many accomplishments and contributions that Jimmie's 39 years of service represent, his continued loyalty and dedication to AOC epitomize the values AOC aims to instill in its employees.

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2013



# Performance and Accountability Report

## About this Report

The Architect of the Capitol's (AOC) *Performance and Accountability Report* (PAR) provides programmatic and financial performance data for Fiscal Year (FY) 2013. AOC uses the PAR to promote transparency and accountability over the federal funds it receives and to demonstrate its responsibility for the public property in its care. The PAR also shows AOC's steadfast dedication to accomplishing its mission to serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable visitor experiences. AOC is proud to highlight employees throughout the report whose on-the-job performance led to another successful year of operations.

As a Legislative Branch office, AOC is not required to comply with Executive Branch financial reporting regulations. However, AOC refers to Executive Branch legislation to develop financial management best practices. Such legislation includes:

- Federal Managers' Financial Integrity Act of 1982
- Chief Financial Officers Act of 1990
- 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)
- Government Performance and Results Modernization Act of 2010
- Office of Management and Budget Circulars A-11, A-123 and A-136

This PAR and each of the prior years reports are available on the AOC website at [www.aoc.gov/publications/annual-reports](http://www.aoc.gov/publications/annual-reports).

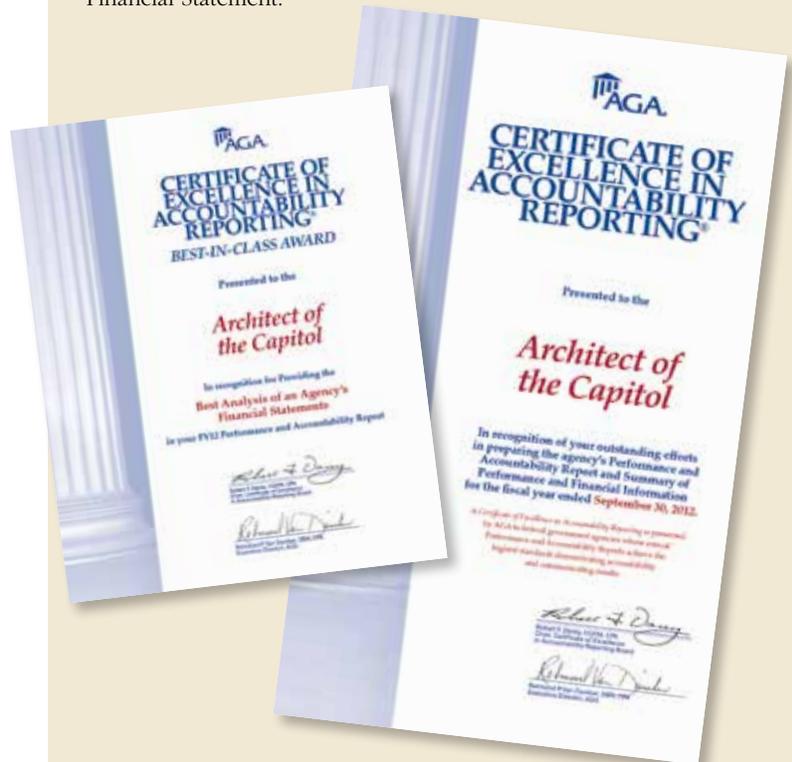
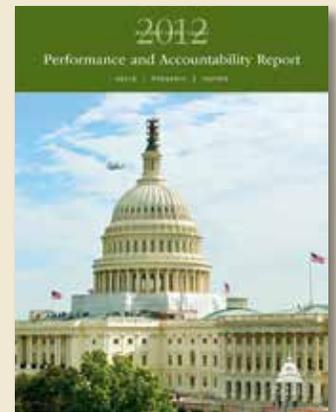
## About the Cover



On February 27, 2013, Congress unveiled a statue of Rosa Parks in National Statuary Hall. This bronze statue depicts Mrs. Parks seated on a rock-like formation symbolizing her famous refusal to give up her bus seat that helped ignite the modern American civil rights movement. Commissioned by Congress, the statue was added to the collection that falls under AOC's curatorial responsibilities.

## Certificate of Excellence in Accountability Reporting

AOC received the Association of Government Accountants (AGA) *Certificate of Excellence in Accountability Reporting* for the second consecutive year. The FY 2012 PAR also received the Best-in-Class Award for the Best Analysis of an Agency's Financial Statement.





## JILL MCCLURE

*AOC Capitol Police Buildings, Grounds and Security*

Jill demonstrates AOC's mission to Serve, Preserve and Inspire in the daily execution of her assigned tasks at AOC Capitol Police Buildings, Grounds and Security. She has made a positive impact on AOC and U.S. Capitol Police operations through her positive attitude, coordination efforts and response to customer and jurisdictional needs. Her understanding of customer service is the cornerstone of her approach to the many facility related tasks that she oversees, from execution of projects, addressing work order issues and coordination with agency representatives to reduce or mitigate operational impacts to other AOC jurisdictions. Through her cooperative and professional attitude, Jill has earned the respect of her team members, customers and jurisdictional counterparts.

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# INTRODUCTION

## How this Report is Organized

The FY 2013 PAR provides AOC's financial and performance information for the period beginning on October 1, 2012, and ending on September 30, 2013. The report exemplifies AOC's commitment to its mission and accountability to Congress and the American people. It provides candid insight into AOC's operations and accomplishments for the fiscal year and the challenges the organization faces going forward. By way of introduction, the FY 2013 PAR includes a Citizen Centric Report and a message from the Architect of the Capitol Stephen T. Ayers, FAIA, LEED AP. The remainder of the PAR is divided into four main sections and six appendices.

### SECTION I: Management's Discussion and Analysis

Section I provides an overview of AOC's FY 2013 performance and financial information. It includes a summary of AOC's history, mission, vision, organizational structure and strategic framework. This section also provides specific examples of AOC's accomplishments for the fiscal year and highlights performance measured against strategic goals and objectives. In addition, Section I includes management's assessment of future challenges and assurances on AOC's internal control.

### SECTION II: Performance Information

Section II provides a detailed analysis of AOC's annual performance information as detailed in Office of Management and Budget (OMB) Circular A-11. The section identifies AOC's approach to performance management and assessment, as well as how AOC assures the validity of data. Section II also provides information on AOC's Strategic Vision and the key performance metrics used to evaluate the results achieved under the strategic goals.

### SECTION III: Financial Information

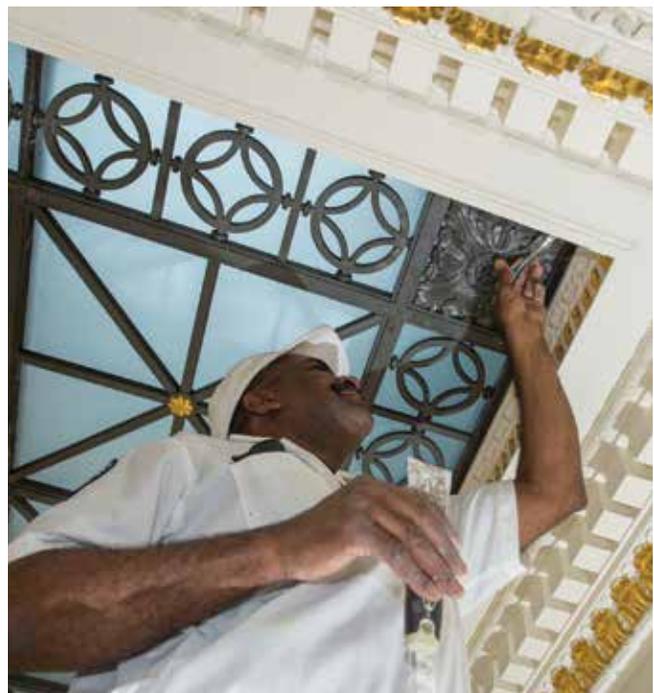
Section III begins with a message from AOC's Chief Financial Officer. This section provides AOC's audited financial statements (and accompanying footnotes) and the independent auditor's report. The Required Supplementary Information, included in this section, shows unaudited information on AOC's heritage assets and deferred maintenance.

### SECTION IV: Other Information

Section IV provides a summary of AOC's financial statement audit and management assurances as well as information pertaining to the effectiveness of AOC's internal control and financial management systems. The AOC Inspector General's Statement on AOC's Management and Performance Challenges is included in this section as is a description of AOC's small business programs.

### Appendices

The appendices provide data that supports the main sections of the PAR. Appendix A provides a summary of the accomplishments and future priorities under each jurisdiction. Appendix B lists the major facilities under AOC's care. Appendix C identifies performance metrics from FY 2012 that were not used in FY 2013. Appendix D provides a listing of selected websites. Appendix E provides a list of abbreviations and acronyms and Appendix F recognizes the individuals who contributed to this PAR.



AOC requires a diverse and talented workforce to meet its mission to Serve, Preserve and Inspire. Craftspeople such as painters, carpenters and masons ensure the historic fabric of the facilities under AOC's care is preserved and maintained.



## ELLEN STANTON

*U.S. Capitol Visitor Center*

Ellen is the Public Programs Coordinator for the U.S. Capitol Visitor Center Exhibits and Education Division (EED). Ellen worked at the CVC as a Visitor Assistant and Visitor Guide for two years before her appointment in November 2012 to the EED. One of two Public Program Coordinators, Ellen focuses on creating programs for students and teachers. This includes organizing teacher workshops, reaching out to local schools and helping to shape the tour of the U.S. Capitol to meet the needs of visiting school groups. Ellen received an AOC Honor Award in September 2013 for Product/Process Excellence in recognition of the work she did to develop the CVC's array of student programs. Ellen's work at the CVC is indicative of AOC's dedication to providing inspiring visitor services.

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# SECTION I:

## Management's Discussion and Analysis

### Our History

The Architect of the Capitol has origins rooted in the very beginnings of our nation. In 1791, during his first term of office, President George Washington appointed a Board of Commissioners to design suitable buildings to accommodate Congress. The commissioners staged a competition for the design of the U.S. Capitol and selected Dr. William Thornton's entry. In 1793, construction of the U.S. Capitol began when President Washington ceremoniously laid the building's cornerstone.

In 1802, Congress consolidated the duties of the Board of Commissioners and placed the care of the U.S. Capitol 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.<sup>1</sup> Congress passed legislation in 1879 that officially established the Architect of the Capitol as a permanent office under the Legislative Branch of the Federal Government.

AOC's responsibilities have grown alongside the growth of our nation and the expansion of Congress. As the U.S. Capitol grew and new buildings were constructed, AOC's responsibilities also increased. Throughout the 20th century, AOC would oversee construction and take responsibility for stewardship of the Cannon, Longworth and Rayburn House Office Buildings, the Russell, Dirksen and Hart Senate Office Buildings, the Capitol Power Plant, the Botanic Garden facilities and the Supreme Court Building. AOC also assumed administrative responsibility for the Library of Congress' Thomas Jefferson Building and oversaw construction of the Adams and Madison buildings. AOC oversaw the construction of the Capitol Visitor Center and when completed in 2008, the 580,000-square-foot facility was the largest addition in the U.S. Capitol's history. AOC received responsibility for the care of Union Square, a 12-acre site between the U.S. Capitol and the National Mall, in FY 2012. Although most of AOC's facilities are on or near Capitol Hill, AOC maintains some facilities in other locations.<sup>2</sup> Today, under the leadership of

Architect of the Capitol Stephen T. Ayers, AOC's employees work to maintain and improve 17.4 million square feet of building space and over 630 acres of grounds.

**Figure 6** shows the growth of AOC's facility stewardship responsibilities. **Figure 7** shows the major facilities on Capitol Hill. Appendix B provides a list of the major facilities under AOC's care.

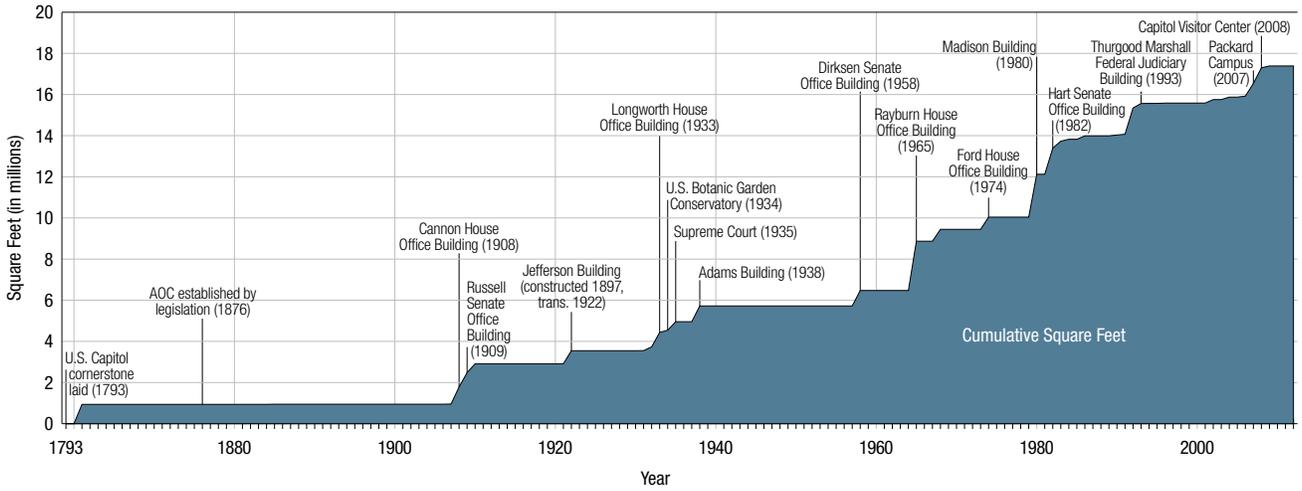


AOC maintains over 630 acres of grounds and 17.4 million square feet of facilities, including the Summerhouse, a hexagon-shaped brick structure set into the sloping hillside of the West Front lawn on the Senate side of the U.S. Capitol.

<sup>1</sup> The word "Extension" was subsequently dropped, simplifying the title to the Architect of the Capitol.

<sup>2</sup> Off-site facilities include the Packard Campus for Audio-Visual Conservation in Culpeper, Virginia, and the Fort Meade Book Storage Modules in Anne Arundel County, Maryland.

**FIGURE 6: Growth in Major Facilities under AOC's Care**



**FIGURE 7: Map of the U.S. Capitol**



## Our Mission and Organization

### Who We Serve

AOC is responsible to the United States Congress and the Supreme Court for the maintenance, operation, development and preservation of 17.4 million square feet of buildings and more than 553 acres of land on Capitol Hill (with an additional 77 acres in other locations). AOC also provides professional expertise on the preservation of architectural and artistic elements entrusted to its care and oversees design, construction and maintenance of the facilities and grounds.

### Our Mission

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

### Our Vision

AOC will be an exceptional team, acclaimed for superior service, recognized as trusted stewards and renowned for enriching people's lives.

### Our Values

The professionalism and integrity of each AOC employee demonstrate our dedication to providing quality services and our commitment to holding ourselves to the highest standards.

We recognize that we do our best work through teamwork, each of us lending our individual strengths and talents to the greater goal of the entire team. We respect each other and rely on each other in our efforts to make AOC a center of excellence.

We take great pride in what we do and in the honor of serving Congress, the Supreme Court and the American people each day.

### Our Organization

AOC is a nonpartisan, professional services office of the U.S. government's Legislative Branch, led by Architect of the Capitol Stephen T. Ayers. The Architect of the Capitol serves as an official of the Legislative Branch, acting as both an officer and agent of Congress.<sup>3</sup>

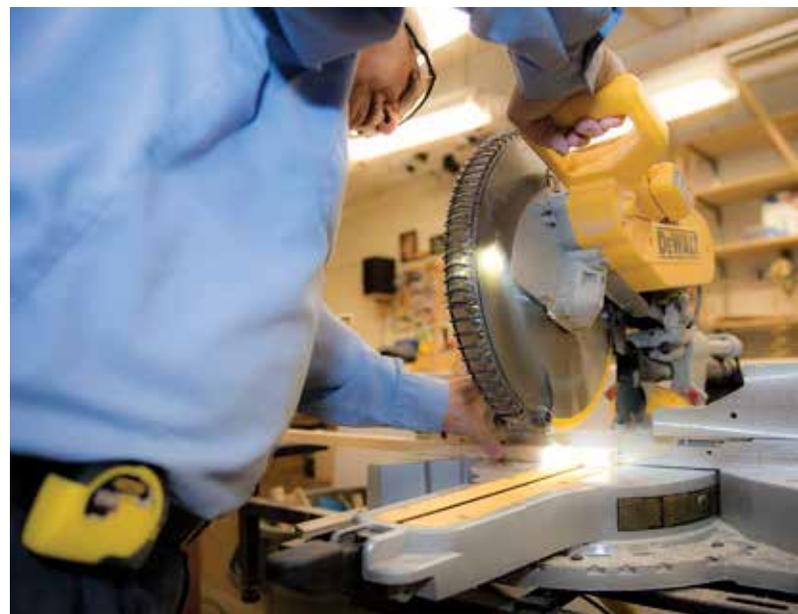
AOC provides a wide range of professional expertise and services to preserve and enhance the U.S. Capitol. AOC is responsible for the preservation of some of America's most historic landmarks. In addition to facilities management services, AOC also manages new construction, renovation projects and visitor services at the Capitol Visitor Center and the U.S. Botanic Garden. AOC is organized into 10 jurisdictions as well as general administrative offices in charge of centrally managed functions. AOC's organizational directory is online at <http://www.aoc.gov/organizational-directory>.

<sup>3</sup> 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.

AOC's responsibilities have steadily increased throughout its history and our workforce has kept up with congressional demand for professional and construction services. AOC's FY 2013 staff included 2,102 Full-Time Equivalents (FTEs) (as of September 30, 2013) as well as temporary and seasonal staff. 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) and programs with fluctuating demands (e.g., visitor services). AOC's most valuable resource is its workforce. Each employee's contribution is vital to AOC's success. The diverse workforce includes skilled laborers, custodians, gardeners, electricians, plumbers, upholsterers, carpenters, painters, masons and other craftspeople. **Figure 9** shows the distribution of AOC's FTEs.

### General Administrative and Central Management

AOC's General Administrative offices provide the essential central management functions of the agency. The AOC Chief Operating Officer (COO) drives performance management and ensures that AOC accomplishes its mission. Nine of the 10 AOC jurisdictions as well as several General Administrative offices report through the COO to the Architect of the Capitol. The AOC Chief Financial Officer (CFO) provides financial management support (through its accounting, budget and financial systems divisions and internal control manager). The AOC CFO also ensures sound financial stewardship of public funds and analyzes the financial implications of program decisions. AOC Communications and Congressional Relations is responsible for strategic communication initiatives, legislative affairs and media and community relations. The AOC General Counsel provides legal counsel to the Architect of the Capitol and serves as AOC's supervising Ethics Office. The AOC Inspector General ensures the integrity, efficiency and



AOC's behind-the-scenes work ensures that the facilities on Capitol Hill continue to function as a modern workspace for Congress and the Supreme Court, provide the backdrop for inspirational visitor experiences and are preserved for future generations.

efficacy of programs and finances. The Office of the Attending Physician is comprised of several health units throughout Capitol Hill and provides environmental and occupational health services to AOC. AOC provides administrative support to the Office of the Attending Physician.

In addition, AOC has three distinct central offices that exist to meet the demands of AOC's unique mission.

**Planning and Project Management**

AOC Planning and Project Management (PPM) oversees capital planning and improvement efforts, provides architectural and engineering design expertise and manages design and construction projects. In addition, it provides facility maintenance for various systems including heating ventilation and air conditioning (HVAC), emergency generators, cable television and legislative clocks. PPM is comprised of six divisions: Project Management; Design Services; Technical Support; Facilities Planning and Programming; Construction; and the Sustainability, Energy and Water Conservation Division.

**Safety, Fire, and Environmental Programs**

AOC Safety, Fire and Environmental Programs (SFEP) is responsible for ensuring AOC complies with safety, fire and environmental regulations. SFEP establishes safety policy, conducts oversight and coordinates emergency planning and preparedness. SFEP serves as the point of contact with external regulatory agencies for AOC's occupational safety and health, fire protection and environmental matters.

**Chief Administrative Officer**

The AOC Chief Administrative Officer (CAO) provides administrative support (acquisition and material management, human capital management, information technology, and office services) and curatorial services. The Curator Division is responsible for the care and conservation of the architectural, fine and decorative arts under AOC's stewardship. The Curator Division includes the Records Management and Archives Branch and the Photography Branch.

**AOC Jurisdictions**

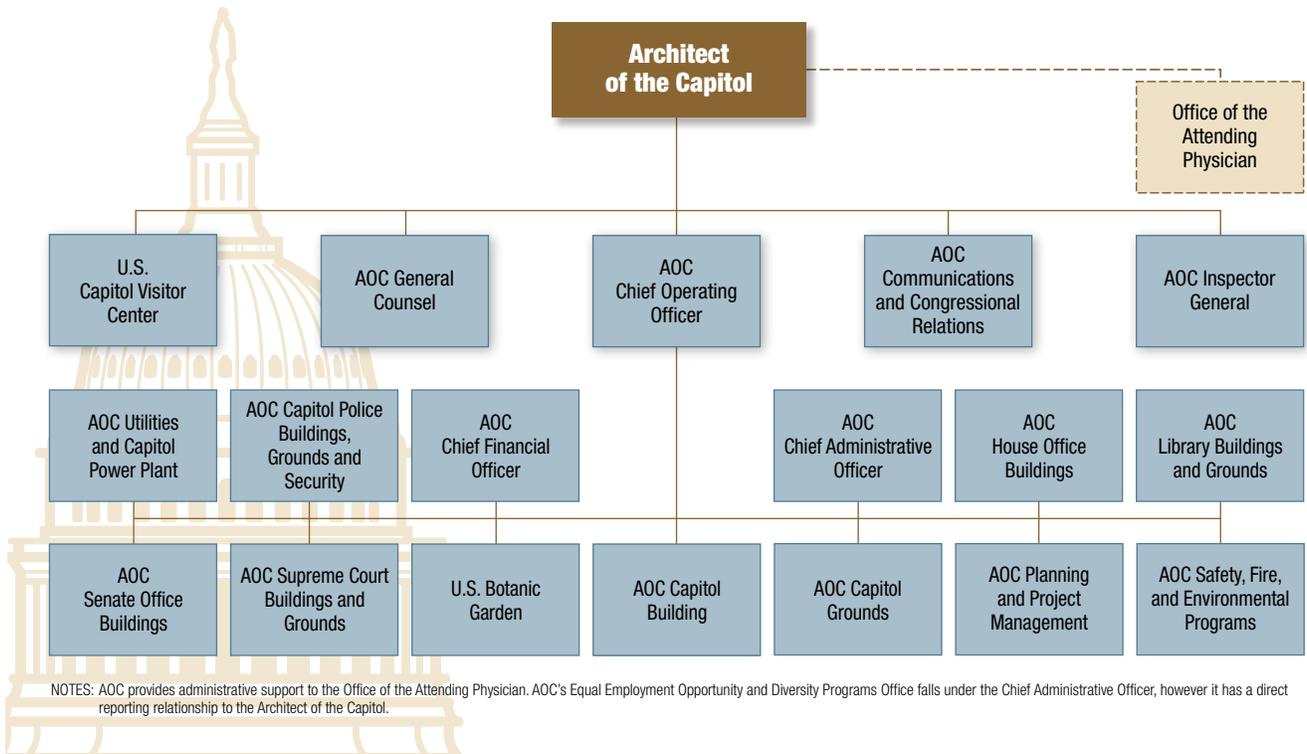
AOC is comprised of 10 jurisdictions, each responsible for a distinct physical area of Capitol Hill. The jurisdictions and their individual responsibilities are summarized below.

Appendix A provides highlights of each jurisdiction's FY 2013 accomplishments and FY 2014 priorities. A list of the facilities under each jurisdiction's stewardship is included in Appendix B.

**AOC Capitol Building**

AOC Capitol Building 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 Capitol Hill. The jurisdiction is responsible for carpentry, construction, electrical, elevator, heating and air conditioning, masonry, painting, plumbing, special events and Flag Office support. In addition, the jurisdiction provides occupational health and safety, sustainability and recycling, energy management and fire detection and protection management programs. The jurisdiction also manages maintenance at the

**FIGURE 8: AOC Organization Chart**



CVC although the operations of the CVC are the responsibility of the AOC Capitol Visitor Center. More information on AOC Capitol Building is available at <http://www.aoc.gov/us-capitol-building>.

### AOC Capitol Grounds

AOC Capitol Grounds is responsible for preserving and maintaining 290 acres of landscape and infrastructure across Capitol Hill. The jurisdiction performs routine and periodic landscape maintenance such as weeding and watering seasonal plants, mowing, comprehensive tree care and upkeep of the supporting infrastructure, vehicles and equipment. The jurisdiction is also responsible for maintenance of 18.5 miles of sidewalks, 8.5 miles of drives, parking lots and irrigation systems and preservation and maintenance of historic stone walls, ornamental fountains and other decorative features. Snow and ice removal, trash collection, shuttle service and support for major events also fall under AOC Capitol Grounds. More information on AOC Capitol Grounds is available at <http://www.aoc.gov/capitol-grounds>.

### AOC Capitol Police Buildings, Grounds and Security

AOC Capitol Police Buildings, Grounds and Security is managed by the Office of Security Programs (OSP). OSP 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. OSP also provides centralized security operations for the U.S. Capitol and manages all AOC internal security programs, perimeter security kiosks and the coordination of interagency emergency preparedness. The jurisdiction supports the USCP and other functions in

protecting, policing and security for the congressional community and its visitors. More information on the OSP is available in the organizational directory at <http://www.aoc.gov/organizational-directory>.

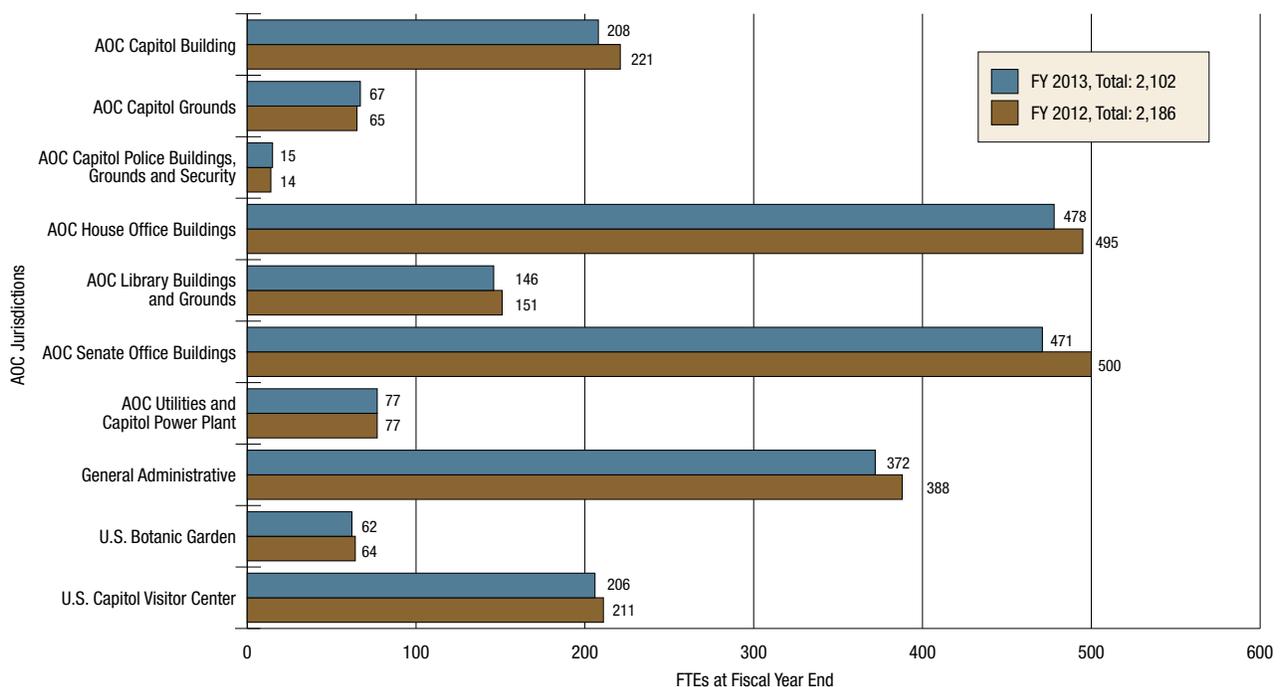
### AOC House Office Buildings

AOC House Office Buildings oversees the office and committee space for the members of the U.S. House of Representatives and their staffs. The jurisdiction is responsible for the operation, maintenance and preservation of the Cannon, Longworth, Ford and Rayburn House Office Buildings, underground garages, annexes and subways. The jurisdiction oversees daily domestic care, repair work and structural and equipment maintenance for these facilities and performs client services, preventative maintenance, building inspector surveys, compliance issues abatement, energy savings initiatives, recycling programs and safety inspections. The jurisdiction also manages the biennial office move process for House members. More information on AOC House Office Buildings is available at <http://www.aoc.gov/capitol-buildings/house-office-buildings>.

### AOC Library Buildings and Grounds

AOC Library Buildings and Grounds is responsible for the day-to-day structural, mechanical and grounds care of the Library of Congress. Its facilities management duties include grounds care; maintaining heating, ventilation and air conditioning; electrical and fire systems; and trade work such as machine work, masonry, painting, plumbing, refinishing, sheet metal and wood crafting. The Library of Congress is the largest library in the world at 3.8 million

FIGURE 9: Actual FTEs by AOC Location



Note: The total AOC FTE's and the chart exclude the FTE's on board at the Supreme Court Jurisdiction (40 at FY 2012 and 37 in FY 2013). These FTE's are not included in the AOC appropriation and are separately funded via the Judiciary Branch appropriation.

square feet (which includes book storage modules for long-term preservation in Maryland and the Packard Campus for Audio-Visual Conservation in Virginia), housing millions of books, recordings, photographs, maps and manuscripts. More information on AOC Library Buildings and Grounds is available at <http://www.aoc.gov/capitol-buildings/library-congress>.

### AOC Senate Office Buildings

AOC Senate Office Buildings is responsible for the structural, mechanical and domestic care of 2.5 million square feet of facility space including offices, off-site storage and the Senate subway transportation systems. The Russell, Dirksen and Hart Senate Office Buildings form the core of the jurisdiction's eight facilities. The jurisdiction provides facilities management and construction services that include furniture provision, cabinet installation, lock-out services, heating and air conditioning, plumbing and cleaning and trash removal. The jurisdiction also provides specialized services like custom mill work, drapery design and custom furniture fabrication. Following each biennial election cycle, the jurisdiction manages the office move process to provide suitable office and committee space for each senator. More information on AOC Senate Office Buildings is available at <http://www.aoc.gov/senate-office-buildings>.

### AOC Supreme Court Buildings and Grounds

AOC Supreme Court Buildings and Grounds operates and maintains the Supreme Court Building and the Thurgood Marshall Federal Judiciary Building (TMFJB). AOC's Supreme Court staff provides a variety of trades and skills including electronics, plumbing, sheet metal work, landscaping design and mechanical work. The funding to care for the Supreme Court Building and the TMFJB is appropriated by Congress to the Judicial Branch, which reimburses AOC for its operating costs. The duties required for the operation and care of the Supreme Court Building are performed under the direction of both the Marshal

of the Supreme Court and AOC's Facility Manager's Office. More information on AOC Supreme Court Buildings and Grounds is available at <http://www.aoc.gov/capitol-buildings/us-supreme-court>.

### AOC Utilities and Capitol Power Plant

AOC Utilities and Capitol Power Plant (CPP) manages the year-round operation of the Power Plant providing steam and chilled water to heat and cool the U.S. Capitol and 23 other facilities on or around Capitol Hill. In addition to the central steam and refrigeration plants, the jurisdiction also maintains an administration building and the utility tunnel distribution and metering system. The CPP is dedicated to implementing new ways to improve energy efficiency and find cost savings through operational enhancements. The Power Plant operates on a reimbursable basis to non-congressional facilities and procures electricity from commercial suppliers. More information on AOC Utilities and Capitol Power Plant is available at <http://www.aoc.gov/capitol-buildings/capitol-power-plant>.

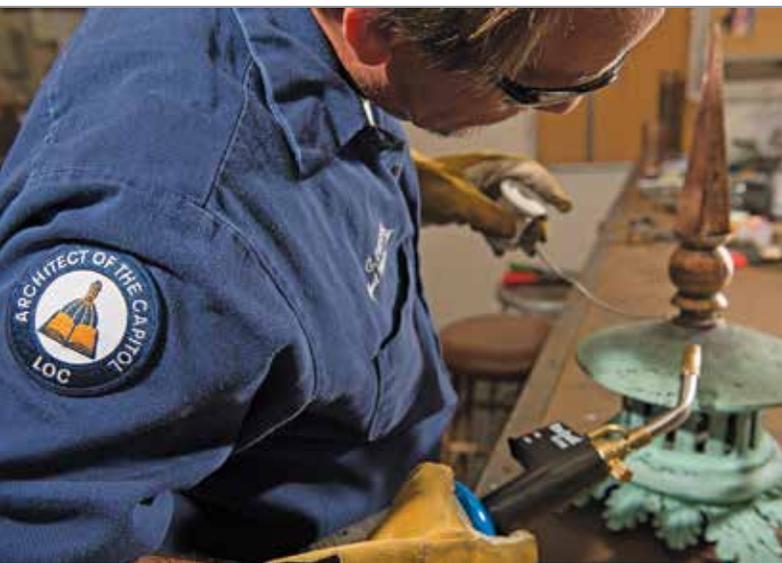
### U.S. Botanic Garden

The U.S. Botanic Garden (USBG), in conjunction with the USBG facility manager, is responsible for the maintenance, operations and construction improvements for the USBG facilities. The USBG's public areas include the Conservatory and approximately eight acres of surrounding gardens encompassing the National Garden and Frédéric Auguste Bartholdi Park. The USBG is also responsible for the administration building and a plant production and support facility with 36 greenhouse bays, several outdoor nursery areas, storage areas and maintenance shops. The USBG is the steward of a diverse plant collection and provides educational programs, tours, exhibits and consultations, as well as expertise in botany, illustration, horticulture and plant-based education for youth. The USBG is a leader in plant conservation efforts and participates in programs such as the Sustainable Sites Initiative (SITES) to encourage sustainable practices regarding the construction and operation of manmade landscapes. Architect of the Capitol Stephen T. Ayers serves as the Acting Director of the USBG and reports on its operations to Congress. More information on the USBG is available at [www.usbg.gov](http://www.usbg.gov).

### U.S. Capitol Visitor Center

The U.S. Capitol Visitor Center (CVC) is the main entrance for visitors to the U.S. Capitol and provides informational exhibits, a restaurant, two orientation theaters, a large auditorium and two gift shops to enhance the visitor experience. The CVC has greatly increased public access to the U.S. Capitol, welcoming more than 10 million visitors since opening in 2008. The CVC informs and inspires guests even before they arrive at the U.S. Capitol through partnerships, outreach and a vibrant and interactive web presence at [www.visitthecapitol.gov](http://www.visitthecapitol.gov). The Chief Executive Officer for Visitor Services reports directly to the Architect of the Capitol.

The *Behind the Scenes* section of this PAR includes photographs that showcase the facilities and work throughout the U.S. Capitol Visitor Center.



AOC employees provide a variety of trade work services, including masonry, painting, wood carpentry, and sheet metal repairs. Here, an AOC Library Buildings and Grounds employee repairs a lantern cap in the sheet metal shop.

## AOC's Strategic Goals and Objectives

AOC's Strategic Vision outlines four strategic goals that support the organization's mission. The objectives under the first two goals focus on promoting a culture of integrity, teamwork and accountability. The final two goals guide principal program areas related to operational support, project delivery, preservation of heritage assets and historic structures and visitor services. **Table 5** identifies the relationship between AOC's strategic goals and the objectives that support them.

For a copy of AOC's Strategic Vision, please visit the AOC website at: <http://www.aoc.gov/sites/default/files/documents/basic-page/AOC-strategic-vision.pdf>.

### One Team, One Mission

AOC's goal of *One Team, One Mission* is designed to foster a culture of learning, sharing, cooperation and teamwork that improves efficiency and effectiveness throughout the organization. Three objectives support this goal:

- **Cultivate an Organizational Culture of Learning, Sharing and Support.** Deliver results and strengthen AOC's reputation for excellence by increasing collaboration and cross-functional teams across the agency and with external partners to share solutions to common challenges.
- **Utilize AOC's Resources Efficiently.** Expand the adoption of best practices, streamline internal operations for enhanced efficiency and effectiveness and maximize the effectiveness of financial information in the decision making process.
- **Collaboratively Develop and Implement Standardized Processes, Policies and Programs.** Create and engage in proactive risk management processes, establish and implement a program that drives quality improvement and build a consistent data framework to efficiently manage knowledge and drive productivity.

### Innovative and Empowered Workforce

AOC's goal to promote an *Innovative and Empowered Workforce* helps the organization attract, develop and retain exceptional employees. AOC empowers its workforce to be innovative and advance new programs and processes to serve our clients, preserve our national treasures and inspire memorable experiences. Three objectives support this goal:

- **Treat People as the Cornerstone of Our Success.** Enhance employees' opportunities for personal and professional growth and continue to strengthen programs and strategies to attract and retain outstanding employees.
- **Increase Employee Involvement and Engagement.** Empower employees to serve as AOC ambassadors who model the organization's core values. Cultivate a work environment of trust and employee engagement that leads to workplace innovation, new ideas and solutions.
- **Build a Culture of Transparency, Ownership and Accountability.** Instill and foster an environment of accountability and responsibility by promoting transparency through effective and clear communication.

### Awe-Inspiring Facilities

AOC's goal of *Awe-Inspiring Facilities* reflects the commitment to outstanding stewardship of Capitol Hill, facilitating legislative and judicial business and promoting a safe, healthy and secure environment. Four objectives support this goal:

- **Preserve, Enhance and Protect our Facilities and Landscapes.** Ensure that the national treasures entrusted to AOC's care are maintained and preserved for all generations to enjoy. Use modern technology to improve facility management and integrate safety, security and preservation principles into business operations.

**TABLE 5: Strategic Goals and Objectives**

Strategic Goals	Objectives
<b>One Team, One Mission</b> United in Excellence	Cultivate an Organizational Culture of Learning, Sharing and Support
	Utilize AOC Resources Efficiently
	Collaboratively Develop and Implement Standardized Processes, Policies and Programs
<b>Innovative and Empowered Workforce</b> Leading Change Together	Treat People as the Cornerstone of our Success
	Increase Employee Involvement and Engagement
	Build a Culture of Transparency, Ownership and Accountability
<b>Awe-Inspiring Facilities</b> Unsurpassed Craftsmanship and Stewardship	Preserve, Enhance and Protect our Facilities and Landscapes
	Strengthen our Facilities through Asset Lifecycle Management
	Promote a Culture of Resource Conservation
	Provide Superior Project Delivery
<b>Extraordinary Services</b> Going the Extra Mile	Provide Extraordinary Client Services
	Educate, Inform and Inspire the Capitol Hill Visitor Experience

- **Strengthen our Facilities through Asset Lifecycle Management Strategies.** Establish a world-class maintenance system to perform planned, preventative and corrective maintenance. Prepare AOC's facilities to be a model workplace of the future.
- **Promote a Culture of Resource Conservation.** Improve facilities asset performance by integrating sustainable practices into business operations. Foster a strong culture of sustainability within the agency as well as with stakeholders and external organizations.
- **Provide Superior Project Delivery.** Leverage best-in-class project management principles to strengthen facilities planning and product delivery. Product delivery entails planning, programming, design, construction and related management activities.

### Extraordinary Services

AOC's goal of *Extraordinary Services* promotes proactive and professional integrated services that exceed clients' and visitors' expectations by understanding and anticipating their needs. This goal encompasses AOC's visitor services responsibilities. Two objectives support this goal:

- **Provide Extraordinary Client Services.** Improve service delivery for internal and external customers and clients. Increase efficiencies and transparencies in the acquisition process.
- **Educate, Inform and Inspire the Capitol Hill Visitor Experience.** Provide a memorable, educational and informative experience for Capitol Hill visitors. Enhance the visitor experience by utilizing AOC's enthusiastic staff and integrating digital media and other modern tools.



In FY 2013, AOC coordinated the professional conservation of the 1910 Louis Amateis bronze doors. The doors are located in the House side of the U.S. Capitol.

## Performance Highlights

### Strategic Vision Framework

AOC's organizational framework for performance reporting is guided by its *Strategic Vision and Five-Year Focus (FY 2012–FY 2016)*. The Strategic Vision and its underlying goals, objectives, strategies and performance metrics are intended to provide direction for AOC's transformation into a world-class organization. The goals focus on operational improvements and results (i.e., providing extraordinary services and maintaining awe-inspiring facilities) as well as organizational and cultural change (i.e., developing a unified organization and an innovative and empowered workforce).

The Strategic Vision contains four goals and each goal contains several strategic objectives (initiatives). The strategic objectives contain multiple strategies designed to accomplish the objective. The strategies are monitored by performance metrics. While the strategic objectives are the building blocks of AOC's efforts to accomplish its goals, the performance metrics provide AOC management quantifiable data to track progress. The Strategic Vision Framework is illustrated below.

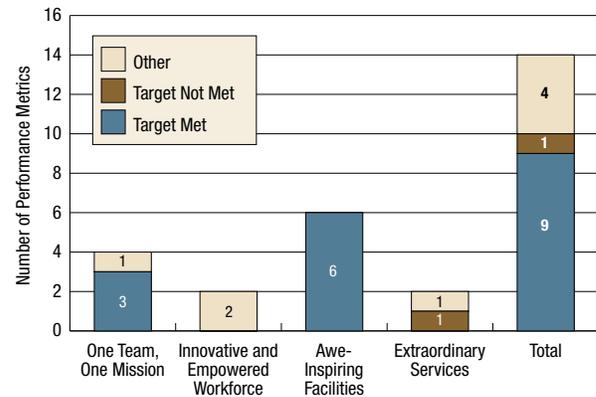
As the Strategic Vision matures, AOC adapts performance metrics to more accurately measure progress. Fiscal Year 2013 is the second year under the current Strategic Vision and AOC identified 14 metrics to demonstrate and monitor progress against its strategic objectives for this fiscal year. Where available, the report provides up to five-years of historical data for trend comparison. In some cases, the strategic objectives are not easily quantifiable and performance against the strategic objectives is better described and monitored by anecdotal accomplishments. In these cases, actual achievements from the fiscal year serve to demonstrate progress against the strategic objectives. *Section II: Performance Information* provides a more detailed analysis of each goal and the performance results under the various objectives. Appendix C provides a listing of prior year metrics that were not used in FY 2013. **Table 6** provides a breakdown of the strategic goals to strategic objectives and performance metrics.

**TABLE 6: Performance Metrics Breakdown**

Strategic Goal	Strategic Objectives	Performance Metrics
One Team, One Mission	3	4
Innovative and Empowered Workforce	3	2
Awe-Inspiring Facilities	4	6
Extraordinary Services	2	2
<b>Total</b>	<b>12</b>	<b>14</b>

In FY 2013, AOC met or exceeded its targets for nine of the 14 performance metrics. Four of the reported performance metrics did not have defined quantified targets for FY 2013. Performance for these metrics is reported as "Other." A summary of the performance metric results by goal is presented in **Figure 10**. Detailed information on the performance metrics and the methods used to ensure the data used is reliable and relevant is included in *Section II: Performance Information*.

**FIGURE 10: Performance Targets by Strategic Goal**



### Performance Results Summary for Select Key Metrics

**Tables 7** through **10** highlight FY 2013, and where available, FY 2012 performance results for selected key performance metrics in AOC's Strategic Vision. AOC's goals of *One Team, One Mission* and *Innovative and Empowered Workforce* focus on AOC's organizational culture whereas *Awe-Inspiring Facilities* and *Extraordinary Services* encompass AOC's operational mission. The net cost of operations under each goal is provided (net of any revenue) along with the percentage of total AOC costs for the fiscal year. More complete performance data is included in *Section II: Performance Information*.

#### STRATEGIC VISION FRAMEWORK

Strategic Goals → Strategic Objectives → Strategies → Performance Metrics

## GOAL 1: One Team, One Mission

**TABLE 7: Strategic Goal 1 — Results for Key Performance Metric**

Key Performance Metric	FY 2012 Target	FY 2012 Actual	FY 2012 Results	FY 2013 Target	FY 2013 Actual	FY 2013 Results
<b>STRATEGIC GOAL 1: One Team, One Mission</b>						
<b>Overtime Usage:</b> AOC diligently works to reduce the number of overtime hours used to fulfill its mission through improved planning and scheduling. For FY 2013, AOC will incur less overtime hours than the previous year.	<213,243 hours	141,529 hours	 Target Met	<141,529 hours	123,361 hours	 Target Met

AOC's goal of *One Team, One Mission* is intended to foster a culture of learning, sharing, cooperation and teamwork that improves efficiency and effectiveness throughout AOC. Under this goal, AOC has defined three strategic objectives: cultivate an organizational culture of learning, sharing and support; utilize AOC resources efficiently; and collaboratively develop and implement standardized processes, policies and programs.

Collaboration across the organization and between jurisdictions has allowed AOC to improve efficiency and reduce costs in FY 2013. The selected key metric for this goal demonstrates AOC's efforts to make the organization more efficient and reduce the need for overtime hours. Overtime usage is an indicator of AOC's ability to use resources efficiently. Each year, AOC attempts to reduce overtime usage over the previous year. As shown in **Table 7**, in FY 2013, AOC reduced overtime usage by approximately 18,000 hours. **Figure 11** illustrates the overtime usage trend over the past six years. This reduction in overtime is significant in light of the additional work needed to support the presidential inauguration and congressional office moves.

Anecdotal performance results provide additional evidence of progress towards achieving this goal. The following accomplishments are examples of AOC's efforts in FY 2013. Additional performance results, both metrics and descriptive examples, are provided in *Section II: Performance Information*.

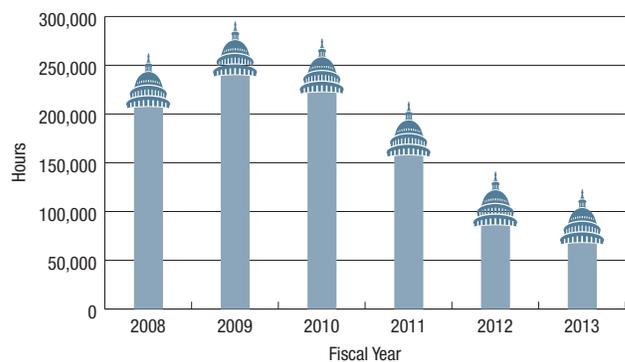
<b>One Team, One Mission</b>	
Net Cost (\$ in thousands)	\$14,918
Percentage of Total Cost	2.7%

### One Team, One Mission — Other Key Accomplishments:

- The 57th Presidential Inauguration required participation and collaboration from each of the jurisdictions and administrative offices. More information about AOC's role in planning and preparing for the inauguration is included on page 39.

- AOC expanded its cross-jurisdictional cleaning inspection program to maximize organizational resources and reduce redundancies. The program has resulted in collaboration between the jurisdictions that has improved overall operations for this necessary service. In addition, AOC transitioned the CVC custodial contract operations to in-house labor in an effort to reduce costs.
- AOC began planning the implementation of SharePoint 2013 for managing electronic documents. SharePoint will promote information sharing and collaboration between the jurisdictions and the administrative offices.
- AOC initiated a shared online training program. Spearheaded by AOC Capitol Building and also funded by AOC House Office Buildings, the Office of Security Programs, the Photography Branch and AOC Utilities and Capitol Power Plant, the program provides live video based training and unlimited access to archived training programs to the entire agency.

**FIGURE 11: Overtime Usage**



## GOAL 2: Innovative and Empowered Workforce

**TABLE 8: Strategic Goal 2—Results for Key Performance Metric**

Key Performance Metric	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual
<b>STRATEGIC GOAL 2: Innovative and Empowered Workforce</b>			
<b>Honor Awards Program:</b> AOC recognizes employees who have gone above and beyond the call of duty and who have demonstrated service excellence, extraordinary teamwork or ingenuity in solving challenges.	403	800	601

AOC's goal to foster an *Innovative and Empowered Workforce* is intended to create an organizational culture that attracts, develops and retains exceptional employees, empowers its workforce to be innovative and advances new programs and processes to serve its clients, preserve the national treasures entrusted to its care and inspire memorable experiences. This goal encourages the organization to embrace change through outstanding leadership and continuous improvement. Under this goal, AOC has defined three strategic objectives: treat people as the cornerstone of AOC's success; increase employee involvement and engagement; and build a culture of transparency, ownership and accountability.

As an aspirational goal to change AOC's organizational culture, anecdotal descriptions of progress tend to be more predictive and easier to identify than quantifiable measures for this goal. The accomplishments below are examples of AOC's efforts in FY 2013. AOC's efforts to recognize employees that exemplify AOC's values and whose contribution to the organization represents service excellence are quantifiable and are presented as the key metric for this goal. **Table 8** provides the number of AOC Honor Awards presented to employees in FY 2011 through FY 2013. AOC does not set a target for this metric as awards are presented when appropriate. In FY 2013, AOC recognized 601 employees for achievements ranging from developing new and innovative ways to enhance productivity to increasing client satisfaction and reducing operational costs.

Additional performance results are provided in *Section II: Performance Information*.

<b>Innovative and Empowered Workforce</b>	
Net Cost (\$ in thousands)	\$30,001
Percentage of Total Cost	5.5%

### Innovative and Empowered Workforce— Other Key Accomplishments:

- AOC made efforts to address concerns raised through the *FY 2012 Organizational Assessment Survey*. Efforts included establishment of employee focus groups, increasing communication from management through monthly all-hands meetings at the jurisdiction level and employee newsletters.
- The Architect's Mobility Program promotes career advancement for AOC employees by providing opportunities in skilled trades to staff in labor positions. The two-year program provides formal on-the-job training for participating employees. In FY 2013, AOC updated the program to streamline its documentation and evaluation processes. AOC expanded the number of positions in the program from three in FY 2012 to six in FY 2013.
- AOC piloted its Exchange of Critical Expertise and Learning (ExCEL) program to allow employees from one jurisdiction to work directly with their counterparts in other jurisdictions. Employees from AOC Utilities and Capitol Power Plant worked in both the AOC House Office Buildings and the AOC Library Buildings and Grounds. The program promotes sharing of best practices and camaraderie between the various jurisdictions.
- AOC began implementing improvements to its Orientation Program for new employees. The program is intended to provide new employees the necessary knowledge and skills to become effective members of the AOC team earlier in their AOC career. A new Onboarding Program Manager was hired in FY 2013 to oversee the program.
- AOC continued to revitalize its Employee Assistance Program (EAP). Efforts to increase the program's visibility, develop materials and increase dissemination and educate management on the benefits of the program for their employees were made in FY 2013. The EAP program assists AOC in maintaining a productive, safe and healthy work environment.

## GOAL 3: Awe-Inspiring Facilities

**TABLE 9: Strategic Goal 3—Results for Key Performance Metrics**

Key Performance Metric	FY 2012 Target	FY 2012 Actual	FY 2012 Results	FY 2013 Target	FY 2013 Actual	FY 2013 Results
<b>STRATEGIC GOAL 2: Awe-Inspiring Facilities</b>						
<b>Preventive Maintenance:</b> Includes routine, scheduled facility maintenance work. AOC's target is to complete 90% as scheduled.	≥90.0%	92.8%	 Target Met	≥90.0%	90.0%	 Target Met
<b>Injury and Illness Rate:</b> Targeted to be less than the previous year's rate.	<3.66	3.85	Target Not Met	<3.85	3.28	 Target Met
<b>Energy Consumption:</b> Utilities are effectively used so that a decrease of 3% per year is achieved in total energy consumption. Annual energy reduction targets utilize FY 2003 baseline levels and call for a 21% reduction in FY 2012 and a 24% reduction in FY 2013.	≤-21.0%	-21.8%	 Target Met	≤-24.0%	-25.2%	 Target Met

AOC's goal of providing *Awe-Inspiring Facilities* is intended to ensure AOC provides outstanding stewardship of the nation's assets that are entrusted to its care, to facilitate legislative and judicial business and promote a safe, healthy and secure environment through the efficient use of resources, integrated facility planning and sustainable practices. Under this goal, AOC has defined four strategic objectives: preserve, enhance and protect facilities and landscapes; strengthen facilities through asset life-cycle management; promote a culture of resource conservation; and provide superior project delivery.

This goal addresses AOC's core facilities maintenance, stewardship and sustainability missions. Performance is measured with various metrics. The key indicators track preventive maintenance completion rates, workplace safety and energy consumption rates. An in-depth discussion of these and additional metrics is included in *Section II: Performance Information*.

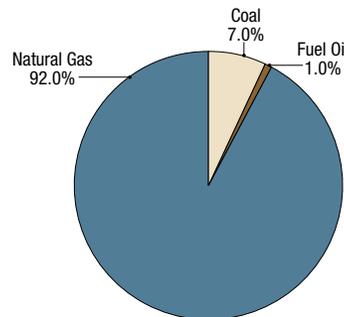
Awe-Inspiring Facilities	
Net Cost (\$ in thousands)	\$391,831
Percentage of Total Cost	71.8%

### Awe-Inspiring Facilities— Other Key Accomplishments:

- Restoration of the Supreme Court Building's West Façade continued with an estimated completion in early FY 2014. The project highlighted the building's unique architectural features.
- AOC completed restoration of the Kennedy Caucus Room grand foyer in the Russell Senate Office Building. The project included repairs to plaster, gilding and marble, repair and upgrades to the chandelier and the foyer lighting system and the installation of automatic sprinkler and fire alarm systems.

- The Senate Energy Savings Performance Contract was completed in FY 2013 and will produce long-term energy savings. The project retrofitted more than 26,000 lighting systems, installed direct controls on air handling units, improved insulation and implemented more efficient transformers.
- AOC completed phase one of the multi-year West Refrigeration Plant Renovation Project. The project required phased operations of the free cooling process and the Capitol Power Plant's most efficient chillers and boilers.
- The Brumidi Corridor Restoration Project continued in FY 2013. AOC completed restoration of the Zodiac Corridor, the east and west inner corridor walls, the refectory area walls, and the ceiling and walls of the reception area. This restoration is occurring in public areas of the U.S. Capitol and therefore requires special consideration for planning, safety and security.
- AOC met its FY 2013 energy reduction goal, achieving a 25.2 percent reduction over its FY 2003 baseline level. AOC continued its reliance on clean fuels as is shown in **Figure 12**.

**FIGURE 12: Fuel Use by Source at the Capitol Power Plant**



## GOAL 4: Extraordinary Services

**TABLE 10: Strategic Goal 4—Results for Key Performance Metric**

Key Performance Metric	FY 2012 Target	FY 2012 Actual	FY 2012 Results	FY 2013 Target	FY 2013 Actual	FY 2013 Results
<b>STRATEGIC GOAL 4: Extraordinary Services</b>						
<b>Service Requests:</b> Service requests submitted by building occupants generate work orders that are tracked for completion times. AOC strives to complete 90% of service requests on time.	90.0%	90.3%	 Target Met	90.0%	89.8%	<b>Target Not Met</b>

AOC's goal of delivering *Extraordinary Services* is intended to ensure the delivery of proactive, professional and integrated services that exceed clients' and visitors' expectations. Under this goal, AOC has defined two strategic objectives: provide extraordinary client services and educate, inform and inspire the Capitol Hill visitor experience.

This goal addresses AOC's core function as a support organization for Congress and the Supreme Court and AOC's visitor services role. Performance is measured with various metrics. The key indicator provided in **Table 10** tracks completion rates for service requests. An in-depth discussion of this and additional metrics is included in *Section II: Performance Information*.

Extraordinary Services	
Net Cost (\$ in thousands)	\$108,725
Percentage of Total Cost	20.0%

### Extraordinary Services— Other Key Accomplishments:

- AOC welcomed its 10-millionth visitor to the CVC in June 2013. Monthly and annual CVC visitorship is provided in **Figures 13** and **14**.
- AOC's support of the 113th congressional transition included relocation of 222 House offices (to include setting up new office space for the members-elect) and 133 member storage rooms. AOC completed over 5,000 work orders related to the transition.
- AOC continued to emphasize training and education for its tour guides and gift shop staff. More than 70 staff attended professional development training in communications, interpersonal skills and customer service. The CVC's Exhibits and Education department produced three educational and training films on the history of the U.S. Capitol and how to better engage visitors. During off-peak times, the CVC emphasized continuing education for its staff by offering specialized

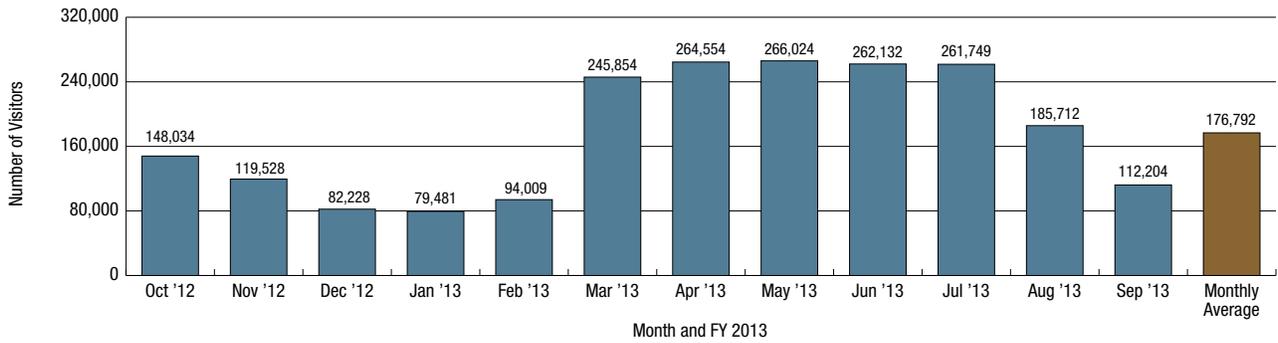
staff-only tours, detail assignments in other offices and encouraging individual research projects.

- The USBG welcomed 1,696,000 visitors in FY 2013. The monthly and annual USBG visitorship is provided **Figures 15** and **16**.
- AOC developed mobile applications for visitors at the U.S. Capitol. The applications provide a guide to the State Statues included in the National Statuary Hall collection, a self-guided tour for Exhibition Hall and a comprehensive version of the CVC Visitor Guide brochure.

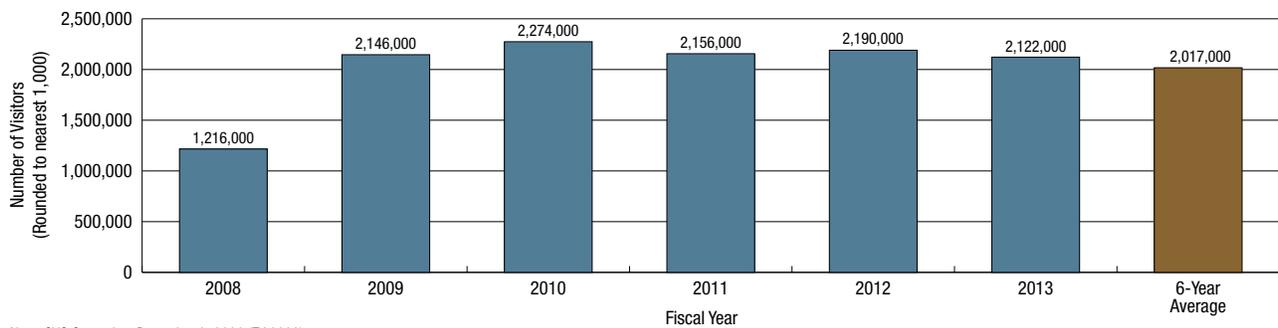


Attendance at the FY 2013 USBG's annual Holiday Show surpassed all previous years with 320,834 visitors. The show included a fantasy train display containing various model trains and more than 800 feet of track running through imaginative structures created with plant materials.

**FIGURE 13: Number of Visitors to the U.S. Capitol FY 2013 by Month**

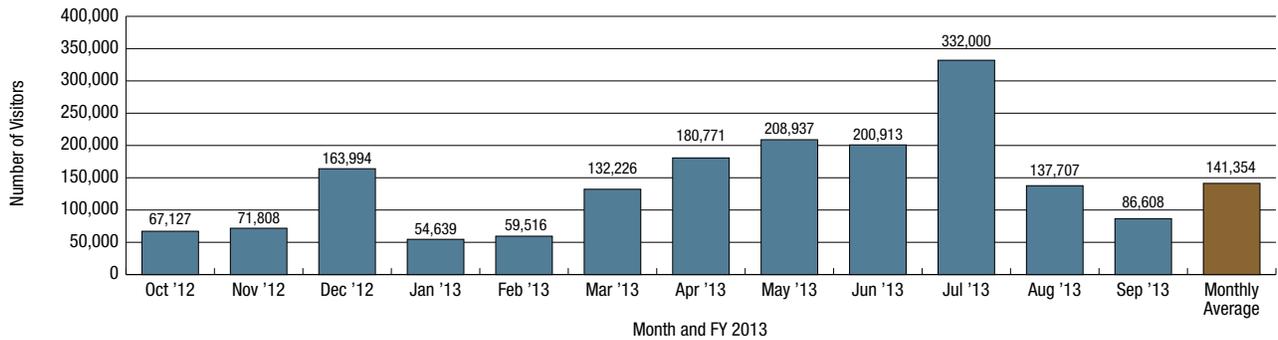


**FIGURE 14: Number of Visitors to the U.S. Capitol FY 2008–FY 2013**

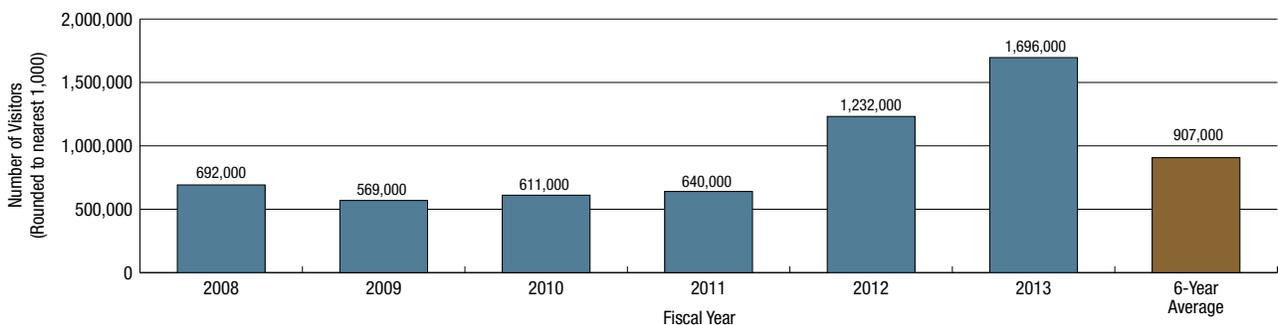


Note: CVC Opened on December 2, 2008 (FY 2009).

**FIGURE 15: Number of Visitors to the U.S. Botanic Garden FY 2013 by Month**



**FIGURE 16: Number of Visitors to the U.S. Botanic Garden FY 2008–FY 2013**



### Looking Toward the Future: Our Strategic Vision

In FY 2013, the second year of AOC's five-year Strategic Vision, AOC focused on shifting the organizational culture by creating a more unified AOC (*One Team, One Mission*), composed of a talented workforce (*Innovative and Empowered Workforce*), that excels in its mission to serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable experiences (*Extraordinary Services and Awe-Inspiring Facilities*).

AOC's efforts to accomplish its strategic goals in FY 2013 focused on priorities based on the Architect of the Capitol's vision to make AOC a trusted partner of choice, leveraging core competencies and maximizing return on investment. Fiscal Year 2014 priorities will focus on customer service; risk management; responsibility, accountability, trust and engagement; as well as facilities planning and project management. As the Strategic Vision continues to mature, AOC will revisit its strategic priorities so as to ensure the agency remains focused on the top transformational priorities.



The *Strategic Vision and Five-Year Focus (FY 2012–FY 2016)* guides AOC's transformation into a forward thinking, collaborative and innovative organization that is better able to serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable experiences.

## Management Challenges and Looking Ahead

By identifying and defining the most difficult challenges facing the agency, AOC's leadership is able to mitigate barriers to operational success. This section outlines AOC's most significant challenges and the initiatives AOC leadership has developed to address them. The challenges include:

- Sequestration management
- Deferred maintenance and capital renewal backlog
- Energy stewardship and sustainability
- Physical security of facilities
- Workplace safety and health

In addition to these challenges, the AOC Inspector General submitted a separate listing of performance challenges that is included in *Section IV: Other Accompanying Information*.

### Sequestration Management

**Key Challenge:** As a result of the Budget Control Act of 2011, mandatory sequestration cuts reduced AOC's budget by approximately five percent. In an already austere budget environment, the effects of sequestration require AOC to limit spending and to prioritize projects to ensure the most pressing needs are met. Continued reductions would require AOC to reduce or eliminate certain contracts (e.g., contracts providing shuttle bus services and custodial services in the CVC were cancelled in FY 2013); postpone repair and alteration projects, trim maintenance and operations programs, reduce bench stock and supply levels, delay replacement of old equipment, further reduce overtime, training and awards and implement a targeted hiring freeze.

**AOC Initiatives:** AOC took measures to implement self-imposed reductions to slow normal spending in FY 2013 in preparation for sequestration. A sequestration plan prioritized critical support for Congress and the Supreme Court and limited the effects on AOC employees. AOC carefully reviewed budgets for each function in the organization and identified additional areas to reduce spending. These reductions included delaying the purchase of supplies and materials, reducing overtime, postponing award of contracts and slowing the hiring of new employees.

This planning and preparation allowed AOC to implement changes in a methodical manner, without the necessity for drastic cuts, and thereby reduced the impact of sequestration on employees and operations for FY 2013. However, with sequestration likely to be a continuing reality, future budget cuts will cause greater impacts on AOC operations and its ability to meet mission requirements.

Sequestration is one of the most significant challenges AOC's management faces in the foreseeable future. The reduction in funding forces AOC to make difficult funding decisions about projects and services. With the continued aging of the facilities under AOC's care, the large deferred maintenance backlog, heightened security requirements and the need to implement and maintain life and health safety initiatives, any reduction in funds means that some projects must be delayed or abandoned—with the likely result being that when or if they are restarted, they will be incrementally more expensive to complete.

Accordingly, AOC's efforts to prioritize projects and find efficiencies, especially in the areas of energy conservation and sustainability, take on a paramount role in minimizing AOC's operational reductions. However, AOC has exhausted the opportunities for efficiencies and savings that were easiest to achieve or produced the largest return for investment and



## RAYNELL BENNETT AND PERRY CASWELL

*AOC Capitol Building*

Presidential inaugural ceremonies are perhaps the most widely known of the numerous ceremonies AOC supports at the U.S. Capitol. Perry and Raynell, both from AOC Capitol Building, were responsible for organizing AOC's participation in planning and executing the 57th Presidential Inauguration. They coordinated with the Joint Congressional Committee on the Inaugural Ceremonies to ensure AOC's responsibilities were fulfilled—from construction of the inaugural platform on the Capitol's West Front, to setting up the necessary seating and fencing on the grounds and coordinating other activities regarding the physical arrangements that were necessary for the event. Perry's and Raynell's efforts highlight the extent of AOC's behind-the-scenes involvement in high-profile events that regularly occur at the U.S. Capitol.

SERVE | PRESERVE | INSPIRE

further efficiencies are more difficult and expensive to achieve. Nonetheless, AOC remains focused on implementing efficiencies that streamline operations and reduce costs to limit the impact of the current budget situation and sequestration. Management constantly searches for innovative ways to improve stewardship of taxpayer dollars and ensure that the agency is able to meet its mission to serve Congress and the Supreme Court, preserve the facilities under its care and inspire memorable experiences.

### Deferred Maintenance and Capital Renewal Backlog

**Key Challenge:** Addressing the deferred maintenance and capital renewal backlog is a continuing challenge for AOC. Reduced funding, coupled with the maintenance requirements of AOC's aging infrastructure, has created a substantial backlog of unmet maintenance and capital renewal requirements. The age and historic nature of the facilities under AOC's care requires a substantial amount of maintenance, improvements and preservation work to keep the facilities functioning. Maintenance and repair projects, however, compete with other priorities for limited federal dollars. AOC's FY 2013 deferred maintenance backlog and capital renewal requirements are estimated at \$1.41 billion. Of this total, approximately \$332 million represents deferred maintenance, with the balance comprising AOC's capital renewal costs.

**AOC Initiatives:** AOC's prioritization and planning tools assist with managing the deferred maintenance and capital renewal requirements for Capitol Hill. AOC utilizes Facility Condition Assessments, the Five-Year Capital Improvements Plan (CIP) and the Capitol Complex Master Plan (CCMP) as tools to assist in prioritizing resources and efforts to ensure the most pressing requirements are addressed first. The highest priority projects for the near-term future include the U.S. Capitol Dome restoration, exterior stone repairs on the congressional buildings and the restoration of Union Square.

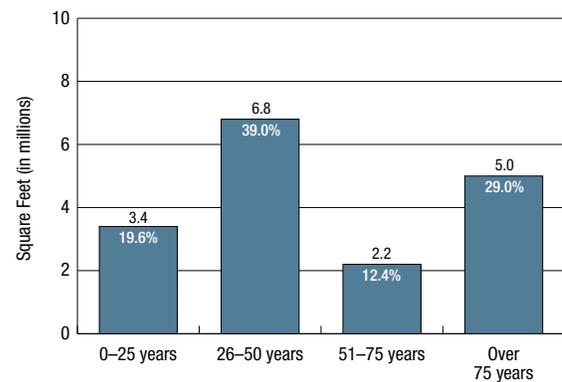
Facility Condition Assessments allow AOC to identify its facilities' most critical needs. Independent contractors conduct the assessments to give AOC an unbiased analysis of the most urgent needs. In FY 2013, AOC instituted a Facility Condition Assessment users group that prioritized deferred maintenance requirements that could be completed in-house by AOC jurisdictions. In addition, AOC developed a Facility Condition Assessment database that provides an integrated source of information for the entire agency.

AOC's CIP is a planning tool that uses annual funding requirements and the priorities outlined in the CCMP to evaluate capital projects based on their importance and practicality. The CIP is updated annually to reflect the most current fiscal restraints and facility requirements.

The CCMP forecasts the facility maintenance challenges AOC will face over a 20-year period. It identifies the overarching strategies AOC will pursue to address those long-term challenges. The plan serves as a framework for ensuring and maintaining a quality work environment, including adequate office and support space, stewardship of natural and cultural resources and provision of reliable, energy-efficient infrastructure.

Over 80 percent of the facilities under AOC's care are in excess of 25 years old and most of the major buildings are older than 75 years. The maintenance and repair requirements of these facilities continue to expand as the buildings age and maintenance is deferred. AOC's planning tools assist in managing the backlog of deferred maintenance and capital renewal requirements. AOC is dedicated to implementing cost-saving and cost-avoidance measures where practical but a shrinking budget makes it difficult to meet these needs. As such, AOC requires Congress' continued support to fund the most pressing maintenance and renewal requirements in order to preserve the historic buildings and grounds under AOC's care.

**FIGURE 17: Age of AOC Facilities Portfolio**



### Energy Stewardship and Sustainability

**Key Challenge:** AOC has worked to reduce its annual energy consumption to meet the requirements of the Energy Policy Act of 2005 (EPAct2005) and the Energy Independence and Security Act of 2007 (EISA2007). In accordance with EISA2007, AOC is driven to apply aggressive standards to reduce energy use by three percent annually from FY 2003 levels, yielding a 15 percent total decrease by FY 2010 and a 30 percent total reduction by FY 2015. AOC has met its energy reduction goals through FY 2013. However, future energy savings opportunities have longer payback periods with significant financial commitments and compete with other requirements for limited available funds.

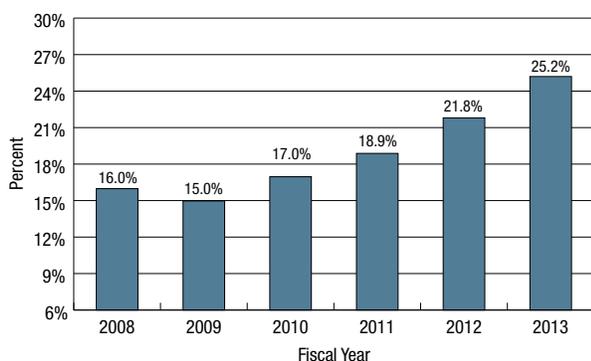
**AOC Initiatives:** AOC is committed to a more energy-efficient and sustainable future. As a national leader in sustainable and responsible practices, AOC understands that historic preservation and stewardship are powerful tools to drive the accomplishment of sustainability goals, overall energy and water savings and a high return on investment. AOC promotes a culture of resource conservation and uses strategies to improve asset performance, integrate sustainable practices into business operations and strengthen a culture of sustainability with stakeholders and external organizations.

AOC's programs to make Capitol Hill more energy efficient stress environmental impact, life cycle cost savings and improved performance. The Sustainability Framework Plan, included in

the CCMP, outlines AOC's long-term energy reduction strategies. AOC tracks performance using advanced metering and equipment trending, employs energy audits and retro-commissioning to identify opportunities, provides technical design guidance and facilitates working groups and related training to ensure that the achieved energy savings persist. AOC's jurisdictions prioritized energy conservation measures, which range from electrical and mechanical system improvements to energy awareness training and events. These measures allowed AOC to meet its energy reduction goals for FY 2013.

AOC publishes an annual *Sustainability, Energy and Water Conservation Management Report* on AOC's progress on meeting its efficiency goals as well as its further commitments to sustainability and water efficiency. It includes details on AOC's approach, achievements and areas identified for future progress. The report is available on AOC's website at <http://www.aoc.gov/press-room/aoc-releases-fy-2012-sustainability-energy-and-water-conservation-management-report>.

**FIGURE 18: AOC Energy Reduction**



## Physical Security of Facilities

**Key Challenge:** AOC is responsible for supporting the USCP and other security functions involving policing, protecting and securing the congressional community and its visitors. In today's security environment, this means safeguarding the facilities from threats such as terrorist attacks or violent crimes as well as natural disasters and cyber-attacks. AOC provides continuity of operations planning, critical infrastructure protection, congressional continuity support, external emergency management, employee and contractor adjudication and suitability and other sensitive security programs. In an environment of constantly evolving security threats, AOC must adapt and meet these challenges in order to protect the U.S. Capitol, the Supreme Court and other government buildings. Balancing safety, security and accessibility under the constrained budget environment with the requirement of leaving the facilities open for visitors and conducive to congressional operations remains a management challenge for AOC.

**AOC Initiatives:** AOC is dedicated to ensuring the security of its facilities and to providing a safe and secure environment for Congress, the Supreme Court and visitors to the U.S. Capitol.

AOC Security Programs delivers unique, value-added, integrated support services that include all cross-jurisdictional security enhancements, the management of AOC internal security programs and perimeter security kiosks and the coordination of interagency emergency preparedness.

In FY 2013, AOC established a Resilience and Security Division to standardize AOC resilience and security responsibilities. In addition, AOC increased its levels of information sharing with respect to best practices and common security problems. AOC continues to coordinate with National Capital Region intelligence and law enforcement agencies to address and identify potential security weaknesses and to provide security and law enforcement intelligence support (e.g., security advisories, cyber security awareness bulletins and information sharing).

Changing threats and technologies requires constant upgrades to security measures. AOC collaborates with the Architectural Review Board and the Historic Preservation Officer to minimize the impact of security upgrades to the appearance or historic nature of Capitol Hill.

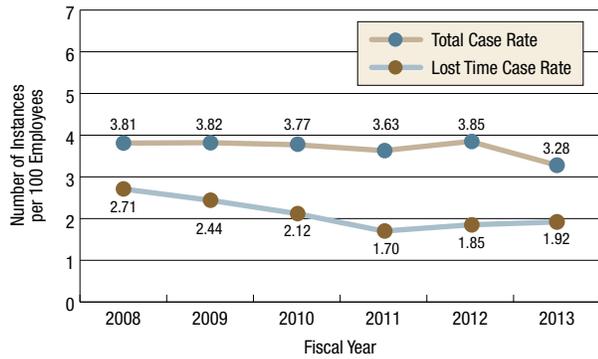
Today's security threats require diligent attention to maintaining sufficient security measures. AOC Security Programs ensures these measures exist and that Congress, the Supreme Court and visitors to the U.S. Capitol are provided a safe and secure environment. However, the changing nature of threats and the higher cost of improved safety measures make this task a continuing challenge for AOC.

## Safety and Health of Facilities and Workers

**Key Challenge:** As steward of Capitol Hill, AOC is responsible for ensuring that safety and health standards are met for those who work at or visit the U.S. Capitol. Meeting this responsibility while preserving the historical integrity of the facilities, providing modern and efficient work facilities, maintaining access for the public and meeting security requirements is a significant management challenge. In addition, safety and health improvement projects compete with other requirements for limited funds.

**AOC Initiatives:** AOC's highest priority is the safety of its employees, Capitol Hill building occupants and visitors. AOC's philosophy of *People First, Safety Always* sets the tone for its commitment to ensuring safety within its facilities and on the Capitol grounds. In FY 2013, AOC reduced its injury and illness rate to 3.28 percent (however the Lost Time Case Rate increased slightly to 1.92 percent). The six year trend for these rates is shown in **Figure 19**.

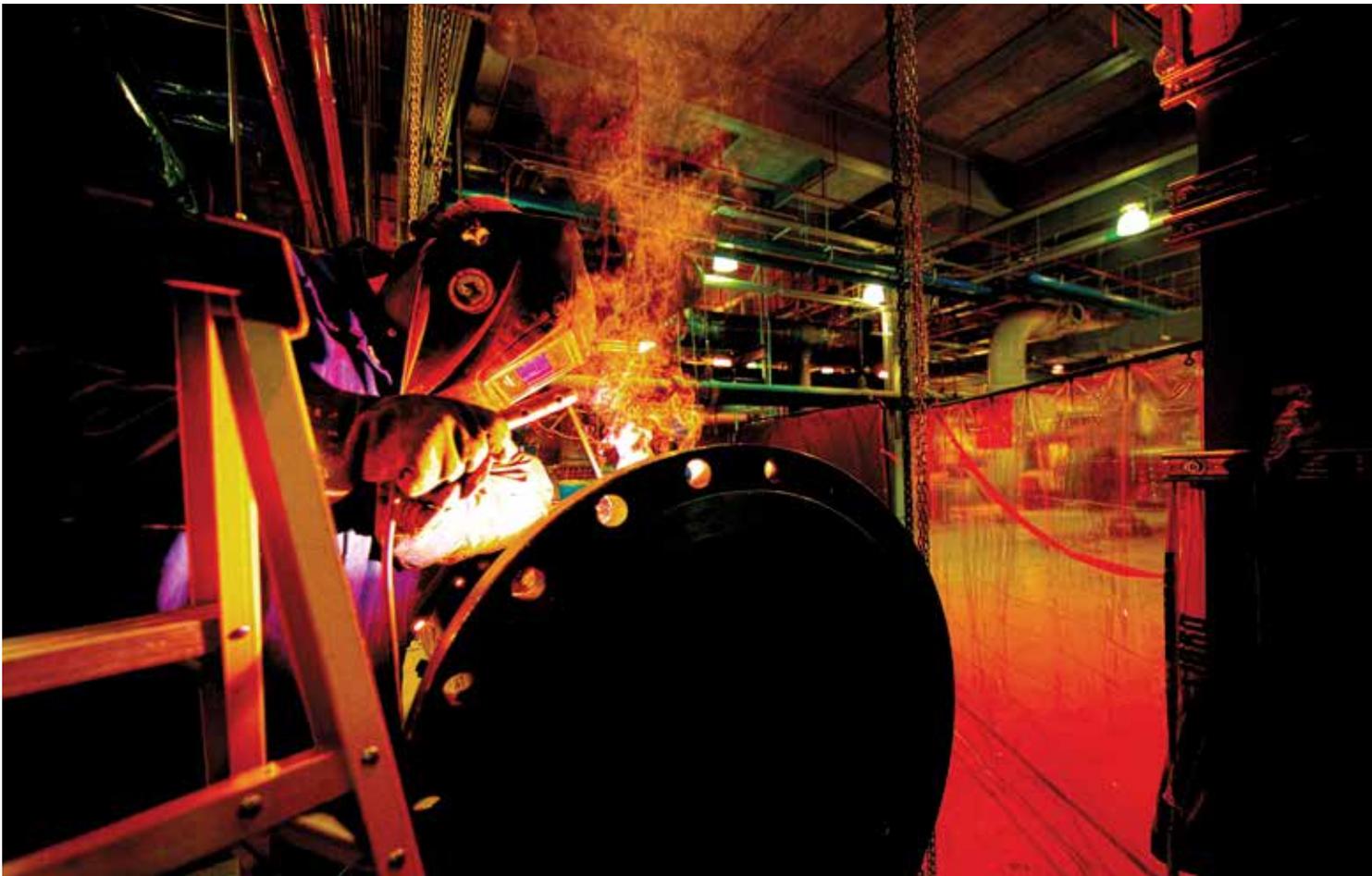
In FY 2013, AOC initiated broad policy improvements to reduce the risk to its employees' workplace safety and health. AOC performed monthly reporting of injury and illness claims, which determined causal factors as well as the frequency, type and severity of incidents. AOC's Safety Division performed program assessments that identified and distributed best practices and opportunities for improvement throughout the agency. AOC's Environmental Division updated policies to improve waste management, reduce pollution and improve air quality compliance. The Fire Marshal Division (FMD) inspected over 790,000 square feet of facility space to address issues that were hazardous to

**FIGURE 19: AOC Injury and Illnesses Rate**

occupant safety. FMD also established a new fire code policy to set standards for better evaluating fire safety program effectiveness across AOC.

AOC's Jurisdiction Occupational Safety and Health (JOSH) committees, comprised of employees of various levels from within each jurisdiction, promote safety awareness and incident prevention within their jurisdiction. They maintain open channels of communication between management and employees to discuss matters relating to safety, fire and environmental programs. In addition, most AOC jurisdictions also have dedicated jurisdictional safety specialists that ensure a safe work environment.

Meeting the diverse technical and programmatic needs of the agency and its employees while balancing compliance with applicable regulations, laws and policies with impacts to historic buildings, employee and public access and unique security requirements provides a significant challenge for AOC. Meeting these requirements and fulfilling its pledge to ensure safety is even more challenging under the fiscally constrained environment where each available dollar is pulled by competing requirements. Nonetheless, AOC remains dedicated to meeting this challenge and ensuring *People First, Safety Always*.



AOC's highest priority is the safety of its employees, Capitol Hill building occupants and visitors. AOC's philosophy of *People First, Safety Always* sets the tone for its commitment to ensuring safety within its facilities and on the Capitol grounds.

## Management Assurances and Other Financial Compliances

### Implementation of the Federal Managers' Financial Integrity Act (FMFIA) at AOC

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 (FMFIA). 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, AOC is not subject to the requirements of FMFIA. AOC nonetheless considers internal control to be an integral part of the systems and processes it uses to manage its daily operations in support of its strategic goals and objectives. 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 AOC, the AOC CFO is responsible for the operation of the Internal Control Program. The CFO has assigned an Internal Control Manager to assist in the design, implementation, monitoring and modification of an organization-wide program that follows the principles of OMB Circular A-123. Key processes in the program include performing a preliminary risk assessment, addressing material weaknesses and significant deficiencies and implementing corrective actions. The program sets forth a customized Internal Control Program for managers to assist in monitoring and assessing controls within their specific areas of responsibility.

In FY 2013, AOC realigned the organization structure for the oversight of its internal control. The new structure established two oversight committees for internal control and their functional relationship to each other. The Senior Management Council (SMC) is the higher level committee that is long-term oriented and forward thinking about internal control, risk management and missed strategic opportunities. It is primarily concerned with agency-level exposure to external risks arising from changes in legislation, security concerns and acts of nature. It also addresses impacts from internally driven changes ranging from workforce demographic shifts, information technology, changes to fluctuating funding levels, reorganizations and changes in Human Capital requirements.

The Senior Advisory Team (SAT) is the subordinate committee and assists the SMC in fulfilling the AOC's fiduciary responsibilities by overseeing the daily operations of internal controls. The SAT provides a management plan for addressing risk concerns that are assigned by the SMC. The SAT is also responsible for the following: ensure compliance with legal and regulatory matters that may have an operational or financial impact; provide advisory recommendations to the SMC to improve

AOC's business and financial processes; ensure the integrity of AOC's financial statements; and manage remediation plans to their conclusion.

At the end of FY 2012, AOC's Internal Control Program had not been fully implemented. During FY 2013, AOC completed a formal and systematic assessment and evaluation of the design and operation of many of its internal controls. As such, AOC is able to provide a much higher level of assurance that the current internal control designs effectively mitigate existing risks (see the Architect's FMFIA Statement of Qualified Assurance on page 26 of this report). Although AOC's Internal Control Program continues to improve, AOC realizes more progress needs to be made.

AOC has hired a contractor support team to complete internal control documentation, further improving the internal control over financial reporting (ICOFR) process. The documentation will support development and design for better controls, as well as testing and reporting over financial management systems. AOC will continue to review its internal control policy for appropriate revision. Going forward, AOC will continue to review and refresh the internal control documentation and structure to determine the need for expanded monitoring and testing.

AOC continues to study the benefits of pairing the Internal Control Program with a comprehensive risk management program. The risk management program will include an analysis of internal and external risks throughout the organization and will cover all activities and processes that contribute to fulfilling AOC's mission, goals and objectives. This is a long term effort and will be researched in tandem with the Internal Control Program to avoid redundancies.

A summary of the management assurances is provided in *Section IV: Other Information*. For additional information on the opportunities and challenges facing AOC in the internal control area, refer to the Inspector General's Statement of Management Opportunities and Performances Challenges, also located in Section IV of this report.

### Summary of Material Weaknesses and Significant Deficiencies

During FY 2013, AOC eliminated its existing material weakness relating to its Internal Control Program from the FY 2012 audit. As a result, at the close of FY 2013, AOC had no material weakness or significant deficiencies. The complete text of the audit report is included in *Section III: Financial Information*.

#### Material Weaknesses Summary

A material weakness is defined as 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.

In FY 2013, AOC eliminated the material weakness for its Internal Control Program reported in the FY 2012 audit.

### Significant Deficiencies Summary

A significant deficiency is defined as 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.

For the second consecutive year, AOC did not have any significant deficiencies resulting from its annual audit.

### Federal Financial Management Improvement Act

The Federal Financial Management Improvement Act of 1996 (FFMIA) requires that federal agencies' financial management systems provide financial data that complies with federal accounting standards, federal system requirements and the U.S. Standard General Ledger (USSGL) at the transaction level. In accordance with OMB Circular A-127 (revised), 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. AOC substantially complied with the FFMIA for FY 2013. *Section IV: Other Information* provides a summary of AOC's financial management system.

### Federal Information Security Management Act

The Federal Information Security Management Act (FISMA) requires 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. AOC, as a Legislative Branch agency, is not required to comply with FISMA but nonetheless strives to comply with the principles of FISMA. AOC references sources such as 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 on its Information System Security program. AOC uses this guidance to create and maintain a risk-based Information Security program.

In FY 2013, AOC, with support from an independent third party, completed the three-year reaccreditation of all AOC information systems, previously completed in Fiscal Years 2009 and 2010. This effort, which was completed in June 2013, evaluated the information security controls for AOC systems consistent with AOC policies. AOC has established a continuous monitoring strategy based on NIST Special Publication (SP) 800-53.

In FY 2013, AOC improved its information systems security posture by placing a strong emphasis on computer security awareness and training, enforcing procedures and processes for detecting, reporting and responding to security incidents, vulnerability scanning and remediation, patch compliance and continuous monitoring. In particular, AOC achieved 99 percent compliance with security awareness training. Also, 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. The Managed SEIM helps protect 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.

AOC's Information Systems and AOC Information System Security programs are evaluated each year through independent assessments and multiple audits. Through these activities AOC improves information system documentation, policies and procedures and mitigates information security risks and weaknesses.

### 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 AOC.



AOC substantially completed the Supreme Court Building Revitalization Project in FY 2013. The renovation of the West Front Façade revitalized the unique architectural features of the Supreme Court building. Progress in FY 2013 included resurfacing of the West Façade and the installation of a bird deterrent system.

December 19, 2013

**ARCHITECT'S FMFIA STATEMENT OF QUALIFIED ASSURANCE**

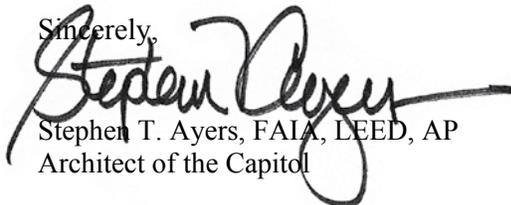
The management team of the Architect of the Capitol (AOC) is responsible for establishing and maintaining effective internal control and financial management systems. The Federal Managers' Financial Integrity Act (FMFIA) requires certain Federal Government agencies to conduct annual evaluations of their internal control and financial management systems, and thereafter provide assurance on internal control over operations.

As a Legislative Branch agency, AOC is not subject to the FMFIA requirements; however, the agency embraces the FMFIA principles as a best practice for financial management. AOC is fully committed to implementing a program to assess the effectiveness of the agency's Internal Control Program.

This year, AOC continued its implementation of internal controls by developing additional documentation, increasing testing, and re-chartering the Internal Control Program oversight committees to align with Office of Management and Budget's circular A-123 guidelines. This effort, along with well established, controlled processes subjected to audit that include payroll, accounts payable, fund balance with treasury, investments and property plant and equipment, cover 100 percent of AOC's expenditures in Fiscal Year 2013 and 98 percent of the agency's assets. These improvements and reliable operating processes offset AOC's material weakness in internal controls from Fiscal Year 2012.

Accordingly, AOC provides a qualified statement of assurance that the internal control and financial management systems meet the objectives of FMFIA, except for the matters discussed in the preceding section of this report, and we found no other material weaknesses, as of September 30, 2013. Plans for FY 2014 include conducting an assessment of the effectiveness of internal control over financial reporting as defined in Appendix A of Circular A-123.

Sincerely,



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

## Financial Highlights

The financial highlights that follow provide an overview and analysis of AOC's FY 2013 financial statements. AOC's independent auditor, Cotton & Company, audited AOC's Balance Sheets for the fiscal years ending September 30, 2013 and 2012, along with the accompanying Statements of Net Cost, Changes in Net Position and Budgetary Resources. AOC received an unmodified (clean) audit opinion on its financial statements for the ninth consecutive year.<sup>4</sup> The complete financial statements and audit reports are presented in *Section III: Financial Information*.

AOC considers an annual independent audit an integral part of its financial management. 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.<sup>5</sup> AOC is proud of its record of producing reliable annual financial statements, but also recognizes that more progress is required to fully adopt best financial practices such as those found in the CFO Act and subsequent federal legislation. Accordingly, AOC is diligently working to maintain seamless financial systems and processes, generate reliable cost and performance information and analyses and undertake other value-added activities that support effective internal control, strategic decision making and efficient mission performance.

### Guide to the Financial Statements

Government-wide efforts to improve federal financial transparency and accountability led to the enactment of mandatory uniform accounting and reporting standards for Executive Branch agencies, along with the tools to better manage financial resources. Although AOC is a Legislative Branch agency, it has voluntarily implemented policies that comply with the spirit of many Executive Branch requirements and best business practices. The financial statements and financial data presented herein have been prepared from AOC's accounting records in conformity with generally accepted accounting principles (GAAP). GAAP, for federal entities, are the standards prescribed by the Federal Accounting Standards and Advisory Board (FASAB).

### Overview of Financial Position: The Balance Sheet

The Balance Sheet provides a snapshot of AOC's financial position at a fixed point in time. The fiscal year-end 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

AOC reported on its Balance Sheet total assets of \$2.50 billion at the end of FY 2013. This represents a slight decrease of \$15.1 million (0.6 percent) over FY 2012 total assets of \$2.52 billion.

**Figure 20** summarizes FY 2013 total assets by component. AOC's distribution of assets remains largely unchanged from FY 2012.

<sup>4</sup> This followed two years of clean opinions on the Balance Sheets only.

<sup>5</sup> The term reasonable assurance includes the understanding that there is a remote likelihood that material misstatements, due to inherent limitations, may not be prevented or detected in a timely manner.

## INTRODUCING THE PRINCIPAL FINANCIAL STATEMENTS

### Balance Sheets

Provides comparative information on 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 AOC's assets less liabilities.

### Statements 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.

### Statements of Changes in Net Position

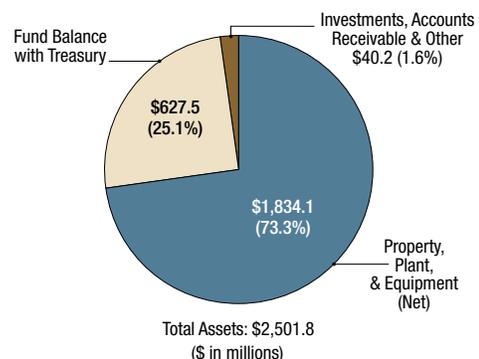
Provides, on a comparative basis, the beginning Net Position, the transactions that affected Net Position during the period and the ending Net Position.

### Statements 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 period.

Property, Plant and Equipment (PP&E) remains AOC's largest asset class, representing 73.3 percent of total assets. PP&E, net of accumulated depreciation, equaled \$1.83 billion at fiscal year-end and decreased slightly from FY 2012. The second largest asset class is Fund Balance with Treasury (FBWT), at \$627 million as of September 30, 2013, or 25.1 percent of AOC's total assets. When grouped together, FBWT and PP&E comprise 98.4 percent of AOC's total assets for FY 2013 (materially unchanged from 98.5 percent of total assets for FY 2012).

**FIGURE 20: Summary of Total Assets**



## FINANCIAL STATEMENTS SUMMARY

CONDENSED BALANCE SHEETS (dollars in thousands)	FY 2013	FY 2012	Percent Change
Fund Balance with Treasury	\$627,490	\$628,173	0%
Investments	37,356	35,020	7%
Accounts Receivable, Net	1,943	3,043	-36%
General Property Plant & Equipment, Net	1,834,061	1,849,766	0%
Inventory and Other Assets	921	846	-9%
<b>Total Assets</b>	<b>\$2,501,771</b>	<b>\$2,516,848</b>	<b>-1%</b>
Debt Held by the Public	\$121,143	\$127,592	-5%
Contingent and Environmental Liabilities	86,394	1,150	7,413%
Actuarial FECA	57,455	51,646	11%
Accrued Annual Leave	16,198	24,005	-33%
Capital Lease Liability	10,339	14,544	-29%
Contract Holdbacks	11,549	19,091	-40%
Other Liabilities	43,970	62,926	-30%
<b>Total Liabilities</b>	<b>\$347,048</b>	<b>\$300,954</b>	<b>15%</b>
Cumulative Result of Operations	1,614,574	1,692,646	-5%
Unexpended Appropriations	540,149	523,248	3%
<b>Total Net Position</b>	<b>\$2,154,723</b>	<b>\$2,215,894</b>	<b>-3%</b>
<b>Total Liabilities and Net Position</b>	<b>\$2,501,771</b>	<b>\$2,516,848</b>	<b>0%</b>

NET COSTS SUMMARY (dollars in thousands)	FY 2013	FY 2012	Percent Change
Gross Cost	\$598,229	\$665,990	-10%
Less: Earned Revenue	(52,752)	(58,053)	-9%
<b>Net Cost of Operations</b>	<b>\$545,477</b>	<b>\$607,937</b>	<b>-10%</b>

The remainder of AOC's assets is comprised of investments, accounts receivable, inventory held for sale in the CVC gift shops and other various asset categories. Investments are composed of two primary instruments: the Capitol Visitor Center Revolving Fund held with the U.S. Treasury (\$10.7 million) and an escrow balance held with the public related to the Thurgood Marshall Federal Judiciary Building (\$26.7 million). Total investments equaled \$37.4 million, an increase of \$2.3 million from FY 2012.

The annual trend in AOC's total assets for FY 2008 through FY 2013 is presented in **Figure 21**. AOC's total assets have increased by 5.1 percent, or \$122 million, since FY 2008 due to the capitalization of several significant construction projects and new facilities. Projects from the past five years include the CVC, Packard Center for Audio-Visual Conservation, Library of Congress' book storage modules at Fort Meade, the Supreme Court modernization and the cost of various projects' Construction Work-in-Progress.

In accordance with the Statement of Federal Financial Accounting Standard (SFFAS) No. 29, *Heritage Assets and Stewardship Land*, the Balance Sheet does not include heritage assets. Heritage assets are unique PP&E that are generally expected to be preserved indefinitely. As such, they are required to be carried at a zero dollar amount. Heritage assets have either

historical or natural significance, are of cultural, educational or artistic importance or have significant architectural characteristics. AOC maintains a large number of heritage assets, including artwork, architectural features, reference and library materials, historic records and living assets such as plant inventories at the U.S. Botanic Garden. An exception to this standard is multi-use heritage assets (i.e., those heritage assets which are primarily used for general government operations). The U.S. Capitol, house office buildings, senate office buildings, the Supreme Court and Thomas Jefferson Building of the Library of Congress are all multi-use heritage assets and included in AOC's PP&E. See the *Required Supplementary Information* for further detail.

## Liabilities

As of September 30, 2013, AOC's total liabilities amounted to \$347.0 million, a \$46.0 million or 15 percent increase from the previous fiscal year (\$301.0 million). This increase is primarily a result of an \$85.2 million increase in Contingent and Environmental Liabilities and a \$5.8 million (11 percent) increase in the Actuarial FECA Liability, offset by decreases in other liabilities. The increase in the Contingent and Environmental Liabilities is pursuant to FASAB Technical bulletin 2006-1, Recognition and Measurement of Asbestos-related Cleanup Costs. AOC recognized the entire asbestos liability in FY 2013. **Figure 22** provides the

FIGURE 21: Trend in Total Assets

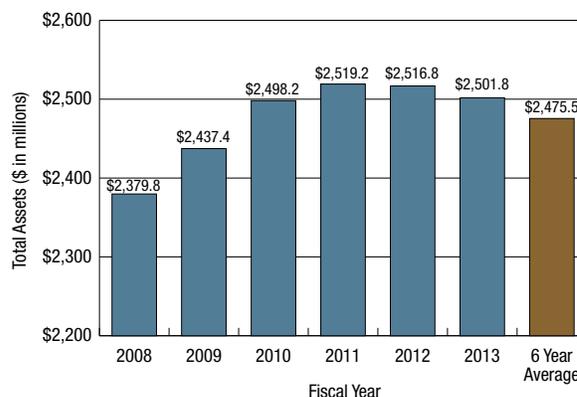
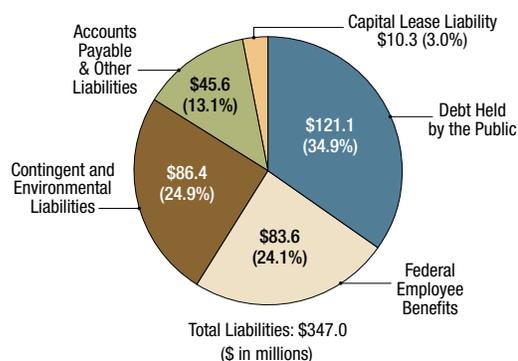
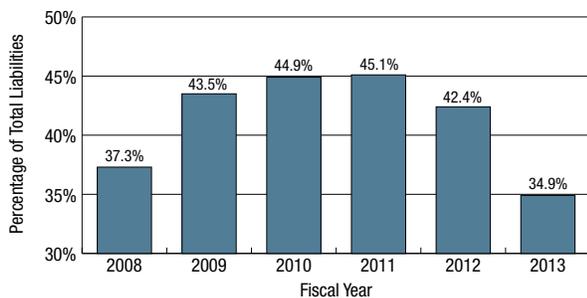


FIGURE 22: Summary of Total Liabilities



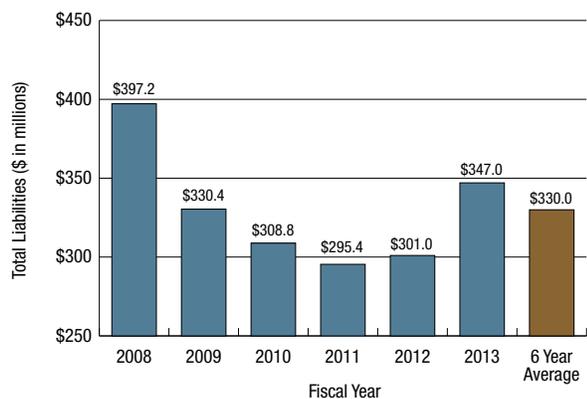
FY 2013 total liabilities by component. Debt Held by the Public continues to be the largest component of total liabilities at 34.9 percent. This liability is the result of 30-year bonds sold to finance the construction of the Thurgood Marshall Federal Judiciary Building and equaled \$121.1 million at the end of FY 2013. In FY 2013, the percentage of AOC's debt held by the public (see **Figure 23**) decreased by 5.1 percent from FY 2012. Liabilities for Federal Employee Benefits, amounted to \$83.5 million. This amount includes the liability associated with the Federal Employees' Compensation Act (FECA) (\$67.3 million) and the liability for Accrued Payroll and Annual Leave (\$16.2 million), which includes salaries and wages earned by employees but not yet disbursed.

**FIGURE 23: AOC Debt Held by the Public**



The annual trend in total liabilities for FY 2008 through FY 2013 is presented in **Figure 24**. Since FY 2008, AOC's total liabilities have decreased by 12.6 percent, or \$50.2 million.

**FIGURE 24: Trend in Total Liabilities**



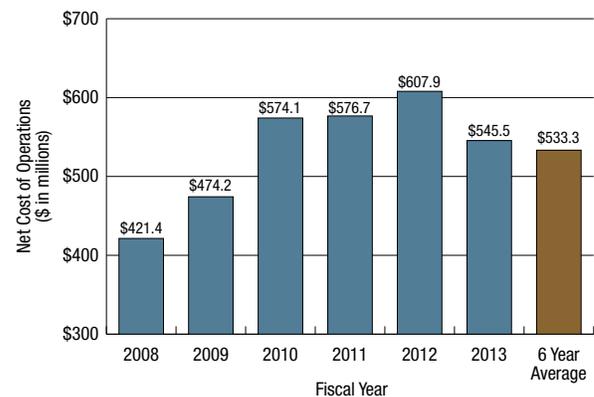
## Results of Operations: The Statement of Net Cost

The Statement of Net Cost presents AOC's net cost of operations by reporting segment (jurisdiction) for fiscal years 2013 and 2012. Net cost includes total costs less all revenues attributed to and permitted to be offset against those costs. AOC's main revenue sources are from providing steam and chilled water to

non-Legislative Branch entities within the U.S. Capitol, reimbursements for Supreme Court facility maintenance costs, rent from the Administrative Office of the U.S. Courts in the Thurgood Marshall Federal Judiciary Building and CVC gift shop sales. The net cost of operations in FY 2013 for AOC totaled \$545.5 million, a decrease of \$62.4 million or 10.3 percent from FY 2012.

The six-year trend in AOC's net cost of operations from FY 2008 through FY 2013 is presented in **Figure 25**. The 29.4 percent increase since FY 2008 (not adjusted for inflation) reflects the costs associated with AOC's new mission areas such as CVC visitor services operations, new program areas such as energy savings and sustainability, as well as the rise in utility rates, the increased cost of construction materials and other increases that have added to the higher cost of day-to-day operations.

**FIGURE 25: Trend in Net Cost of Operations**



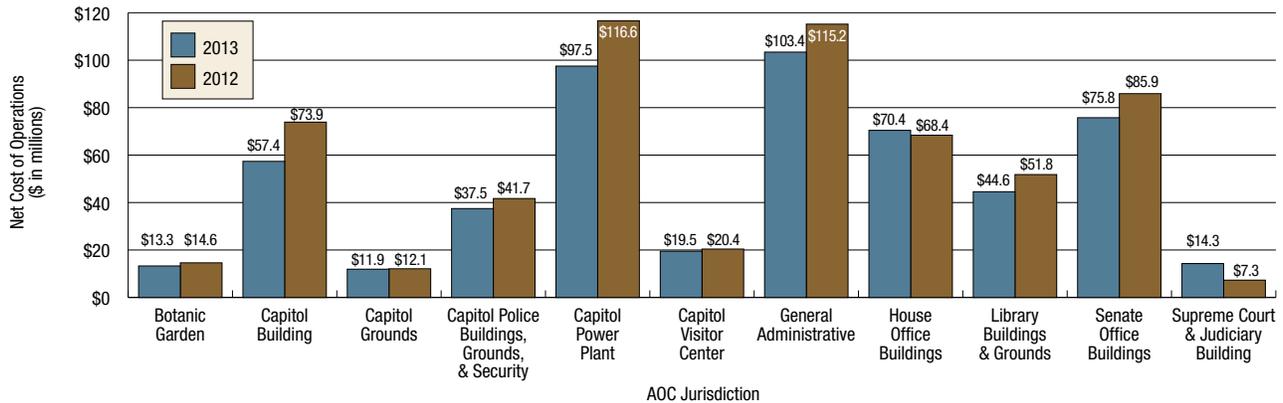
A comparison of AOC's total net cost by jurisdiction for FY 2013 and FY 2012 is displayed in **Figure 26**. Material changes year-over-year were seen in the AOC Capitol Building, AOC Capitol Police Buildings, Grounds and Security, AOC Utilities and Capitol Power Plant and AOC Supreme Court Building and Grounds. The AOC Capitol Building's net cost of operations decreased by \$16.5 million (22.3 percent), the AOC Capitol Police Buildings, Grounds and Security's costs decreased by \$4.3 million (10.2 percent), the AOC Utilities and Capitol Power Plant's costs decreased by \$19.1 million (16.4 percent) and the AOC Supreme Court Building and Grounds' costs increased by \$6.9 million (94.6 percent).

## Resources Used to Achieve Strategic Goals

To accomplish its mission, AOC's Strategic Vision identifies four strategic goals. **Figure 27** displays the breakdown of the organization's cost expenditures by Strategic Goal for FY 2013.

The majority of AOC's expenditures (71.8 percent) were attributed to achieving Goal 3 (*Awe-Inspiring Facilities*) and 19.9 percent toward Goal 4 (*Extraordinary Services*). These areas form the core of AOC's mission. The remainder was devoted to achieving Goals 1 and 2 (*One Team, One Mission and Innovative and Empowered Workforce*)—two "support" goals that help AOC

**FIGURE 26: Summary of Net Cost of Operations by AOC Responsibility Segment**



implement the business practices necessary to accomplish its mission effectively and efficiently. The budgetary resources used to fund these expenditures are detailed in the *Overview on Use of Budgetary Resources* section. Though only a small portion of AOC's resources are committed to Goals 1 and 2, management believes these expenditures are critical to forming a culture of teamwork, innovation and idea sharing.

AOC's cost data has helped link resources to performance results. Through FY 2012, AOC submitted a performance-informed budget that mapped the desired funding to strategic goals and key performance objectives. In its FY 2013 budget cycle, AOC created a zero-based budget and used its cost data to develop its budget requirements. For its FY 2013 budget, AOC considered the impact of a potential sequestration and used its cost data to develop a plan to minimize the impact of such budget cuts on AOC's mission and operations.

**Earned Revenues by Source**

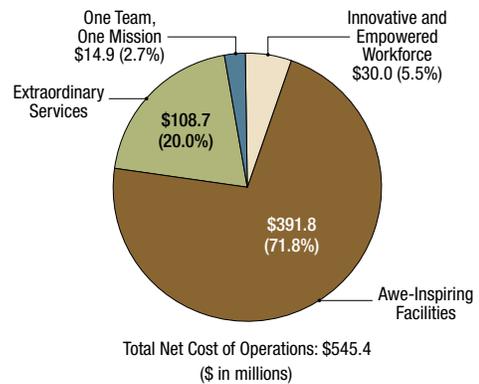
Two of AOC's major sources of revenue for the fiscal year ending September 30, 2013, are intra-governmental reimbursements from the Judicial Branch for facility operations in the Supreme Court and Thurgood Marshall Federal Judiciary Building (\$32.1 million) and reimbursements from the U.S. Capitol Police for costs related to the radio modernization project (\$6.6 million). The remainder of earned revenues is comprised of sources that are earned year-to-year and are depicted in **Figure 28**. Reimbursements to the AOC Utilities and Capitol Power Plant for steam and chilled water (\$8.7 million) make up the majority of these revenues and the balance consists of CVC gift shop sales, food service commissions, rent and recycling proceeds. AOC invests recycling program proceeds into programs or activities to improve the environment or promote energy savings through its Recycling Program Revolving Fund.

**Overview of Net Position**

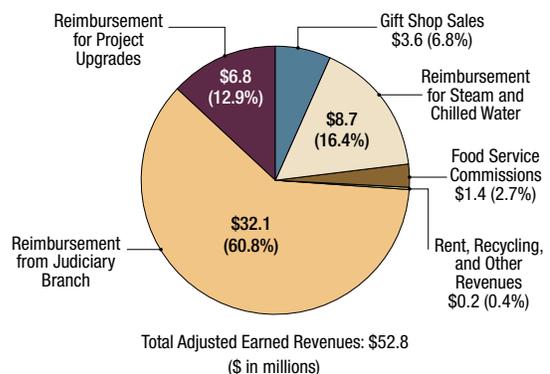
The Statement of Changes in Net Position identifies all financing sources available to, or used by, AOC to support its net cost of operations and also identifies the net change in its financial position. Net position is the sum of two components: Cumulative Results of Operations and Unexpended Appropriations. Each

component is displayed separately to facilitate more detailed understanding of the changes to Net Position as a whole. AOC's Net Position at the end of FY 2013 on the Balance Sheet and the Statement of Changes in Net Position was \$2.15 billion, a \$61.2 million (2.8 percent) decrease from the prior fiscal year. The change primarily resulted from a decrease in Net Cost of Operations, explained in more detail above.

**FIGURE 27: Net Cost of Operations by Strategic Goal**



**FIGURE 28: Earned Revenues by Source**



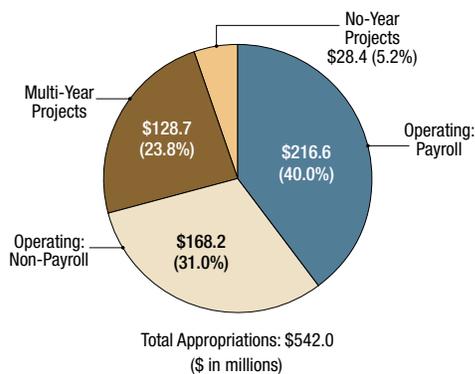
## Overview on Use of Budgetary Resources

The Statement of Budgetary Resources (SBR) provides data on how 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), which provides information on the status of AOC's congressional spending authority.

AOC's appropriations consist of two components: an operating budget component and a capital projects budget component. Separate appropriations are enacted for each of AOC's jurisdictions. Operating budgets fund the day-to-day operations of all AOC jurisdictions. Payroll is the largest single component of AOC's operating budget, representing 40 percent of AOC's total FY 2013 budget at \$216.6 million. Other operating expenses include equipment, utilities, supplies and general support contracts. The capital projects budget includes funds for construction, upgrades, improvements and preservation of the facilities under AOC's stewardship. **Figure 29** shows the breakout of AOC's FY 2013 appropriations. AOC's FY 2013 appropriations reflect a \$33.7 million decrease from FY 2012.

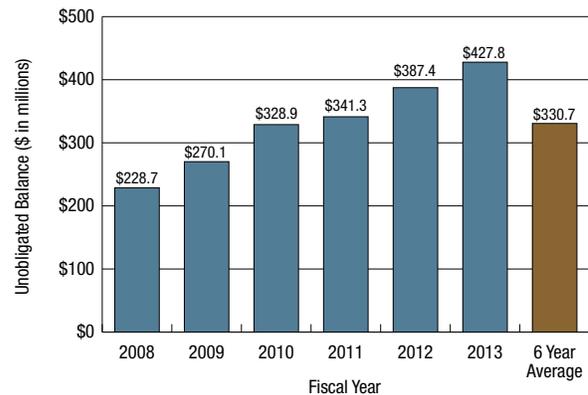
To assist with revitalization projects on major historical buildings and assets, Congress created the House Historic Buildings Revitalization Trust Fund in FY 2010 to help fund the cost of certain long-term rehabilitation projects. Despite AOC's progress over the last several years in identifying and prioritizing its deferred maintenance priorities, many historic buildings continue to require significant funding for maintenance and refurbishment. Currently, resource levels have been insufficient to address both the existing and new facility maintenance issues for which AOC is responsible. For more information on this daunting challenge, please refer to *Management Challenges and Looking Ahead: Deferred Maintenance and Capital Renewal Requirements* section in this report.

**FIGURE 29: Total Appropriations**



As part of managing its budgetary resources, AOC tracks its unobligated balance on a regular basis. AOC's unobligated balance represents the unexpended appropriation amount (\$427.8 million at year-end) and tends to fluctuate directly with the number of construction projects in the pipeline. Because projects are often funded with multi-year and sometimes no-year appropriations, AOC's unobligated balance could be misleading to the average reader. Funds that are marked unobligated in its financial systems are typically set aside for specific construction projects that have a multi-year project cycle. AOC's six-year trend in unobligated balances is reflected in **Figure 30**.

**FIGURE 30: Trend in End of Year Unobligated Balance**



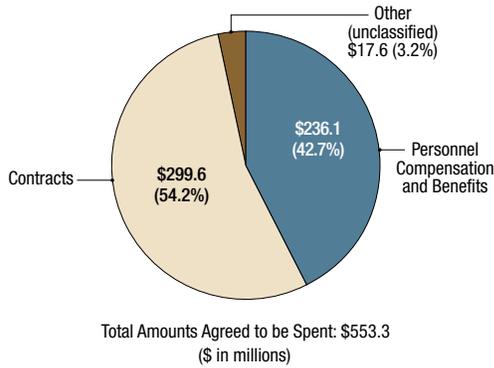
## Schedule of Spending (Unaudited)

The Schedule of Spending is not a required financial report and therefore was not audited. The schedule is intended to provide an easy-to-understand illustration of AOC's available funds and how AOC spent those funds. Standard accounting terms are modified to improve the understanding of common accounting concepts for the general public. For example, the line item labeled *What Money is Available to Spend* begins with Total Resources, which matches the Total Budgetary Resources line in AOC's SBR. Similarly, the *How was the Money Spent* section equals Obligations Incurred in the SBR. The Schedule of Spending is in *Section IV: Other Information* section of this report.

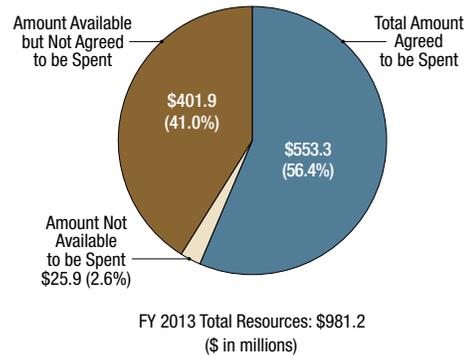
**Figure 31** shows how AOC's appropriations were spent in 2013, by category. As illustrated, personnel compensation (42.7 percent) and contractual services (54.2 percent) represent over 96 percent of AOC's spending.

**Figure 32** breaks out AOC's available resources into the amount agreed to be spent, the amount available but not agreed to be spent and the amount not available to be spent. As shown, the majority of AOC's available resources are made of funds agreed to be spent (56.4 percent), or obligations incurred in FY 2013.

**FIGURE 31: How Was the Money Spent?**



**FIGURE 32: What Money is Available to Spend?**



**Limitation of Financial Statements**

Management prepares the accompanying financial statements to report the financial position and results of operations for AOC pursuant to the requirements of Chapter 31 of the U.S. Code Section 3515(b). While these statements have been prepared from AOC's books and records in accordance with the spirit of OMB Circular A-136, Financial Reporting Requirements, GAAP and other applicable authority, these statements are in

addition to the financial reports and are prepared from the same books and records used to monitor and control the budgetary resources. These statements should be read with the understanding 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.

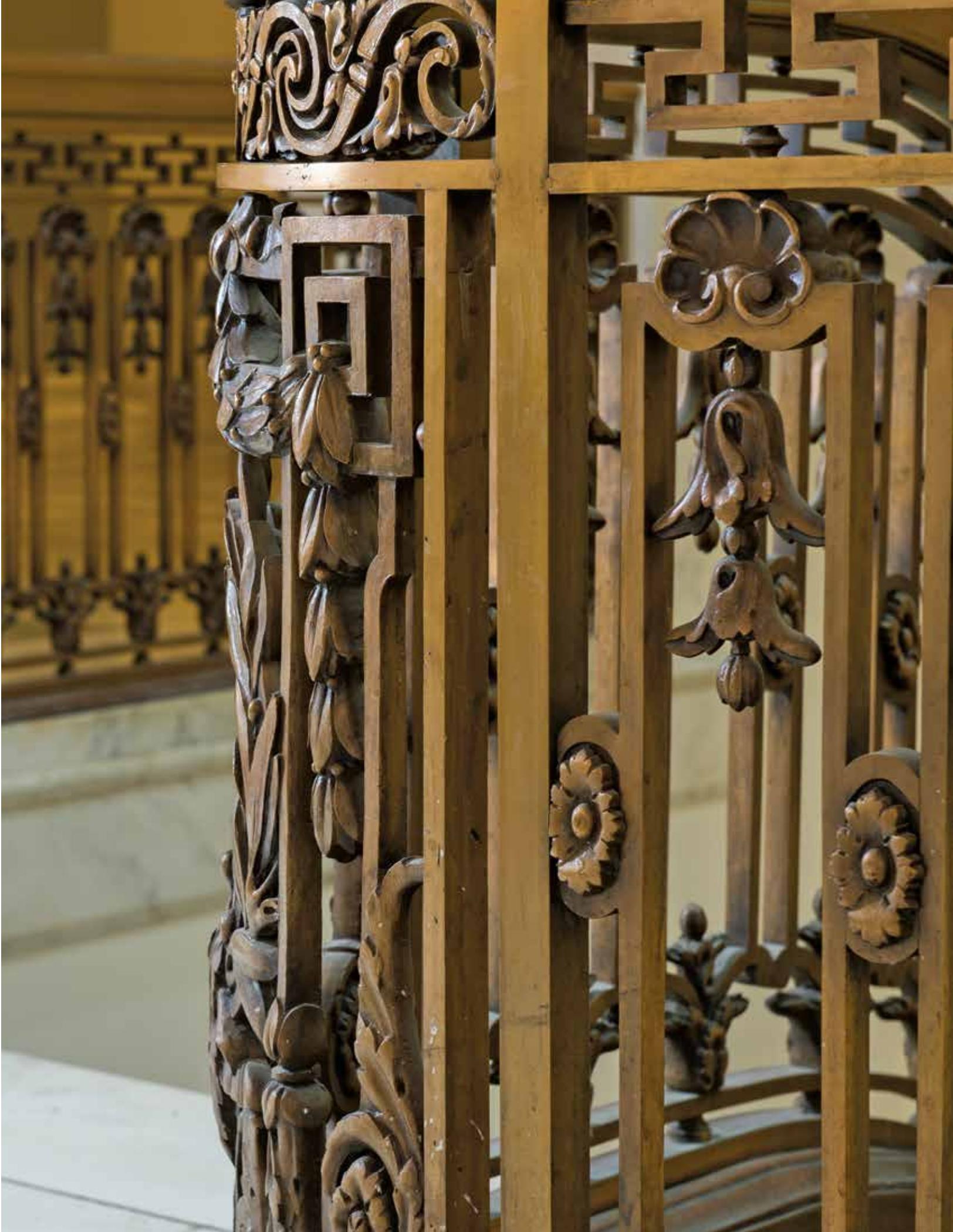


**LENNY CAUDILL AND DICK CRICHLOW**

*AOC Supreme Court Buildings and Grounds*

Lenny and Dick exemplify the facility management support and specialty trade-work that AOC provides to the Supreme Court. Lenny has been instrumental in providing day-to-day facility management support at the Thurgood Marshall Federal Judiciary Building. He has instituted new business processes to better track and manage work orders and has proactively identified capital renewal projects. Dick has served the AOC Supreme Court Buildings and Grounds as a decorative painter for over a decade. As an exceptionally competent veteran craftsman, he often takes on the most challenging assignments. He recently completed the faux painting of drywall to mirror the marbled finish of the surrounding walls in several locations throughout the Supreme Court.

SERVE | PRESERVE | INSPIRE





## JAMES BANKS

*AOC Capitol Grounds*

James has served AOC Capitol Grounds as a gardener for over 25 years. He is a consummate professional who prioritizes his commitment to caring for the 290 acres of grounds on Capitol Hill. On a daily basis, he demonstrates the professionalism and integrity of AOC's employees and the agency's dedication to providing quality services and the pride and honor of serving Congress, the Supreme Court and the American people.



SERVE | PRESERVE | INSPIRE

## SECTION II:



# Performance Information

## Introduction

This section presents AOC's FY 2013 performance against its strategic goals identified in the *Strategic Vision and Five-Year Focus* (covering Fiscal Years 2012 through 2016). The initiatives and underlying strategies AOC undertook in FY 2013 to achieve the goals and a detailed report of FY 2013 performance results are included.

AOC's Strategic Vision is composed of four strategic goals that support the organization's mission. Each goal contains performance objectives and strategies. The objectives under the first two goals focus on promoting a culture of integrity, teamwork and accountability. The final two goals guide principal program areas related to operational support, project delivery, preservation of heritage assets and historic structures and visitor services. AOC uses performance indicators (metrics or measures), when available, to monitor progress against the strategies within the objectives. For FY 2013, AOC reported on 12 strategic objectives and 14 performance metrics. AOC met the performance targets for nine of the metrics, did not meet the performance targets for one metric, and four metrics did not have quantifiable targets.

AOC's Strategic Vision is available online at <http://www.aoc.gov/sites/default/files/documents/basic-page/AOC-strategic-vision.pdf>.

## AOC Strategic Vision and Five-Year Focus

Fiscal Year 2013 represented the second year AOC operated under its *Strategic Vision and Five-Year Focus* (covering Fiscal Years 2012 through 2016). The strategic goals under this vision—*One Team, One Mission; Innovative and Empowered Workforce; Awe-Inspiring Facilities*; and *Extraordinary Services*—represent the essential elements of success for AOC. These goals provide the long-term focus of the organization whereas the strategies under the goals form the more near-term focus (i.e., the Five-Year Focus). AOC has identified 35 strategies to achieve the goals. In FY 2013, AOC selected 17 of the strategies on which to focus.

AOC has implemented the Strategic Vision at all levels of the organization as shown in the governance structure. Each strategic goal is represented by goal leads that are responsible for directing implementation of the goals. In FY 2013, AOC doubled the number of goal leads to two per goal and

## MISSION, VISION, VALUES

### MISSION:

- To **serve** Congress and the Supreme Court, **preserve** America's Capitol and **inspire** memorable experiences.

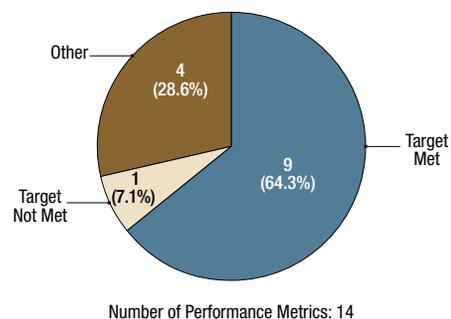
### VISION:

- We will be an exceptional team, acclaimed for superior service, recognized as trusted stewards, and renowned for enriching people's lives.

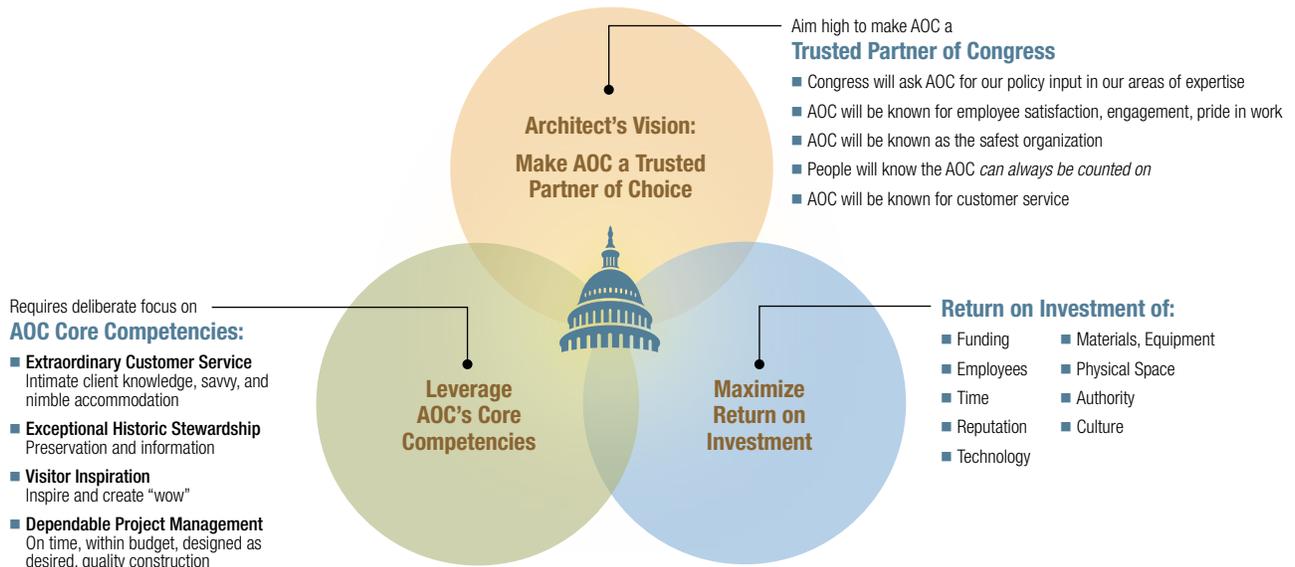
### VALUES:

- The **professionalism** and **integrity** of each AOC employee demonstrates our dedication to providing quality services and our commitment to holding ourselves to the highest standards.
- We recognize that we do our best work through **teamwork**, each of us lending our individual strengths and talents to the greater goal of the entire team. We respect each other and rely on each other in our efforts to make the AOC a center of excellence.
- We take great **pride** in what we do and in the honor of serving Congress, the Supreme Court, and the American people each and every day.

FIGURE 33: Strategic Goal Performance Results



**FIGURE 34: Criteria for Prioritization**



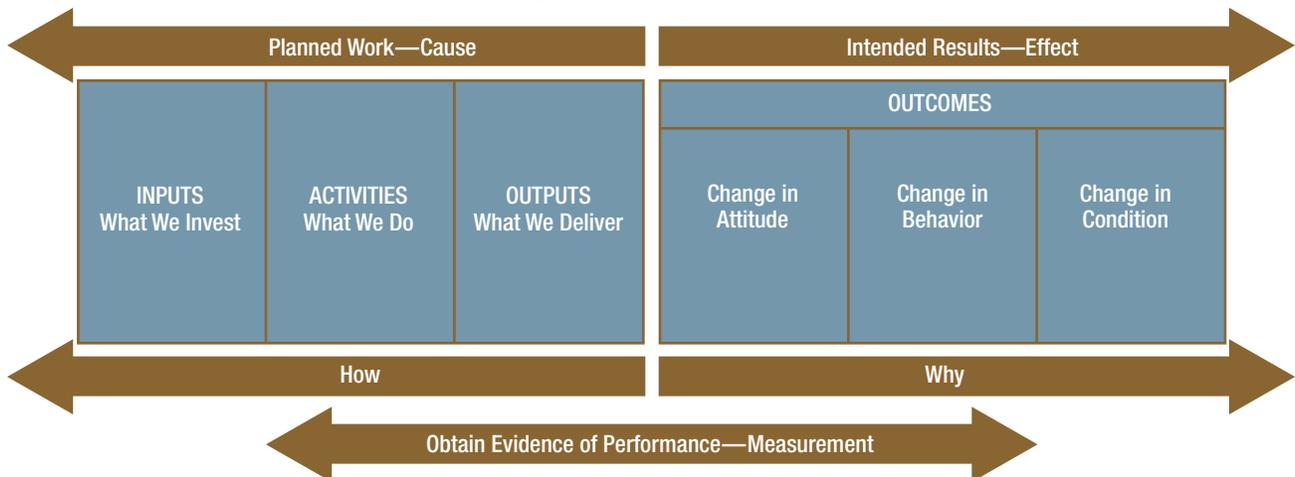
implemented monthly meetings for the goal leads. Each strategy is assigned to individual Strategy Owners who are responsible for Strategy Teams that bring together employees throughout the organization. AOC held a Strategy Owner Summit in FY 2013 that convened the 35 Strategy Owners. The owners of the 17 in-focus strategies provided status reports intended to increase the Strategy Owners understanding of all components of the Strategic Vision and to identify dependencies or duplication between strategies, initiatives, deliverables and ongoing operations to ensure efficient scheduling.

In an effort to better align its strategic efforts with the current operational and fiscal environment, AOC's management conducted a comprehensive review of the strategic priorities

and identified strategic efforts for four of those priorities (one per goal) to strengthen the AOC organizational culture going forward. The priorities were identified based on their alignment with the Architect's vision to make AOC Congress' trusted partner of choice, their focus on leveraging AOC's core competencies and their ability to maximize AOC's return on investment. These priorities include:

- Customer service
- Risk Management
- Responsibility, Accountability, Trust and Engagement
- Facilities Planning and Project Management

**AOC's Logic Model helps to align the AOC workforce with the performance strategy.**



Other efforts to focus AOC's Strategic Vision efforts included increasing the number of senior leaders responsible for directing implementation of the strategic goals and quarterly meetings focusing on strategic issues for the executive leadership. AOC held working sessions for employees designed to unify the organization under the Strategic Vision, to create enthusiasm and momentum for the Strategic Vision, to give managers support in achieving the Strategic Vision and to demonstrate how to achieve the Strategic Vision in their daily operations.

## Performance Management

AOC has published an annual performance and accountability report since FY 2005 as a means to promote transparency and accountability. AOC does so voluntarily following the guidelines set for Executive Branch agencies under the Government Performance and Results Act, the Government Performance and Results Modernization Act of 2010 and other federal management regulations.

AOC strives to achieve a high level of performance in advancing its strategic goals. Since FY 2004, AOC has maintained an Executive Dashboard to monitor and manage performance results. The Executive Dashboard has evolved since its development to better reflect AOC's mission and Strategic Vision. AOC adds metrics to track changing priorities and removes obsolete metrics once they are no longer pertinent. In FY 2013, the Executive Dashboard was completed with a full range of metrics aligned with the Strategic Vision.

AOC focused its Strategic Vision with 17 selected strategies for FY 2013 and completed Logic Models for each of these strategies. **Table 11** identifies the 17 FY 2013 strategies.

The data from the logic models is recorded in a database that provides real-time reporting to AOC management. The metrics

used to measure each strategy are provided in this section. Most of the metrics are well established and include current year data along with data for the previous five years (six years in total). As AOC implements new strategies and new data becomes available, AOC will develop a more comprehensive and robust set of performance metrics. **Table 12** outlines the strategic objectives and performance metrics by strategic goal for FY 2013.

**TABLE 12: Strategic Objectives and Performance Metrics**

Strategic Goal	Strategic Objectives	Performance Metrics
One Team, One Mission	3	4
Innovative and Empowered Workforce	3	2
Awe-Inspiring Facilities	4	6
Extraordinary Services	2	2
<b>Total</b>	<b>12</b>	<b>14</b>

In some instances, the goals, objectives and strategies do not lend themselves to objective measurements. In these cases, the report provides specific accomplishments from throughout the fiscal year that reflect the objectives and AOC's efforts to meet the goals. While these accomplishments often are not quantifiable, they are still important indicators of AOC's performance.

AOC received recognition in FY 2013 through numerous external awards. This recognition is another indicator of performance. The awards include:

- The Association of Government Accountants *Certificate of Excellence in Accountability Reporting* in recognition of the *FY 2012 Performance and Accountability Report*
- The Association of Energy Engineers Region II *Corporate Energy Management Award* in recognition of AOC's energy management program

**TABLE 11: FY 2013 Strategies**

Goals	Strategic Name
<b>One Team, One Mission</b>	Enhance the foundation on which AOC develops and delivers results and strengthen the agency's reputation for excellence
	Streamline AOC internal operations for enhanced efficiency and effectiveness
	Create and engage in proactive risk management processes
	Build a consistent data framework to manage knowledge as an agency asset and drive productivity
<b>Innovative and Empowered Workforce</b>	Enhance opportunities for personal and professional growth
	Cultivate a work environment of trust and employee engagement
	Encourage Workplace Innovation, new ideas, and solutions
	Instill and foster accountability and responsibility
<b>Awe-Inspiring Facilities</b>	Leverage technologies to improve facility management and increase operational efficiency
	Establish a world-class facility cleaning program
	Establish a world-class landscapes and gardens program
	Establish a world-class maintenance program
	Prepare our facilities to be a model workplace of the future
<b>Extraordinary Services</b>	Improve AOC service delivery for both internal and external customers and clients
	Increase efficiencies and transparency in the AOC acquisition process
	Enhance AOC efficiency through integrated services
	Enhance memorable visitor experiences that educate, inform and inspire

- The Washington Building Congress *2013 Craftsmanship Award* for U.S. Capitol's Construction Division Emergency Lighting and Electrical Services Upgrade
- The Engineering News-Record Mid-Atlantic *Renovation/Restoration Award of Merit* for the U.S. Capitol Dome Skirt Restoration
- The Construction Management Association of America National Capital Chapter's *Project Achievement Award* for the U.S. Capitol Dome Skirt Restoration Project (projects with a constructed value of less than \$30 million)
- The Construction Management Association of America National Capital Chapter's *Project Achievement Award* for the interior rehabilitation of the East and West House Underground Garages (projects with a constructed value of less than \$50 million)
- The Construction Management Association of America National Capital Chapter's *Project Achievement Award* for the Capitol Power Plan Tunnel Rehabilitation Program (projects with a constructed value of more than \$100 million)
- Allow strategy owners and strategy teams to work with process owners to develop performance targets
- Use applied metrology techniques to identify sources, validate data and generate meaningful information
- Review and discuss performance results in a monthly Senior Leadership meeting
- Issue quarterly reports on strategy progress and challenges

The performance metrics provided in this section cite the applicable data source. AOC utilizes automated data collection systems when available but some performance metrics require manual data retrieval. AOC has instituted controls to ensure the validity of the presented data. These controls include restricting permissible values, flagging outliers for review and mapping results for visual checks.

In addition to the regularly monitored metrics, in FY 2013 AOC reported on performance metrics that correspond to 17 of 35 total strategies identified in the Strategic Vision. The remaining strategies are scheduled for implementation later in the five-year cycle for the Strategic Vision.

Not all performance metrics have targets. Instead, some strategies use performance indicators. For these performance indicators, AOC established "Intents" rather than targets. These indicators have enough precision to allow AOC to monitor progress towards its long-term goals, but do not lend themselves to the establishment of quantifiable targets. The results of these indicators are reported as "Other."

In FY 2013, AOC did not conduct research or program evaluations.

## Data Validation

AOC uses objective data to drive performance management decisions. The Executive Dashboard is AOC's primary tool to measure performance and it is maintained to reflect the most relevant targets, data and strategies. In addition, AOC's performance management approach includes the following key processes:

- Establish long-term targets through the *Strategic Vision* and *Five-Year Focus*



AOC's efforts to meet its stewardship responsibilities for the facilities and grounds on Capitol Hill are guided by the *Strategic Vision* and *Five-Year Focus*.

## STRATEGIC GOAL 1: One Team, One Mission

### United in Excellence

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

The purpose of this goal is to promote collaboration within and amongst the jurisdictions and administrative offices and is intended to create a more efficient and effective organization. The various responsibilities, challenges and requirements within the organization are unified under this goal to ensure AOC remains focused on its mission to Serve, Preserve and Inspire. This goal is intended to improve current processes by cross-jurisdictional collaboration, reduce redundancies by intra-agency cooperation and focus the organization on AOC-wide improvements and projects.

*One Team, One Mission* includes three strategic objectives:

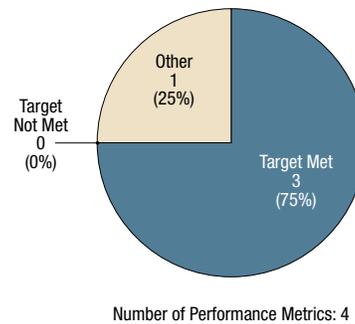
- Cultivate an organizational culture of learning, sharing and support
- Utilize AOC resources efficiently
- Collaboratively develop and implement standardized processes, policies and programs

The performance results achieved in FY 2013 for this goal are depicted in **Figure 35**.

### ONE TEAM, ONE MISSION ACTIVITIES FOCUS ON:

- Improving current processes by learning from each other and from external sources
- Fostering intra- and inter-organization collaboration
- Focusing on projects with AOC-wide impact

**FIGURE 35: Results Achieved for  
*One Team, One Mission***



## FOCUS ON...PRESIDENTIAL INAUGURATION

The 57th Presidential Inauguration ceremony, held on January 21, 2013, was the largest public event AOC supported in FY 2013. AOC's responsibilities included erecting the inaugural platform on the U.S. Capitol's West Front, setting up the necessary seating and fencing on the grounds and coordinating other activities with the Joint Congressional Committee on the Inaugural Ceremonies regarding all of the physical arrangements necessary to accommodate this event. Planning for the 2013 inauguration began almost immediately after the 2009 inauguration concluded.

The inaugural platform is constructed entirely from scratch for each ceremony. The 2013 inaugural platform required 22,000 sheets of plywood, seven tractor-trailer loads of framing lumber, seven dump trucks of sand, more than 23 miles of cabling and 1,000 cubic yards of mulch. In addition, AOC provided nearly 30,000 chairs, 505 portable toilet facilities, 2,500 rain ponchos and 1,700 blankets for the inauguration.

More information on AOC's responsibilities during the inauguration ceremony is available at <http://www.aoc.gov/press-room/one-team-one-mission-one-day>.



**STRATEGIC OBJECTIVE 1.1:**  
**Cultivate an Organizational Culture of Learning, Sharing and Support**

AOC's strategies for this objective include:

- Enhance the foundation on which AOC develops and delivers results and strengthen the agency's reputation for excellence
- Increase the use of cross functional teams drawn from across the agency to develop and share solutions to common challenges
- Expand external collaboration to enhance innovation, deliver better value and exceed expectations
- Participate and actively engage in professional associations and partnerships

In FY 2013, AOC focused on enhancing the foundation on which it develops and delivers results and strengthening its reputation for excellence. AOC efforts to establish an operational performance framework fall under this objective. In FY 2013, AOC worked to promote efficient standardized business practices across the organization. The Strategy Team drafted a policy requiring the documentation of the framework and standard operating procedures. AOC also selected a data warehousing system to collect and share AOC business processes and procedures. This system will allow for distribution across the agency.

AOC's investment in its employees' education and training also falls under this strategy. As a service organization, AOC's employees are paramount to its success and investment in learning provides the most basic foundation for ensuring positive results. Progress under this strategy is measured by AOC's investment in learning. Figure 36 displays the AOC's investment in learning.

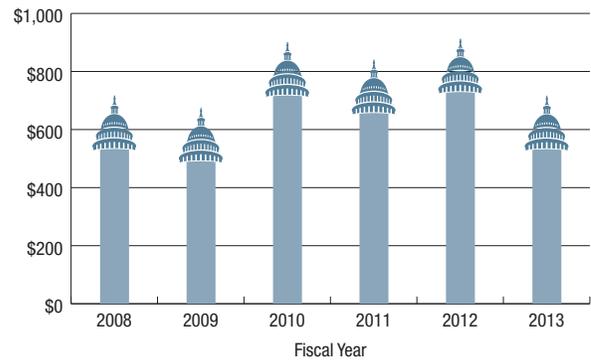
**Performance Metric: Sustain Investment in Learning**

FY 2013 Target	No Target Assigned
Performance	\$718.57 per employee
Target Met	Other

AOC's efforts to sustain learning and professional development in its workforce are measured by the average per capita amount spent on education. Actual expenditures on training fell from \$915.32 in FY 2012 to \$718.57 per employee in FY 2013. The reduction from previous years was due to management efforts to cut costs agency wide. However, AOC implemented and expanded alternative programs, such as the ExCEL and the Architect's Mobility Program (see **Table 18**, Figure 39 and the Focus On section on page 45) to sustain employee learning and development. This metric has changed from that reported in FY 2012. In FY 2012, the metric showed total expenditures for training for the agency. By providing a per capita average, the metric better reflects agency investment in its employees training. AOC did not establish a target for this indicator due to the various factors that influence availability of training funds.

**Future Strategy Efforts:** In FY 2014, AOC will implement policy requiring documentation of organizational knowledge and deploy the processes and technology to centralize this documentation and make it available to the organization. These efforts will promote intra-organizational collaboration and allow AOC to function as a more unified and efficient organization.

**FIGURE 36: Investment in Learning**



**TABLE 13: Investment in Learning (Per Capita Investment)**

Fiscal Year	2008	2009	2010	2011	2012	2013
Target	No Target Assigned					
Performance	\$719.40	\$677.13	\$903.42	\$843.15	\$915.32	\$718.57
Target Met	Other	Other	Other	Other	Other	Other

**Definition:** Total expenditures on training activities divided by average number of employees for the fiscal year

**Source:** Financial Management System

## STRATEGIC OBJECTIVE 1.2: Utilize AOC Resources Efficiently

AOC's strategies for this objective include:

- Expanding the adoption of best practices where beneficial
- Streamlining AOC internal operations for enhanced efficiency and effectiveness
- Maximizing the effectiveness of financial information in the decision making process

In FY 2013, AOC focused on streamlining internal operations for enhanced efficiency and effectiveness. Efforts under this strategy consolidated shared services, reduced redundancies and improved efficiencies—and in doing so reduced costs. **Table 14**

highlights specific efforts AOC has undertaken to achieve cost savings. AOC also continued to further identify areas to streamline and consolidate operations that included development of a list of additional opportunities for submission to AOC senior leadership. AOC specifically researched the feasibility of creating a consolidated AOC call center as well as a centralized inventory and warehouse center. These efforts may improve efficiencies across the organization and reduce redundant operations.

AOC tracks performance on this objective through metrics that monitor operational processes and labor requirements. Enhanced efficiencies and improved effectiveness is expected to manifest in reduced processing times and reduced labor hours (specifically overtime labor hours).

**TABLE 14: Highlights of AOC Cost Savings and Cost Avoidance Initiatives**

Project or Program	Initiative	Estimated Cost Savings/Avoidance
CVC custodial contract transition	Transitioned responsibility for cleaning the CVC in-house to the AOC Capitol Building Labor Division	\$1,087,000
HVAC curtailment in Senate Office Buildings	Reduced energy usage by implementing floating temperature ranges during non-working hours	\$875,000
Campus-wide shuttle bus service	Terminated operations of the AOC shuttle bus service	\$250,000
Support for post-election office moves	Utilized in-house resources to assist in post-election office moves in the AOC Senate Office Buildings	\$150,000
Air handling units shut down	Reduced energy costs by shutting down air handling units in the James Madison Memorial Building overnight using existing building automation systems	\$125,000



## VALERIE BROOME

*Human Capital Management Division*

As a Human Resources Training Specialist for AOC's Human Capital Management Division Training and Employee Development Branch, Valerie exemplifies AOC's dedication to providing quality services and commitment to the highest standards. Her willingness to extend her expertise in the strategic planning process inspires others to work together collaboratively to improve responsibility, accountability, trust and employee engagement. By proposing creative training solutions to develop employees' unique talents, Valerie has exhibited dedication to continuous service and positive professionalism.

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**Performance Metric: Adherence to Hiring Cycle Time**

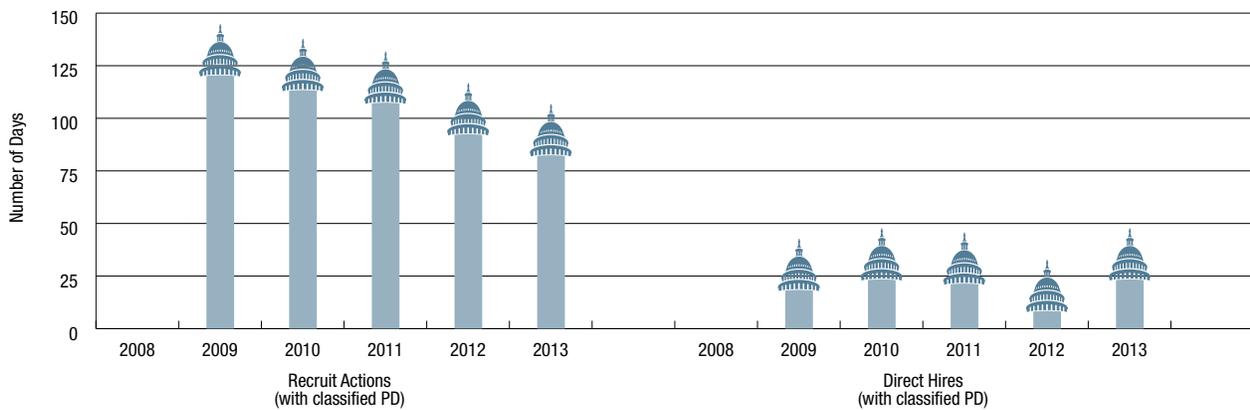
	Recruiting Actions	Direct Hires
FY 2013 Target	150 Days	60 Days
Performance	107 Days	48 Days
Target Met	Met	Met

The Adherence to Hiring Cycle Time metric provides a quantifiable measure of efficiency for two processes: recruitment actions and direct hires. The average number of days required to fill a vacancy (from request to the time a new employee begins work)

is an indicator of AOC’s ability to function at full capacity. The longer positions remain vacant, the greater the impact to the agency’s performance. Cycle times for recruiting actions and direct hires met the FY 2013 targets. **Figure 37** and **Table 15** provide the six-year trend data for this metric (data is not available for FY 2008). Hiring times for recruiting actions continue the decreasing trend.

In FY 2012, AOC reported cycle times for these processes under two categories, those with and those without classified position descriptions. In FY 2013, all of the positions filled required classification.

**FIGURE 37: Hiring Cycle Time**



**TABLE 15: Hiring Cycle Times**

Target: Recruiting actions are completed within 150 days and direct hire actions are completed within 60 days.						
Fiscal Year	2008	2009	2010	2011	2012	2013
Target (Recruiting Action/ Direct Hires)	N/A	150/60	150/60	150/60	150/60	150/60
Performance (Recruiting Action/ Direct Hires)	N/A	145/43	138/48	132/46	118/32	107/48
Target Met	N/A	Met	Met	Met	Met	Met

**Definition:** Average number of days to fill a vacancy (from request to date employee on-boards).

**Source:** CAO Dashboard

**Performance Metric: Reduction in Overtime**

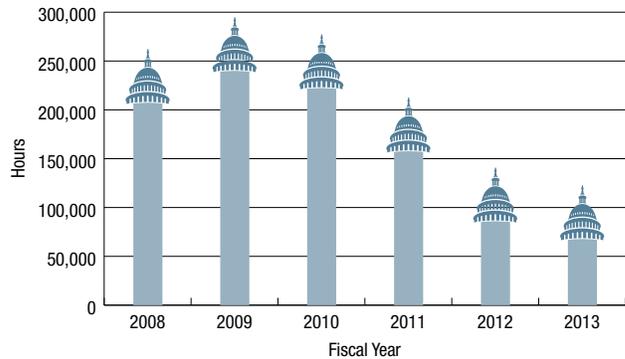
FY 2013 Target	<141,529 hours
Performance	123,361 hours
Target Met	Met

AOC measures organizational efficiency through the number of overtime hours used during the fiscal year. AOC's FY 2013 overtime usage was 123,361 hours, a decrease for the fourth consecutive year. The FY 2013 overtime usage represents a 13 percent reduction over FY 2012 and a 42 percent reduction over FY 2011—the previous fiscal year when AOC supported congressional moves. **Figure 38** and **Table 16** show the historical trend of overtime hours since FY 2008.

**Future Strategy Efforts:** In FY 2014, AOC will continue to pursue opportunities to streamline organizational operations. AOC's senior leaders will receive recommendations for consolidation and will determine which to implement. In addition, AOC will overhaul its human capital automation system which could impact hiring processes while the system deployment is underway.

Over the next few years, AOC will transition to the U.S. Department of Treasury's Human Resources Information System, HR Connect. This decision is the result of a lengthy benchmarking study and will provide AOC with a system designed for federal employee management and maintained by the Federal Government.

**FIGURE 38: Overtime Usage**



**TABLE 16: Usage of Overtime Hours**

Fiscal Year	2008	2009	2010	2011	2012	2013
Target	N/A	<262,897	<295,508	<277,924	<213,243	<141,529
Performance	262,897	295,508	277,924	213,243	141,529	123,361
Target Met	N/A	Not Met	Met	Met	Met	Met

Definition: Total overtime hours recorded in AOC's time and attendance system  
 Source: Executive Dashboard



**JAMES MYERS AND WILLIAM LEWIS**

*AOC Utilities and Capitol Power Plant*

James and William exemplify the dedication and extraordinary service AOC provides that has allowed the Capitol Power Plant to operate continuously for over 100 years. James' positive attitude and focus on details has made him a role model for younger insulators in his shop. He mentors his colleagues and volunteers in AOC's program at the Phelps School, his alma mater. William exemplifies extraordinary service and dedication to the AOC mission. As an Operations Shift Supervisor, he rotates between working days and nights to ensure that the Capitol Power Plant continues to operate around the clock.

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**STRATEGIC OBJECTIVE 1.3:**  
**Collaboratively Develop and Implement**  
**Standardized Processes, Policies and Programs**

AOC's strategies for this objective include:

- Create and engage in proactive risk management processes
- Establish and implement a program that drives quality improvement throughout the agency
- Build a consistent data framework to manage knowledge as an agency asset and drive productivity

In FY 2013, AOC efforts to build a consistent data framework to manage knowledge and drive productivity included the development of a charter for the Data Management Program. This program will make consistent, reliable, transparent, trustworthy and integrated data available for sharing that supports AOC's business goals, objectives and decision making processes. AOC also continued work on its risk management process by developing a charter for AOC's Enterprise Risk Management Program.

Once the Enterprise Risk Management Program and the Data Management Program are established, AOC will include performance measures that align with those programs. Currently, AOC measures performance against this objective through the Procurement Acquisition Lead Time (PALT), a measure of AOC's resource acquisition function. This metric is an indicator of the level of standardization of organizational processes. AOC Acquisition and Materials Management Division revised and normalized its acquisition processes to maximize efficiency and improve the timeliness. AOC defined PALT for each acquisition type and measures performance against those standards.

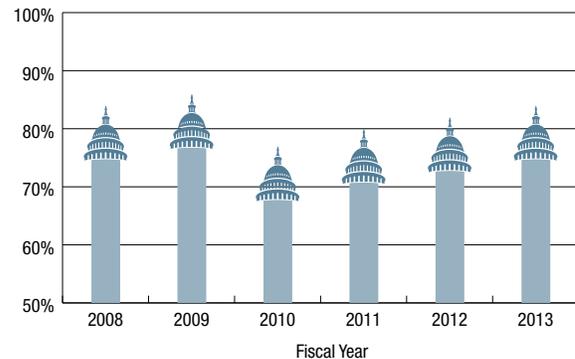
**Performance Metric: Adherence to Procurement**  
**Acquisition Lead Times**

FY 2013 Target	80.0%
Performance	83.9%
Target Met	Met

**Discussion:** AOC's measurement of resource acquisition functions provides a quantifiable means of identifying success against this objective. In FY 2013, AOC met the Procurement Acquisition Lead Time in 84 percent of its measured acquisitions. AOC's Acquisition and Materials Management Division continues to improve the procurement process to speed up the award of requisitions. All award categories monitored (contracts, orders and small purchases) met or exceeded the target this fiscal year.

**Future Strategy Efforts:** In FY 2014, AOC will hold a Risk Summit event for the Executive Leadership Team to further develop the Enterprise Risk Management Program. AOC will also implement the framework for the Data Management Program.

**FIGURE 39: Awards within PALT**



**TABLE 17: Adherence to Procurement Acquisition Lead Times**

Fiscal Year	2008	2009	2010	2011	2012	2013
Target	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
Performance (combined)	84.0%	85.6%	77.0%	80.4%	82.1%	83.9%
Contracts	77.3%	72.3%	70.3%	66.7%	100.0%	100.0%
Orders	83.4%	82.4%	75.8%	82.0%	86.0%	95.0%
Small Purchases	84.2%	86.3%	77.3%	80.4%	81.8%	83.5%
Target Met	Met	Met	Not Met	Met	Met	Met

**Definition:** Proportion of requisitions awarded within the established Procurement Acquisition Lead Times  
**Source:** Executive Dashboard

## STRATEGIC GOAL 2: Innovative and Empowered Workforce

### Leading Change Together

*AOC will attract, develop and retain exceptional employees; empower its workforce to be innovative and advance new programs and processes to serve its clients; preserve our national treasures; inspire memorable experiences; and embrace change through outstanding leadership and continuous improvement.*

The purpose of this goal is to create a work environment that rewards excellence and creativity. In doing so, AOC will attract, develop and retain exceptional employees. AOC's vision is embodied in dynamic individuals who are empowered to better serve Congress, the Supreme Court and the American public. This goal aims to create a workforce that is able to excel in providing those services.

*Innovative and Empowered Workforce* includes three strategic objectives:

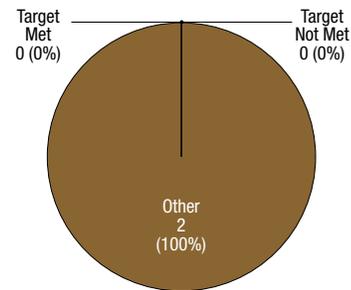
- Treat people as the cornerstone of our success
- Increase employee involvement and engagement
- Build a culture of transparency, ownership and accountability

AOC monitored two performance metrics for this goal. The metrics are provided below with FY 2013 data but do not have quantifiable targets. In FY 2012, AOC utilized a third metric based on a biennial survey. The survey was conducted in FY 2012 and will not be conducted again until FY 2014. Accordingly, there was no new reportable data for FY 2013 and the metric is included in Appendix C.

### INNOVATIVE AND EMPOWERED WORKFORCE ACTIVITIES FOCUS ON:

- Responsibility, accountability, trust and engagement
- Fostering employees' growth and betterment
- Including projects that develop a well-prepared and engaged workforce

**FIGURE 40: Results Achieved for  
Innovative and Empowered Workforce**



Number of Performance Metrics: 2 (with FY 2013 targets).

## FOCUS ON...ARCHITECT'S MOBILITY PROGRAM

The Architect's Mobility Program offers career opportunities for high potential employees who lack qualifying experience to enter career fields within AOC which will enable them to progress according to their abilities. Employees selected for the program are assigned to special trainee positions that will prepare them to enter a technical, administrative, clerical, craft or trade field through on-the-job and formal training assignments. The Architect's Mobility Program is a two-year training program. In FY 2013, AOC doubled the number of available positions in the program (from three to six) and had a record number of applicants. For FY 2014, AOC plans to evaluate and adjust the program for increased interest and enrollment.



**STRATEGIC OBJECTIVE 2.1:**  
**Treat People as the Cornerstone of Our Success**

AOC’s strategies for this objective include:

- Enhancing opportunities for personal and professional growth
- Strengthening our programs and strategies to attract and retain outstanding employees

In FY 2013, AOC focused on enhancing opportunities for the personal and professional growth of its employees. AOC continued to enhance the Architect’s Mobility Program (see the Focus On section on the previous page) and piloted the Exchange of Critical Expertise and Learning Program (ExCEL). The ExCEL program exposes participants to different techniques and approaches for their jobs, trades or skills. It fosters the sharing of best practices and it builds professional networks across the organization. AOC also designed an Individual Development Plan (IDP) process to help employees grow by expanding their range of skills and abilities. To improve supervisory skills within the organization, AOC created a training program aimed specifically at promoting leadership skills within its ranks.

AOC introduced a new metric this fiscal year to measure success against this strategic objective—participation in the Architect’s Mobility Program. The metric is an indicator of opportunities for professional growth offered to the AOC workforce.

**Performance Metric: Available Positions in the Architect’s Mobility Program**

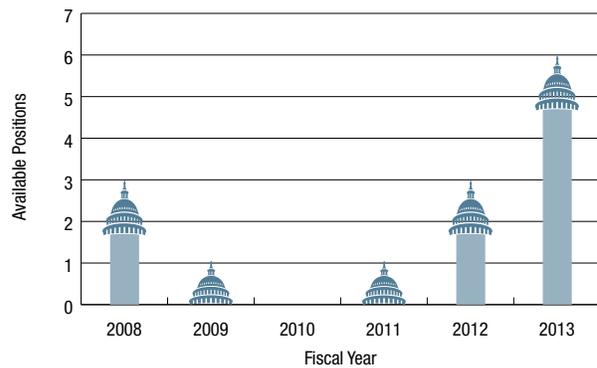
FY 2013 Target	No Target Assigned
Performance	6
Target Met	Other

**Discussion:** The Architect’s Mobility Program metric measures the number of positions offered in the program. While this indicator does not have a specific target, monitoring the participation in the program is an indicator of the extent to which AOC

provides opportunities for professional growth. As shown in **Table 18** and **Figure 41**, AOC doubled the number of available positions in the program in FY 2013. The emphasis on the program is also indicated by the increasing number of applicants to the program. Fiscal Year 2013 represents both the most positions ever available as well as the largest number of applicants.

**Future Strategy Efforts:** AOC will further develop the FY 2013 initiatives under this program. For FY 2014, AOC plans to evaluate and adjust the Architect’s Mobility Program for increased interest and enrollment. AOC plans to evaluate the success of the ExCEL program and determine its scalability for an organizational wide deployment. In FY 2013, AOC developed a Succession Planning Framework proposal and AOC intends to implement the framework in FY 2014. In addition, the IDP planning process will be evaluated for effectiveness and expanded if successful. The supervisory training program will also be reviewed for effectiveness and adjusted accordingly to possibly include webinars, hands-on training and more in-depth discussions, classes and lectures. These efforts are intended to continue to enhance the opportunities available to the AOC workforce.

**FIGURE 41: Architect’s Mobility Program**



**TABLE 18: Available Positions in the Architect’s Mobility Program**

Fiscal Year	2008	2009	2010	2011	2012	2013
Target	No Target Assigned					
Positions Available	3	1	0	1	3	6
Applicants	57	11	0	7	45	148
Target Met	Other	Other	Other	Other	Other	Other

**Definition:** Number of positions available in the Architect’s Mobility Program and the number of applicants for those positions.

**Source:** Human Capital Management Division

**STRATEGIC OBJECTIVE 2.2:**  
**Increase Employee Involvement and Engagement**

AOC’s strategies for this objective include:

- Empowering employees to serve as AOC ambassadors
- Cultivating a work environment of trust and employee engagement
- Encouraging workplace innovation, new ideas and solutions

In FY 2013, AOC redefined its strategies under this strategic goal. The Goal Leads assessed the existing strategies and combined efforts underway in two strategies into a broader new strategy to cultivate Responsibility, Accountability, Trust and Engagement (RATE). This strategy will be one of the four high priorities for AOC in FY 2014 and will be the focus of AOC’s efforts under the *Innovative and Empowered Workforce* goal.

This objective is intended to address AOC’s organizational culture and as such, it is not easily matched to quantifiable metrics with defined targets. Employee recognition programs, such as the Architect’s Honor Awards Program, do however serve as indicators of performance under this objective.

**Performance Metric: Volume of Honor Awards**

<b>FY 2013 Target</b>	No Target Assigned
<b>Performance</b>	601
<b>Target Met</b>	Other

This indicator does not have a specific target, but it is monitored to track the extent to which AOC recognizes its employees.

**TABLE 19: Volume of Honor Awards**

Fiscal Year	2008	2009	2010	2011	2012	2013
Target	No Target Assigned					
Honor Awards	425	831	544	403	800	601
Target Met	Other	Other	Other	Other	Other	Other

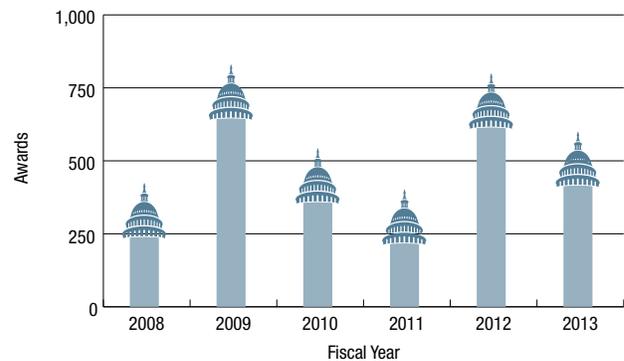
Definition: Number of awards bestowed through the Architect’s Honor Awards program  
Source: Employee Relations Branch, Human Capital Management Division

**Figure 42** and **Table 19** provide the number Honor Awards bestowed through the Architect’s Honor Award Program.

In FY 2013, AOC recognized 601 employees with Honor Awards for their achievements such as developing innovative ways to enhance productivity, increasing client satisfaction and reducing costs. Prior year spikes in the number of Honor Awards resulted from exceptional events such as the 5.8 magnitude earthquake that struck Washington, D.C. on August 23, 2011, (FY 2012) and the opening of the CVC in FY 2009.

**Future Strategy Efforts:** AOC major efforts in FY 2014 under this strategy, as well as the *Innovative and Empowered Workforce* goal, will revolve around the full development and implementation of the RATE program.

**FIGURE 42: Architect’s Honor Awards Program**



### STRATEGIC OBJECTIVE 2.3: Build a Culture of Transparency, Ownership, and Accountability

AOC's strategies under this objective include:

- Instilling and fostering accountability and responsibility
- Promoting transparency through effective, tailored and clear communications

AOC's efforts in FY 2013 under this objective included an assessment of the agency's Performance, Communication and Evaluation System (PCES). The assessment identified the requisite systems to support the evaluation process and will result in a proposal for improvement.

AOC's FY 2012 metric under this objective tracked the Organizational Assessment Survey. The survey is conducted

on a biennial basis and the next survey is planned for FY 2014. In addition, AOC combined the Instilling and Fostering Accountability and Responsibility strategy from this objective with a strategy under Strategic Objective 2.2. Therefore, there are no reportable metrics for this strategic objective for FY 2013. Prior year metrics that were not utilized in FY 2013 are listed in Appendix C.

**Future Strategy Efforts:** The major FY 2014 effort under this objective will be the execution of the biennial Organizational Assessment Survey. The survey is administered by the Office of Personnel Management and provides AOC with an opportunity to compare its results with other federal agencies. The survey measures employee satisfaction with organizational flexibility, ethics, rewards, innovation, training, supervision, resources, communication, employee support, team work, strategic management and customer orientation.

## FOCUS ON...CAPITOL DOME RESTORATION PROJECT



The multi-year U.S. Capitol Dome Restoration Project will continue in FY 2014. The cast-iron Dome has not undergone a complete restoration since 1959–1960 and due to age and weather it is now plagued by more than 1,000 cracks and deficiencies.

In FY 2014, AOC will begin the next phase of the U.S. Capitol Dome Restoration Project to address these deficiencies, restoring the Dome to its inspiring splendor and ensuring it can safely serve future generations of visitors and employees as the roof of the U.S. Capitol.

AOC will conduct the majority of work at night and on weekends to ensure minimal disruption to congressional business, events and public tours. The project is scheduled to take approximately two years during which a scaffold system will surround the Dome from the base of the Statue of Freedom to the top of the Dome skirt. In the U.S. Capitol Rotunda, AOC will install a canopy system to protect the public while allowing the *Apotheosis of Washington* to be seen throughout the restoration process.

More information is available at <http://www.aoc.gov/dome/project-overview>.



# RESTORING THE DOME

## WHAT IT TAKES

[www.aoc.gov/dome](http://www.aoc.gov/dome)

### PLANNING

Finalize Work Plan

Conduct on-site measurements and surveys on both the exterior and interior of the Dome

Finalize procedures for protecting invaluable interior Dome art and statuary

Prepare final scaffold design



### PREPARING

Place protective coverings on art and statuary

Close tours to the top of the Dome

Install protective canopy and covered walkway in the Rotunda

Place equipment and materials on Capitol Grounds



### SCAFFOLDING & RESTORING

Install scaffolding in phases; from Dome skirt to base of Statue of Freedom

Paint abatement

Apply primer coat

Restore cast iron

Repair and replace windows



### RESTORING & UNSCAFFOLDING

Apply cast-iron filler where needed

Apply mid and top coat of paint

Install fall protection

Install bird deterrent systems

Remove scaffold in phases; from base of Statue of Freedom to Dome skirt



### COMPLETION

Remove materials and equipment from site

Clean up work area on West Front of the Capitol Grounds



## STRATEGIC GOAL 3: Awe-Inspiring Facilities

### Unsurpassed Craftsmanship and Stewardship

*AOC will ensure outstanding stewardship of our nation's assets to facilitate legislative and judicial business and promote a safe, healthy and secure environment through the efficient use of resources, integrated facility planning and sustainable practices.*

The purpose of this goal focuses on AOC's mission to maintain the national treasures, historic buildings and grounds entrusted to AOC's care. The goal includes strategies 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.

*Awe-Inspiring Facilities* includes four strategic objectives:

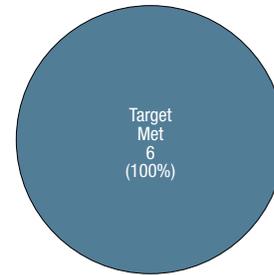
- Preserve, enhance and protect AOC facilities and landscapes
- Strengthen AOC facilities through asset lifecycle management
- Promote a culture of resource conservation
- Provide superior project delivery

AOC met its performance targets for each of the six metrics under this goal.

### AWE-INSPIRING FACILITIES ACTIVITIES FOCUS ON:

- Providing a safe environment where resources are utilized in a sensible manner
- Fostering approaches that are sensitive to the historic nature of AOC's work environment
- Keeping AOC facility management processes on the leading edge of technology

**FIGURE 43: Results for *Awe-Inspiring Facilities***



Number of Performance Metrics: 6



The marble rhytons, ancient Greek drinking horns with rams' heads, horses' bodies and birds' wings, add classical symbolism to the Rayburn House Office Building.

### STRATEGIC OBJECTIVE 3.1: Preserve, Enhance and Protect AOC Facilities and Landscapes

AOC's strategies for this objective include:

- Leverage technologies to improve facility management and increase operational efficiency
- Establish a world-class facility cleaning program
- Establish a world-class landscapes and gardens program
- Integrate safety, security and preservation principles into business operations

AOC focused its FY 2013 efforts under this objective on the first three strategies—i.e., leveraging technologies to improve facility management and increase operational efficiency and establishing world-class facility cleaning, landscapes and gardens programs.

In FY 2013, AOC initiated various programs to improve efficiency for its facility management operations. A two-year project to laser-scan and document historic interiors in the U.S. Capitol will provide precise scans of the entire building and will assist AOC in preparation for maintenance or renovation work in the U.S. Capitol. These scans can also be integrated with Building Information Models (BIM) or used for 3D models. A pilot project to use Point Cloud laser-scan technology to develop 3D models of facility spaces will provide AOC an innovative method to plan, design and execute projects, maintenance and events in AOC facilities. AOC also began a pilot inventory control program that utilizes Radio Frequency Identification (RFID) to track furniture in the Capitol Visitor Center. RFID technology significantly improves the efficiency of conducting inventories.

For its facility cleaning program, AOC piloted a mobile application for building inspectors to use to document findings during cleaning inspections. A new peer inspection program was implemented that utilizes cross-jurisdiction inspections. Peer inspections occurred for seven of AOC's buildings in FY 2013. AOC also revised program documentation to include the Peer Inspection Program Manual, Cleaning Standards and Cleaning Procedures.

AOC utilizes three metrics to track progress against this objective. Preventive Maintenance Work Order Timeliness provides a measure of improvement to facility management

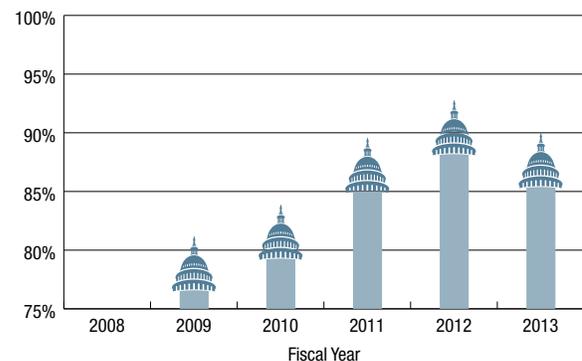
and operational efficiency. Adherence to Cleaning Standards measures effectiveness of AOC's cleaning program. AOC's injury and illness rate provides a means for AOC to monitor the safety trends for the organization. This latter metric reflects AOC's success towards integrating safety and security into its business operations.

#### Performance Metric: Preventive Maintenance Work Order Timeliness

FY 2013 Target	90.0%
Performance	90.0%
Target Met	Met

AOC met its target for preventive maintenance work order timeliness in FY 2013 for the second straight year. Timeliness percentages are determined by dividing the number of total work orders for preventive maintenance completed by the planned cycletime by the total number of preventive maintenance work orders scheduled. The slight decrease in timeliness is a result of an increase in the volume of work orders in FY 2013 (an eight percent increase over FY 2012). **Figure 44** and **Table 20** provide the five-year trend in timeliness. Fiscal Year 2009 through FY 2010 figures represent actual closure rate for work orders whereas FY 2011 through FY 2013 represent closure within the planned cycletime.

**FIGURE 44: Preventive Maintenance**



**TABLE 20: Preventive Maintenance Work Order Timeliness**

Fiscal Year	2008	2009	2010	2011	2012	2013
Target	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Percent Completed as Planned	—	81.2%	83.9%	89.6%	92.8%	90.0%
Target Met	N/A	Not Met	Not Met	Not Met	Met	Met

**Definition:** Preventive maintenance work orders closed within cycle time divided by total preventive maintenance work orders scheduled

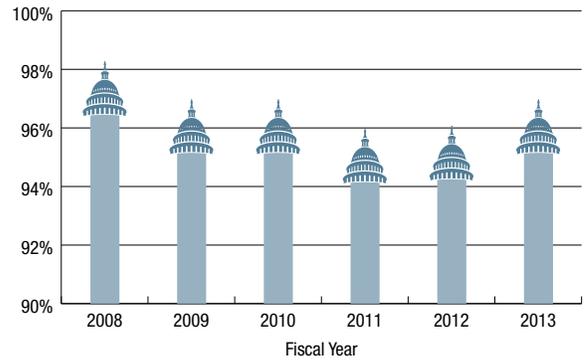
**Source:** Executive Dashboard

**Performance Metric: Adherence to Cleaning Standards**

FY 2013 Target	95.0%
Performance	97.0%
Target Met	Met

AOC measures the success of its cleaning program through inspections that validate proper cleaning procedures. The six-year performance trend, shown in **Figure 45** and **Table 21**, indicates consistent adherence to AOC's cleaning standards.

**FIGURE 45: Adherence to Cleaning Standards**



**TABLE 21: Adherence to Cleaning Standards**

Fiscal Year	2008	2009	2010	2011	2012	2013
Target	90.0%	90.0%	90.0%	90.0%	95.0%	95.0%
Percent Completed as Planned	98.3%	97.1%	97.1%	95.8%	96.1%	97.0%
Target Met	Met	Met	Met	Met	Met	Met

**Definition:** Items cleaned successfully divided by total number of items inspected

**Source:** Executive Dashboard

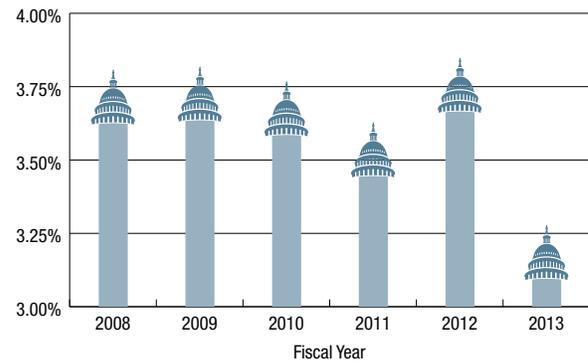


AOC is responsible for preserving, enhancing and protecting the 290 acres of grounds that surround the U.S. Capitol. Under the Strategic Vision, AOC strives to establish and maintain a world-class landscapes and gardens program.

**Performance Metric: Injury and Illness Rate**

FY 2013 Target	<3.85%
Performance	3.28%
Target Met	Met

The safety of AOC's employees is paramount to the success of the organization. AOC measures performance in safety programs through the injury and illness rate that accounts for injury claims sent to the Department of Labor. The FY 2013 rate significantly decreased from prior years. The number of reportable claims dropped by 20 percent (from 100 in FY 2012 to 80 in FY 2013) and the number of loss time claims remained relatively stable (48 in FY 2012 and 47 in FY 2013). **Figure 46** and **Table 22** provide the trend data for this metric.

**FIGURE 46: Injury and Illnesses Rate****TABLE 22: Injury and Illness Rate**

Fiscal Year	2008	2009	2010	2011	2012	2013
Target	<4.11%	<3.81%	<3.82%	<3.77%	<3.63%	<3.85%
Injury and Illness Rate	3.81%	3.82%	3.77%	3.63%	3.85%	3.28%
Target Met	Met	Not Met	Not Met	Met	Not Met	Met

Definition: Number of injury claims sent to DOL in the fiscal year divided by average number of employees in the fiscal year

Source: Executive Dashboard

**Future Strategy Efforts:** AOC continues to focus on implementing new technologies that improve the facility management programs. The laser scanning programs will continue in FY 2014. AOC will standardize, document, provide training and deploy Laser Cloud Technology procedures throughout the organization. The cleaning inspection mobile application will be updated with functionality

that allows inspectors to create work orders immediately from the field and will be compatible with webTMA (AOC's computerized facilities maintenance management system from TMA Systems). For the cleaning program, AOC will also implement revised procedures and will initiate a workforce training program to ensure employees are familiar with the updated standards.

**DAVID GRAY AND ANTHONY MARBURY***AOC House Office Buildings*

David and Anthony possess a dedication to extraordinary client service that allows AOC to excel in meeting its mission in serving Congress. David has worked for AOC for over 45 years—rising from an AOC House Office Building laborer to a Supply Management Officer. His consistently positive attitude, professionalism and high regard for others over the many years he has worked here has shaped AOC and paved the way for many co-workers to follow which has inspired many of his colleagues. Anthony's work in the AOC House Office Buildings' Electrical Systems Branch, has improved efficiencies and allowed AOC to provide better client services. He led a team to consolidate the efforts of various divisions and shops within AOC House Office Buildings and produced a streamlined process that improved customer satisfaction, increased productivity and increased efficiencies.

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### STRATEGIC OBJECTIVE 3.2: Strengthen our Facilities through Asset Lifecycle Management

AOC's strategies for this objective include:

- Establish a world-class maintenance program
- Integrate facilities asset management processes and practices
- Establish an integrated enterprise information model for facilities management
- Prepare our facilities to be a model workplace of the future

AOC's FY 2013 efforts under this objective focused on establishing a world-class maintenance program and preparing AOC facilities to be a model workplace of the future. Updates to AOC's maintenance program are ongoing. In FY 2013, AOC standardized the task codes for webTMA, equipment data lists and material ordering standards. AOC also developed standards for work orders and developed failure codes for maintenance actions. A review of maintenance requirements allowed the reduction of inventory parts by over 10,000 items. AOC also developed new commissioning standards for new construction.

Efforts to make AOC facilities a workplace of the future continued in FY 2013. The renovations at the Cannon House Office Building were initiated and will include group seating arrangements, additional conference areas and sit-to-stand workstations. The Capitol Power Plant Administrative building is undergoing a renovation that will include fewer enclosed offices and more meeting and collaboration space.

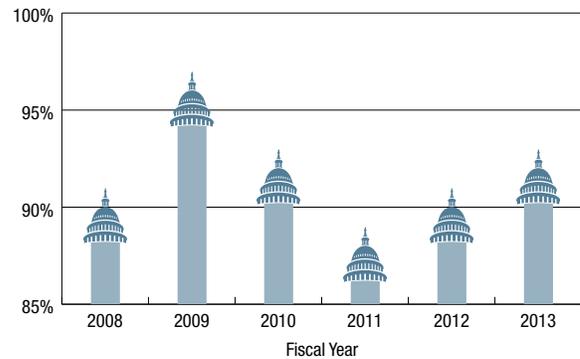
AOC measures progress under this objective through the timeliness of completing corrective maintenance work orders. This metric provides an indicator of AOC's efficiency in addressing emergency or unscheduled maintenance efforts.

#### Performance Metric: Corrective Maintenance Work Orders Timeliness

FY 2013 Target	90.0%
Performance	93.3%
Target Met	Met

In FY 2013, AOC closed over 97,000 corrective maintenance and reoccurring work orders on time and had a total close rate of 97.7 percent. **Figure 47** and **Table 23** provide the six-year trend in timeliness. Fiscal Year 2008 through FY 2010 figures represent actual closure rate whereas FY 2011 through FY 2013 represent closure within the planned cycletime.

**FIGURE 47: Corrective Maintenance**



**Future Strategy Efforts:** AOC's efforts to build a workplace of the future began in FY 2012 and will continue in future planning. The Capitol Power Plant Administration Building renovations will be completed in FY 2014 and planning for modernizing and consolidating AOC administrative offices is under development. The maintenance program standardization efforts will continue in FY 2014 with a pilot program for the new work order standards.

**TABLE 23: Corrective Maintenance Work Orders Timeliness**

Fiscal Year	2008	2009	2010	2011	2012	2013
Target	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Timeliness	90.9%	96.7%	92.9%	89.2%	91.1%	93.3%
Target Met	Met	Met	Met	Not Met	Met	Met

**Definition:** Number of work orders closed within cycle time divided by number work orders due

**Source:** Executive Dashboard

### STRATEGIC OBJECTIVE 3.3: Promote a Culture of Resource Conservation

AOC's strategies for this objective include:

- Improve facilities asset performance
- Integrate sustainable practices into business operations
- Strengthen a culture of sustainability with stakeholders and external organizations

AOC has a legacy of sustainability that began with the laying of the U.S. Capitol cornerstone in 1793. Sustainability is incorporated into AOC operations, maintenance and planning at all levels. Sustainable practices include improving energy and water efficiency, using low-impact materials, promoting health and wellness, sustaining natural sites, practicing comprehensive recycling and providing sustainability guidance to divisions across Capitol Hill. More information on AOC's sustainability practices is available at <http://www.aoc.gov/strategic-initiatives/sustainability>.

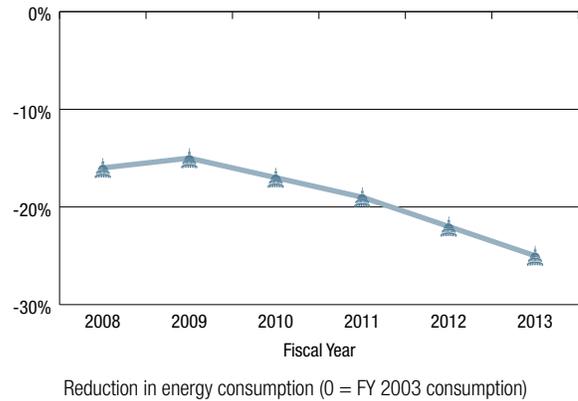
AOC measures performance against this objective through its reduction in energy consumption. AOC has reduced energy consumption by 25 percent over the FY 2003 baseline, and is on pace to achieve a 30 percent total reduction by FY 2015 (as required by the Energy Independence and Security Act of 2007).

#### Performance Metric: Energy Consumption

FY 2013 Target	≤-24.0%
Performance	-25.2%
Target Met	Met

AOC's sustainability practices continue to produce significant reductions in energy consumption. **Figure 48** and **Table 24** provide the six-year trend in AOC's reduction of energy consumption.

**FIGURE 48: Reduction in Energy Consumption**



**Future Strategy Efforts:** AOC's emphasis on sustainable and resource conservation continues to be a key consideration in operations. Future initiatives include advanced sub-metering, improved water management, ongoing performance monitoring and additional upgrades to lighting and mechanical systems and controls.

**TABLE 24: Reduction in Energy Consumption**

Fiscal Year	2008	2009	2010	2011	2012	2013
Target	≤-9.0%	≤-12.0%	≤-15.0%	≤-18.0%	≤-21.0%	≤-24.0%
Reduction	-16.0%	-15.0%	-17.0%	-18.9%	-21.8%	-25.2%
Target Met	Met	Met	Met	Met	Met	Met

**Definition:** Energy used (in BTUs) per square footage in current year divided by the energy used per square foot in FY 2003

**Source:** Executive Dashboard

**STRATEGIC OBJECTIVE 3.4:**  
**Provide Superior Project Delivery**

AOC's strategies for this objective include:

- Leverage best in class project management principles
- Strengthen facilities planning

AOC Planning and Project Management (PPM) coordinates efforts under this objective. Project delivery encompasses project management and facilities planning—key components of the planning efforts to maintain the facilities and grounds under AOC's care.

AOC measures progress under this initiative through the combined results of the Design Projects Customer Satisfaction Survey and the Construction Projects Customer Satisfaction Survey.

**Performance Metric: Customer Satisfaction**

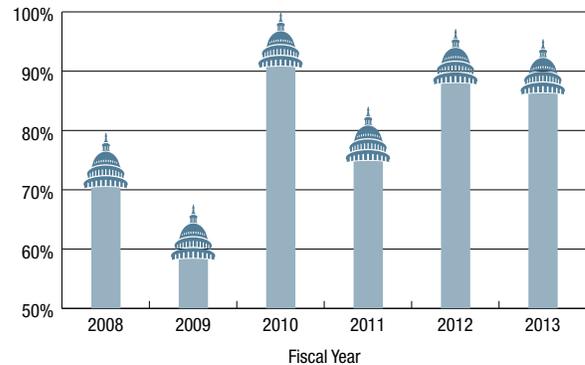
FY 2013 Target	90.0%
Performance	95.5%
Target Met	Met

Satisfaction with PPM's design and construction projects continued to exceed the target for this metric for the second

consecutive year. **Figure 49** and **Table 25** provide the six-year trend for the combined ratings of the surveys.

**Future Strategy Efforts:** In FY 2014, AOC intends to strengthen its facilities asset planning to compensate for the current fiscal environment. AOC will develop the scope for efficient and integrated plans to maintain its facilities at a high standard of excellence with limited resources.

**FIGURE 49: Customer Satisfaction—Projects**



**TABLE 25: Customer Satisfaction**

Fiscal Year	2008	2009	2010	2011	2012	2013
Target	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Rating	79.7%	67.6%	100.0%	84.1%	97.2%	95.5%
Target Met	Not Met	Not Met	Met	Not Met	Met	Met

Definition: Number of satisfied responses divided by the number of significant responses

Source: Design Projects and Construction Projects Customer Satisfaction Surveys



**JONATHAN SHRINER AND BRIAN BARGER**

*AOC Library Buildings and Grounds*

Jonathan and Brian possess the dedication and professionalism that enables AOC to provide exceptional client service and meet its mission to maintain the Library of Congress' buildings and grounds. Jonathan is responsible for planning and oversight of the fire and life safety component of all AOC Library Buildings and Grounds ongoing construction projects. He conducts his daily activities in the most professional manner and he carries himself at the highest of standards. Brian is responsible for many highly visible construction and renovation projects to include Phase I of the James Madison Memorial Building Atrium Restoration Project. Throughout the project he provided briefings and tours to Library of Congress staff. Because of his diligence and outstanding project management skills, the atrium opened on schedule and the project was completed within budget.

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## STRATEGIC GOAL 4: Extraordinary Services

### Going the Extra Mile

*AOC will provide proactive, professional and integrated services that exceed clients' and visitors' expectations by understanding and anticipating their needs.*

This goal serves to foster an organizational culture where AOC employees take ownership of client requests and proactively coordinate with the service providers to resolve issues. Under this goal, "client" includes members of Congress, their staffs and constituents, visitors to Capitol Hill, employees of other federal agencies and AOC internal customers. This goal also encompasses AOC's visitor service mission.

*Extraordinary Services* includes two strategic objectives:

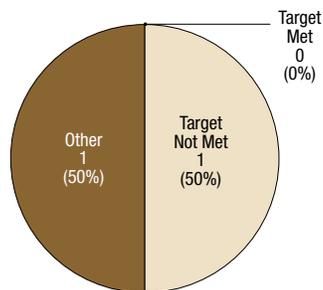
- Provide Extraordinary client services
- Educate, inform and inspire the Capitol Hill visitor experience

The performance results achieved in FY 2013 for this goal are depicted in **Figure 50**.

### EXTRAORDINARY SERVICES ACTIVITIES FOCUS ON:

- Customer service
- Taking ownership of delivery
- Projects aimed at broadening the concept of "customer" to include internal and external customers

**FIGURE 50: Results Achieved for  
Extraordinary Services**



Number of Performance Metrics: 2

### FOCUS ON...VISITOR SERVICES AT THE U.S. BOTANIC GARDEN



The U.S. Botanic Garden (USBG) is a living plants museum with exhibits that interpret the role of plants in supporting Earth's diverse and fragile ecosystem and in enriching human life. Its collections date to the 1840s when 250 plants and an unknown quantity of propagation material gathered by the Wilkes Exploring Expedition (1838–1842) were brought back to Washington, D.C.

The Conservatory houses a number of permanent exhibits including: World Deserts; Children's Garden; Garden Primeval; Plant Adaptations; Garden Court; Jungle; Medicinal Plants; Orchids; Plant Exploration; Southern Exposure; and Rare and Endangered Species.

The USBG also hosts special exhibits including the annual Holiday Show, a biennial orchid exhibit in partnership with the Smithsonian Institute and unique displays of rare plants in bloom, such as the titan arum which bloomed in July 2013.

The titan arum is also known as the corpse flower or stinky plant for its putrid smell. During its 13-day public display, over 130,000 people visited the USBG to see (and smell) the bloom (another 650,000 visited the live webstream).

**STRATEGIC OBJECTIVE 4.1:**  
**Provide Extraordinary Client Services**

AOC’s strategies for this objective include:

- Improve AOC service delivery for both internal and external customers and clients
- Increase efficiencies and transparency in the AOC acquisition process
- Enhance AOC efficiency through integrated services

AOC’s FY 2013 focus included each of these strategies. As a service organization, successful client service is integral for AOC to achieve its mission. AOC seeks to improve service delivery for both external and internal clients in an efficient and transparent manner.

AOC measures progress against this objective through the timeliness of completing service request work orders. Service requests may include creating custom cabinetry, hanging pictures, supporting special events or other tasks.

AOC reported on two additional metrics in FY 2012 that are not included in FY 2013. Both metrics were based on surveys that, although on a recurring cycle, were not conducted in FY 2013. These metrics are listed in Appendix C.

**Performance Metric: Service Request Work Orders Timeliness**

<b>FY 2013 Target</b>	90.0%
<b>Performance</b>	89.7%
<b>Target Met</b>	Not Met

**TABLE 26: Service Request Work Orders Timeliness**

Fiscal Year	2008	2009	2010	2011	2012	2013
Target	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Timeliness	89.2%	90.1%	86.6%	86.5%	90.3%	89.7%
Target Met	Not Met	Met	Not Met	Not Met	Met	Not Met

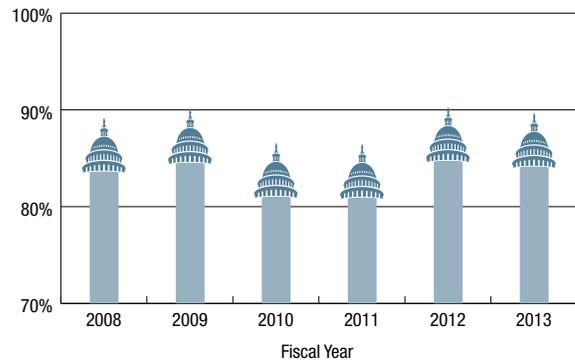
**Definition:** Service request work orders closed within cycle time divided by total service request work orders due

**Source:** Executive Dashboard

AOC’s timeliness rate for service requests decreased marginally from FY 2012 and was slightly below the target for FY 2013. AOC closed over 90,000 service request work orders on time with an 89.7 percent timeliness rate. AOC closed an additional 7,600 work orders in excess of the target cycle-time, producing a total close rate of 97.2 percent. **Figure 51** and **Table 26** provide the six-year trend in timeliness. Fiscal Year 2008 through FY 2011 figures represent actual closure rate whereas FY 2012 and FY 2013 represent closure within the planned cyclotime.

**Future Strategy Efforts:** AOC’s efforts to deploy a comprehensive customer service philosophy will continue in FY 2014 with the development of program documentation and tailored, jurisdiction-specific customer service models.

**FIGURE 51: Service Requests**



## STRATEGIC OBJECTIVE 4.2: Educate, Inform and Inspire the Capitol Hill Visitor Experience

AOC's strategies for this objective include:

- Enhance opportunities for memorable visitor experiences that educate and inform
- Enhance the visitor experience through effective use of digital media and tools
- Facilitate the development of a collaborative Capitol Hill visitor experience

AOC's efforts directed towards this goal are intended to ensure visitors receive an enriching, memorable and inspirational experience at the U.S. Capitol. AOC works to provide more opportunities for visitors to experience the U.S. Capitol, embrace technology and new media to improve visitor experiences and create a comprehensive experience.

AOC's FY 2013 efforts under this objective increased employees' and volunteers' knowledge of the Capitol Hill and AOC's role in serving Congress and the Supreme Court. The CVC Exhibits and Education Department produced training films on specific historical topics (War of 1812 and Congress) and visitor engagement techniques. These films are intended for Capitol tour guides. The CVC also began planning for an Orientation Theater experience that will focus on the Rotunda while it is partially obstructed due to the U.S. Capitol Dome Restoration Project that will resume in FY 2014.

AOC continued to utilize its website and social media to reach visitors. AOC launched a fully redesigned website ([www.aoc.gov](http://www.aoc.gov)) in FY 2013 to better serve AOC's stakeholders. The new site increased reliability and is designed to target the Capitol Hill community (i.e., members of Congress, their staffs, and other employees on Capitol Hill).

The AOC Twitter account [@uscapitol](https://twitter.com/uscapitol) has more than 25,000 followers. Along with AOC's Facebook and Instagram accounts, AOC is able to significantly expand the visitor experience.

- Facebook: [facebook.com/architectofthecapitol](https://www.facebook.com/architectofthecapitol)
- Instagram: [Instagram.com/uscapitol](https://www.instagram.com/uscapitol)

**TABLE 27: Visitor Satisfaction — CVC Website**

Fiscal Year	2008	2009	2010	2011	2012	2013
Target	N/A	N/A	N/A	No Target Assigned		
Timeliness	N/A	N/A	N/A	81.0	82.0	82.0
Target Met	N/A	N/A	N/A	Other	Other	Other

**Definition:** Scaled score out of 100 calculated and issued by ForeSee the customer experience analytic firm that publishes the American Satisfaction Index

**Source:** ForeSee (American Customer Satisfaction Index)

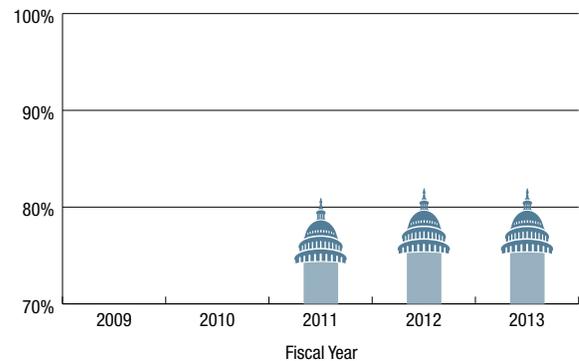
### Performance Metric: Visitor Satisfaction — CVC Website

FY 2013 Target	No Target Assigned
Performance	82.0
Target Met	Other

AOC developed a new metric in FY 2013 for this objective that tracks online visitors' satisfaction with the CVC website ([www.visitthecapitol.gov](http://www.visitthecapitol.gov)). Websites across 105 federal agencies scored an average of 74.9 for citizen satisfaction. A score of 80 or above is considered excellent, according to the third-quarter ACSI E-Government Satisfaction Index. AOC score for FY 2013 is 82.0.

**Future Strategy Efforts:** AOC works to constantly improve the visitor experience. The U.S. Capitol Visitor Center and the U.S. Botanic Garden host various exhibits throughout the year, provide talks and lectures and develop new material for visitors. In addition, AOC adopts new technology to improve the visitor experience and has developed mobile applications that provide information on the state statues in Statuary Hall and the content in Exhibition Hall. Another application translates and expands the content from the Visitors Guide brochure to a mobile format. AOC intends to have these applications available for public use in FY 2014.

**FIGURE 52: Online Satisfaction with the CVC Website**



## BEHIND THE SCENES: U.S. Capitol Visitor Center

The U.S. Capitol Visitor Center (CVC) offers a welcoming and educational environment that introduces visitors to Congress and the legislative process as well as the history and development of the architecture and art of the U.S. Capitol. Visitors begin their U.S. Capitol experience at the Visitor Center by visiting the Exhibition Hall, pursuing the Gift Shops or dining in the Restaurant. The CVC provides an increased focus on visitor comfort, safety and security resulting in a seamless, positive visitor experience.

The CVC is the newest addition to AOC's facilities on Capitol Hill. At nearly 580,000 square feet, the CVC is the largest project in the U.S. Capitol's more than two-century history and is approximately three-quarters the size of the U.S. Capitol itself. The entire facility is located underground on the east side of the U.S. Capitol so as not to detract from the appearance of the U.S. Capitol or the grounds. Since opening on December 2, 2008, the anniversary of the placement of the Statue of Freedom atop the Capitol Dome in 1863, over 10 million visitors have entered through the Capitol Visitor Center.

More information on the CVC is available at <http://www.aoc.gov/capitol-buildings/capitol-visitor-center>.







## BILL McLAUGHLIN AND LEE COYKENDALL

*U.S. Botanic Garden*

Bill and Lee epitomize the inspirational visitor service function that AOC provides at the U.S. Botanic Garden. Bill serves as the Curator of the Garden's plant collections that include more than 26,000 individual plants and 5,000 distinct species. An encyclopedic knowledge of plants and an easygoing nature of an expert teacher make him integral to the educational and conservation missions of the U.S. Botanic Garden. Lee is the Children's Education Specialist at the U.S. Botanic Garden. Her efforts to develop innovative and interactive exhibits have inspired countless visitors. Lee developed the Hands-On Plant Science (HOPS) program that brings inner-city children to the U.S. Botanic Garden and has also developed teacher training workshops and events to help teachers integrate plant science into their curricula.

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## SECTION III:



# Financial Information



Thomas J. Carroll, Chief Financial Officer

## A Message from the Chief Financial Officer

I am pleased to present the financial statements for AOC's Fiscal Year (FY) 2013 Performance and Accountability Report (PAR). Fiscal Year 2013 marks the ninth consecutive year AOC has received an unmodified (clean) audit opinion from independent auditors on our financial statements. This fiscal year, our efforts to improve the AOC Internal Control Program resulted in the resolution of the previously recurring material weakness from prior year audits. As a result, and for the first time ever, AOC's audit resulted in no material weakness or significant deficiencies. Our dedication to sound financial management has allowed us to achieve this accomplishment and it is under our commitment to transparency and accountability that we publish our annual PAR. Our FY 2013 PAR is the primary means to communicate

with our key stakeholders—Congress and the American public—regarding our accountability for the public funds we receive. We provide this information to highlight our efforts to effectively utilize our resources to serve Congress, preserve the iconic buildings under our stewardship and inspire memorable experiences at our nation's Capitol.

The Association of Government Accountants has recognized AOC's FY 2011 and FY 2012 PARs with the *Certificate in Excellence in Accountability Reporting*. The FY 2012 PAR also received special recognition for the *Best Analysis of an Agency's Financial Statements*. It is with the same commitment to accountability that we submit the FY 2013 report. Similar to years past, this report provides a comprehensive overview of AOC's operational and financial performance by integrating our FY 2013 performance and financial results. It summarizes our key accomplishments for FY 2013, including the anticipated savings through our work on water and energy sustainability programs, and the future challenges we face as an organization. Most prominent among these challenges is the need to address our large maintenance backlog given the reduced availability



AOC is responsible for the maintenance, operations, construction and visitor service functions at the U.S. Botanic Garden. The USBG facilities under AOC's care include the Conservatory, administration building, and a plant production and support facility with 36 greenhouse bays.

of funds under the current economic environment and sequestration. We took steps early on this fiscal year to minimize the effects of sequestration with priority given to preserving AOC's core mission.

Fiscal Year 2013 is the second year of operations under our Strategic Vision. This Strategic Vision is focused on changing the culture within AOC to build a more efficient and effective organization that is able to maintain operational success with shrinking budgetary resources. Our planning efforts, guided by the Strategic Vision, allowed us to effectively weather the cuts under sequestration. We implemented proactive measures and self-imposed reductions in spending to prepare for the later mandated cuts. As a result, we were able to meet the sequestration requirements without any forced reductions in our workforce or any significant impact to our major capital improvement or renovation projects.

The reduced spending, however, has resulted in changes that will affect our operational successes and goals for future years. In order to ensure major projects were unhindered by the budget cuts, AOC delayed lower-prioritized repairs and improvements throughout the Capitol Complex. Without the funds to fully address maintenance requirements, we implemented stop-gap repairs to ensure that the facilities remained operational but in doing so, we delayed needed repairs that will eventually become necessary to address. Continued deferral of maintenance projects only increases the future cost of the repairs.

As in years past, AOC identified and implemented cost-saving and cost-avoidance strategies to ensure that available resources are used most effectively. Many of these efforts also result in improved sustainability and reduced energy usage. The Energy Savings Performance Contracts at the Senate Office Buildings and the Cogeneration project at the Capitol Power Plant are only two of many examples. From a management perspective, we reduced overtime hours and the usage of temporary and seasonal employees. These efforts to reduce spending allowed us to maximize our resources to ensure our most pressing needs were funded.

As we plan for future years of continued budget cuts, the importance of a comprehensive financial management structure becomes paramount. Reduced available funding and the rising costs associated with the aging infrastructure under our stewardship require AOC to develop innovative methods to improve efficiency. By ensuring available funds are accurately accounted for, AOC is able to best direct the funds we do receive to the highest priority projects and ensure that we are able to meet our core mission to *Serve, Preserve and Inspire*.

Sincerely,



Thomas J. Carroll, CFM  
Chief Financial Officer

December 19, 2013



AOC's comprehensive financial management structure and Internal Control Program are paramount to AOC's ability to meet its mission to *Serve, Preserve and Inspire*. In the current austere budget environment, AOC is dedicated to developing innovative methods to reduce expenditures and improve efficiencies.

## AOC Inspector General Transmittal



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 Fairchild Bldg.  
 499 S. Capitol St., SW, Suite 518  
 Washington, D.C. 20515  
 202.593.1948  
[www.aoc.gov](http://www.aoc.gov)

United States Government

### MEMORANDUM

DATE: December 19, 2013

TO: Stephen T. Ayers, Architect of the Capitol

FROM: H. Vance Haney, Assistant Inspector General for Audit

SUBJECT: Audit of Fiscal Year 2013 Financial Statements Reports, A - 2014 - 02

We contracted with the independent certified public accounting firm of Cotton & Company to audit the financial statements of the Architect of the Capitol (AOC) as of and for the years ending September 30, 2013 and 2012. The contract required that the audit be conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States.

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

In connection with the audit, we reviewed Cotton'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. Cotton 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 Cotton did not comply, in all material respects, with generally accepted government auditing standards.

If you have questions or wish to discuss the report, please contact H. Vance Haney at 202.593.0261 or [vhaney@aoc.gov](mailto:vhaney@aoc.gov).

Copy to:

Christine A. Merdon, Chief Operating Officer  
 Thomas J. Carroll, Chief Financial Officer  
 David W. Ferguson, Chief Administrative Officer  
 Alan Rosenthal, Partner, Cotton & Company  
 Shalley Kim, Executive Officer  
 John Kelly, Policy Program Officer  
 File OIG – A – 2014 - 02

## Independent Auditor's Report



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### INDEPENDENT AUDITOR'S REPORT

To the Architect of the Capitol and the Inspector General

#### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying balance sheet of the Architect of the Capitol (AOC) as of September 30, 2013, and the related statements of net cost, changes in net position, and budgetary resources for the year 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; standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 14-02, *Audit Requirements for Federal Financial Statements*. Those standards and OMB Bulletin No. 14-02 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.

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 AOC as of September 30, 2013, and its net cost, changes in net position, and budgetary resources for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

**Other Matters*****Prior-Period Financial Statements Audited by a Predecessor Auditor***

The financial statements of AOC as of and for the year ended September 30, 2012, were audited by other auditors whose report dated December 4, 2012, expressed an unqualified opinion on those statements.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America and OMB Circular A-136, *Financial Reporting Requirements*, require that the Management's Discussion and Analysis on pages 5 to 32 and other Required Supplementary Information on pages 88 to 98 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Federal Accounting Standards Advisory Board and OMB, who consider it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, and 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. These procedures consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic 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 accompanying information on pages 111 to 120 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has not been subjected to auditing procedures and, accordingly, we express no opinion or provide any assurance on it.

**OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

In accordance with *Government Auditing Standards*, we also have issued our report dated December 19, 2013 on our consideration of AOC's internal control over financial reporting and over compliance, and on our tests of AOC's compliance with certain provisions of laws, regulations, contracts, and grant agreements. The purpose of that report is to describe the scope and results of our testing of internal control over financial reporting and compliance and the results of our testing of AOC's compliance with certain provisions of laws, regulations, contracts, and grant agreements, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering AOC's internal control and compliance.

COTTON & COMPANY LLP



Alan Rosenthal, CPA, CFE  
Partner  
Alexandria, VA  
December 19, 2013

## Independent Auditor's Report on Internal Controls



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### INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL AND ON COMPLIANCE

To the Architect of the Capitol and the Inspector General

We have audited the financial statements of the Architect of the Capitol (AOC) as of September 30, 2013, and have issued our report thereon dated December 19, 2013. That report contained our unmodified opinion on the financial statements. 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. 14-02, *Audit Requirements for Federal Financial Statements*.

#### INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE

In planning and performing our audit of the financial statements, we considered AOC's internal control over financial reporting and compliance (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of AOC's internal control. Accordingly, we do not express an opinion on the effectiveness of AOC's internal control.

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 a 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 a 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. 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.

#### Limitations of Internal Control

Because of inherent limitations in internal control, misstatements due to error or fraud, losses, or noncompliance may nevertheless occur and not be detected. We also caution that projecting our evaluation to future periods is subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with controls may deteriorate.

#### COMPLIANCE

As part of obtaining reasonable assurance about whether AOC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We did not test compliance with all laws and regulations applicable to AOC. We limited our tests of compliance to those provisions of laws and regulations OMB audit guidance requires that we test that we deemed applicable to the financial statements for the fiscal year ended September 30, 2013. We caution that noncompliance may have occurred and may not have been detected by these tests, and that such testing may not be sufficient for other purposes. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or OMB audit guidance.

**PURPOSE OF THIS REPORT**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

COTTON & COMPANY LLP



Alan Rosenthal, CPA, CFE  
Partner  
Alexandria, VA  
December 19, 2013

## Architect of the Capitol's Response to the AOC Inspector General



**Architect of the Capitol**  
U.S. Capitol, Room SB-15  
Washington, DC 20515  
202.228.1793  
[www.aoc.gov](http://www.aoc.gov)

December 19, 2013

H. Vance Haney  
Assistant Inspector General  
Architect of the Capitol  
499 South Capitol Street, SW, Suite 518  
Washington, DC 20515

Dear Mr. Haney:

Thank you for the opportunity to comment on the independent audit reports related to the financial statements of the Architect of the Capitol for Fiscal Years ending September 30, 2013 and 2012. AOC works diligently to establish strong financial management practices to meet the challenge of addressing compliance requirements, managing our financial processes and systems and meeting the day-to-day financial operations responsibilities. Sequestration has added an additional challenge to these organizational efforts, requiring us to focus our efforts and limited resources on the most pressing requirements.

We are pleased to have received an unmodified or "clean" independent audit opinion on our financial statements for the ninth consecutive year. We are especially proud to have cleared our material weakness in Internal Controls Assessment. By clearing this previously recurring material weakness, we have, for the first time, neither material weaknesses nor significant deficiencies resulting from our annual independent audit.

As we move forward, we are committed to continuing to build on our progress that we have made in addressing the challenges that face our organization. We will continue to cooperate with your office and Congress to improve AOC's fiscal accountability. We appreciate your efforts and assistance in identifying and addressing our organizational challenges as we strive to meet our mission to Serve, Preserve and Inspire.

Sincerely,



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

Doc. No. 131216-04-01

# Financial Statements

## Architect of the Capitol

### Balance Sheet

As of September 30, 2013 and 2012 (\$ in thousands)

	2013	2012
<b>ASSETS</b>		
Intragovernmental Assets		
Fund Balance with Treasury (Note 2)	\$ 627,490	\$ 628,173
Investments (Note 4)	10,654	8,313
Accounts Receivable (Note 5)	1,378	1,262
<b>Total Intragovernmental Assets</b>	<b>639,522</b>	<b>637,748</b>
Cash and Other Monetary Assets (Note 3)	16	43
Investments (Note 4)	26,702	26,707
Accounts Receivable, Net (Note 5)	565	1,781
Inventory & Other Related Property (Note 6)	904	800
General Property, Plant and Equipment, Net (Note 7)	1,834,061	1,849,766
Other (Note 9)	1	3
<b>TOTAL ASSETS</b>	<b>\$ 2,501,771</b>	<b>\$ 2,516,848</b>
Stewardship PP&E (Note 8)		
<b>LIABILITIES</b>		
Intragovernmental Liabilities		
Accounts Payable	\$ 105	\$ 241
Unfunded FECA (Note 11)	9,929	9,408
Other Intragovernmental Liabilities (Note 15)	46	1,232
<b>Total Intragovernmental Liabilities</b>	<b>10,080</b>	<b>10,881</b>
Accounts Payable	2,841	4,982
Debt Held by the Public (Note 12)	121,143	127,592
Actuarial FECA (Note 11)	57,455	51,646
Contingent and Environmental Liabilities (Note 13)	86,394	1,150
Accrued Annual Leave and Other (Note 11)	16,198	24,005
Capital Lease Liability (Note 14)	10,339	14,544
Contract Holdbacks	11,549	19,091
Other Accrued Liabilities (Note 15)	25,957	35,583
Advances from Others	5,092	11,480
<b>TOTAL LIABILITIES (Note 10)</b>	<b>\$ 347,048</b>	<b>\$ 300,954</b>
<b>NET POSITION</b>		
Unexpended Appropriations	\$ 540,149	\$ 523,248
Cumulative Results of Operations	1,614,574	1,692,646
<b>Total Net Position</b>	<b>\$ 2,154,723</b>	<b>\$ 2,215,894</b>
<b>TOTAL LIABILITIES &amp; NET POSITION</b>	<b>\$ 2,501,771</b>	<b>\$ 2,516,848</b>

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

## Architect of the Capitol Statements of Net Cost

For the Periods Ending September 30, 2013 and 2012 (*\$ in thousands*)

Program Costs	2013	2012
<b>Botanic Garden</b>		
Gross Costs	\$ 13,284	\$ 14,590
Less: Earned Revenue	(1)	(1)
Net Program Costs	<b>13,283</b>	<b>14,589</b>
<b>Capitol Building</b>		
Gross Costs	57,378	73,856
Less: Earned Revenue	(6)	(3)
Net Program Costs	<b>57,372</b>	<b>73,853</b>
<b>Capitol Grounds</b>		
Gross Costs	11,919	12,124
Less: Earned Revenue	—	(26)
Net Program Costs	<b>11,919</b>	<b>12,098</b>
<b>Capitol Police Buildings, Grounds and Security</b>		
Gross Costs	44,101	47,117
Less: Earned Revenue	(6,639)	(5,394)
Net Program Costs	<b>37,462</b>	<b>41,723</b>
<b>Utilities and Capitol Power Plant</b>		
Gross Costs	106,176	125,485
Less: Earned Revenue	(8,653)	(8,846)
Net Program Costs	<b>97,523</b>	<b>116,639</b>
<b>Capitol Visitor Center</b>		
Gross Costs	23,975	24,695
Less: Earned Revenue	(4,471)	(4,284)
Net Program Costs	<b>19,504</b>	<b>20,411</b>
<b>General Administrative</b>		
Gross Costs	103,525	115,356
Less: Earned Revenue	(118)	(143)
Net Program Costs	<b>103,407</b>	<b>115,213</b>
<b>House Office Buildings</b>		
Gross Costs	70,500	68,614
Less: Earned Revenue	(79)	(219)
Net Program Costs	<b>70,421</b>	<b>68,395</b>
<b>Library Buildings and Grounds</b>		
Gross Costs	44,548	51,816
Less: Earned Revenue	—	—
Net Program Costs	<b>44,548</b>	<b>51,816</b>
<b>Senate Office Buildings</b>		
Gross Costs	76,495	87,584
Less: Earned Revenue	(733)	(1,719)
Net Program Costs	<b>75,762</b>	<b>85,865</b>
<b>Supreme Court Buildings and Grounds</b>		
Gross Costs	46,328	44,753
Less: Earned Revenue	(32,052)	(37,418)
Net Program Costs	<b>14,276</b>	<b>7,335</b>
<b>Net Cost of Operations (Note 18)</b>	<b>\$ 545,477</b>	<b>\$ 607,937</b>

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

## Architect of the Capitol

## Statements of Changes in Net Position

For the Periods Ending September 30, 2013 and 2012 (*\$ in thousands*)

	2013	2012
<b>CUMULATIVE RESULTS OF OPERATIONS</b>		
<b>Beginning Balances</b>	<b>\$ 1,692,646</b>	<b>\$ 1,671,427</b>
<b>Adjustments</b>		
Changes in Accounting Principle (Note 13)	(86,394)	—
<b>Beginning Balances — Adjusted</b>	<b>\$ 1,606,252</b>	<b>\$ 1,671,427</b>
<b>Budgetary Financing Sources</b>		
Appropriations Used	519,291	602,774
Non-exchange Revenue	14	4
Transfers In/(Out) Without Reimbursement	—	102
<b>Other Financing Sources (Non Exchange)</b>		
Transfers In/(Out) Without Reimbursement	2,210	(6,533)
Imputed Financing From Costs Absorbed By Others (Note 16)	32,284	32,809
<b>Total Financing Sources</b>	<b>553,799</b>	<b>629,156</b>
<b>Net Cost of Operations</b>	<b>(545,477)</b>	<b>(607,937)</b>
<b>Net Change</b>	<b>8,322</b>	<b>21,219</b>
<b>Cumulative Results of Operations</b>	<b>\$ 1,614,574</b>	<b>\$ 1,692,646</b>
<b>UNEXPENDED APPROPRIATIONS</b>		
<b>Beginning Balances</b>	<b>\$ 523,248</b>	<b>\$ 552,301</b>
<b>Budgetary Financing Sources</b>		
Appropriations Received (Note 19)	571,668	575,668
Appropriations Transferred In/(Out)	3,037	7,822
Other Adjustments	(38,513)	(9,769)
Appropriations Used	(519,291)	(602,774)
<b>Total Budgetary Financing Sources</b>	<b>16,901</b>	<b>(29,053)</b>
<b>Total Unexpended Appropriations</b>	<b>\$ 540,149</b>	<b>\$ 523,248</b>
<b>NET POSITION</b>	<b>\$ 2,154,723</b>	<b>\$ 2,215,894</b>

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

## Architect of the Capitol

### Statements of Budgetary Resources

For the Periods Ending September 30, 2013 and 2012 (\$ in thousands)

	2013	2012
<b>Budgetary Resources</b>		
Unobligated Balance Brought Forward, October 1	\$ 387,415	\$ 341,269
Recoveries of Prior Year Unpaid Obligations	15,961	12,040
Other Changes in Unobligated Balances	(5,802)	(1,846)
Unobligated Balance from Prior Year Budget Authority, Net	397,574	351,463
Appropriations (Note 19)	524,765	558,438
Borrowing Authority	10,868	11,389
Spending Authority from Offsetting Collections	47,948	66,386
<b>Total Budgetary Resources</b>	<b>\$ 981,155</b>	<b>\$ 987,676</b>
<b>Status of Budgetary Resources</b>		
Obligations Incurred	\$ 553,323	\$ 600,261
Unobligated Balance, End of Year		
Exempt from Apportionment	401,936	358,056
Unapportioned (Note 2)	25,896	29,359
Total Unobligated Balance, End of Year	427,832	387,415
<b>Total Status of Budgetary Resources</b>	<b>\$ 981,155</b>	<b>\$ 987,676</b>
<b>Change in Obligated Balances</b>		
<b>Unpaid Obligations</b>		
Unpaid Obligations Brought Forward, October 1	\$ 250,763	\$ 291,657
Adjustment to Unpaid Obligations, Start of Year Obligations Incurred	553,323	600,261
Outlays	(576,080)	(629,115)
Recoveries of Prior Year Obligations	(15,961)	(12,040)
Unpaid Obligations, End of Year	212,045	250,763
<b>Uncollected Payments</b>		
Uncollected Payments, Federal Sources, Brought Forward Oct 1	(1,651)	(376)
Change in Uncollected Paymts, Federal Sources	(70)	(1,275)
Uncollected Payments from Federal Sources, End of Year	(1,721)	(1,651)
<b>Memorandum (non-add) Entries</b>		
Obligated Balance, Start of Year	<b>\$ 249,112</b>	<b>\$ 291,281</b>
Total Obligated Balance, End of Year (Note 2)	<b>\$ 210,323</b>	<b>\$ 249,112</b>
<b>Budget Authority and Outlays, Net</b>		
Budgetary Authority, Gross	\$ 583,581	\$ 636,213
Actual Offsetting Collections	(47,878)	(64,843)
Change in Uncollected Customer Payments from Federal Sources	(70)	(1,275)
Budget Authority, Net	<b>\$ 535,633</b>	<b>\$ 570,095</b>
Outlays, Gross	576,080	629,115
Actual Offsetting Collections	(47,878)	(64,843)
Outlays, Net	528,202	564,272
<b>Agency Outlays, Net</b>	<b>\$ 528,202</b>	<b>\$ 564,272</b>

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

# Notes to the Financial Statements

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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 evolved to include responsibility for the maintenance, operation, development, and preservation of the Capitol Building; Capitol Grounds; Capitol Police Buildings, Grounds, and Security; Capitol Power Plant (CPP); Capitol Visitor Center (CVC); House Office Buildings; Library of Congress Buildings and Grounds; Senate Office Buildings; Supreme Court and Judiciary Office Buildings and Grounds; and U.S. Botanic Garden (USBG).

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 Printing Office (GPO) and the Postal Square building, and
- providing visitor guide services at the CVC and USBG.

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, 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 asset remaining is Accounts Receivable.

### B. Basis of Accounting and Presentation

As a Legislative Branch agency of the Federal government, AOC is not required to follow the accounting principles established by the Comptroller General under 31 U.S.C. 3511 or the standards promulgated by FASAB. AOC has not 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 standards 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.

Similarly, AOC’s financial statements have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as promulgated by the Federal Accounting Standards

Advisory Board (FASAB). The American Institute of Certified Public Accountants (AICPA) recognizes FASAB standards as GAAP for Federal reporting entities. These principles differ from budgetary reporting principles. The differences relate primarily to the capitalization and depreciation of property and equipment as well as the recognition of other long-term assets and liabilities. For financial reporting purposes, AOC has adopted GAAP for financial reporting and internal controls in a manner consistent for a Federal Agency.

In 2013, AOC recorded a liability to recognize the estimated clean-up costs related to friable and nonfriable asbestos that are deemed probable and reasonably estimable to be consistent with SFFAS No.5, SFFAS No.6, and FASAB Technical Bulletin 2006-1, Recognition and Measurement of Asbestos-Related Cleanup Costs, which is effective for periods beginning after September 30, 2012. The adoption of this FASAB requirement is reported as a change in accounting principle, as required, on the SCNP.

### 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 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 3 and 4*, respectively.

### D. Accounts Receivable

Accounts Receivable includes reimbursement for supplying certain AOC and non-AOC entities on Capitol Hill with steam and chilled water to heat and cool their facilities (*see Note 5*). 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 predetermined amount is credited to Treasury’s Miscellaneous Receipt Fund and is a non-entity asset. In addition, receivables may arise from food service commissions from operations at the CVC restaurant and from employee payroll overpayments as well as rent collections from the Monocle Restaurant. AOC may record an Allowance for Doubtful Accounts based on management’s review of outstanding receivables, if applicable. Accounts Receivable is reduced to net realizable value by the Allowance for Doubtful Accounts.

### E. Investments

All investments are reported at their acquisition cost, 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)

AOC has a CVC Revolving Fund that was established under the *Capitol Visitor Center Act of 2008* (2 USC 31, 2201 et. seq.) to provide for the sale of gift shop items and the deposit of miscellaneous receipts. 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.

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 1.F. and 4* for additional detail on investments. CVC invests a portion of its available funds in government securities through the Bureau of Public Debt.

## F. Trust and Revolving Funds

### Trust Funds

In Fiscal Year 2013, AOC has stewardship responsibility for one trust fund account, the National Garden Trust Fund. This 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.

### Revolving Funds

AOC has stewardship responsibility for six 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 include:

- House (of Representatives) Gymnasium Revolving Fund,
- Senate Staff Health and Fitness Facility Revolving Fund,
- Senate Restaurants Revolving Fund,
- Judiciary Office Building Development and Operations Fund,
- CVC Revolving Fund, and
- Recycling 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 Staff Health and Fitness Facility Revolving Fund was established to deposit membership dues by authorized users of the Senate Staff 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 Restaurants Revolving Fund was established in 1961 for the operations of the Senate restaurants. In 2008, control of the Senate restaurants was transferred to a private vendor and Architect of the Capitol took over its accounting functions. Following the transfer the revolving fund is no longer used for operations of the restaurants, but the account still exists for activities resulting from the conversion and continuing operations and 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 is invested 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 Recycling 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 Staff 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. See *Notes 1.E. and 4* for additional detail on investments.

## 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. The appropriations the AOC manages are:

- Botanic Garden,
- Capitol Building,
- Capitol Grounds,
- Capitol Police Buildings, Grounds, and Security,
- Capitol Power Plant,
- Capitol Visitor Center,
- General Administrative,

- House Office Buildings,
- Library Buildings and Grounds,
- Senate Office Buildings, and
- Supreme Court and Judiciary Buildings and Grounds.

#### 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 are 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 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 are adjusted based on the results of quarterly 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 6*).

#### J. General Property, Plant and Equipment

AOC records property (buildings and equipment) at cost. Buildings and equipment are depreciated over their estimated useful lives, which range from 3 to 40 years, using the straight-line method. Depreciation is based on the half-year and half-month conventions for buildings and equipment, respectively. All property (buildings and equipment) is in AOC's possession and there is nothing held by others (*see Note 7*).

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

#### K. Stewardship PP&E

Stewardship 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 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 8*).

#### 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, and
- Advances from Others.

#### 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 11*).

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 16*).

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 16*).

### 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 11*).

### N. Contingencies

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 \$100,000 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. The AOC has recorded loss provisions for contingent liabilities (*see Note 13*).

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 13*).

### 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 jurisdictions are presented as General Administrative.

AOC has a number of initiatives (e.g., cost accounting and new strategic vision) in place to gather program data in order to provide more information to its stakeholders such as costs per strategic goal. 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 aggregates of the funds identified below. Inactive funds are included below for full disclosure.

1. Botanic Garden
  - Botanic Garden
  - National Garden (inactive)
2. Capitol Building
3. Capitol Grounds
  - Capitol Grounds
  - West Central Front (inactive)
4. Capitol Police Buildings, Grounds and Security
5. Capitol Power Plant
6. Capitol Visitor Center
7. General Administrative
  - General Administrative
  - American Disabilities Act (inactive)
  - Congressional Cemetery (inactive)
8. House Office Buildings
  - House Office Buildings
  - House Wellness Center
9. Library Buildings and Grounds
10. Senate Office Buildings
  - Senate Office Buildings
  - Senate Health and Fitness
  - Senate Restaurants Revolving Fund
11. Supreme Court and Judiciary Buildings and Grounds
  - Supreme Court
  - Thurgood Marshall Federal Judiciary Building

Revenues reported on the SNC are calculated 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: Fund Balance with Treasury**

Funds with Treasury primarily consist of appropriated funds. As of September 30, 2013, AOC also had stewardship responsibility for six revolving funds and administrative responsibility for one trust fund (which is currently inactive).

**A. Fund Balances**

The balance of these funds as of September 30, 2013 and 2012 follows.

Dollars in Thousands

Fund Type	2013	2012
Appropriated Funds	\$ 608,699	\$ 610,203
Trust and Revolving Funds	18,791	17,970
<b>Total</b>	<b>\$ 627,490</b>	<b>\$ 628,173</b>

**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. 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 have budget authority.

The status of FBWT as of September 30, 2013 and 2012 follows.

Dollars in Thousands

Balance Type	2013	2012
Unobligated Balance		
Available	\$ 391,269	\$ 349,702
Unavailable	25,896	29,359
Obligated Balance not yet Disbursed	210,323	249,112
Non Budgetary	2	—
<b>Total</b>	<b>\$ 627,490</b>	<b>\$ 628,173</b>

Amounts shown as “Unobligated Available” in the chart above may differ from the line items on the Statement of Budgetary Resources (SBR) due to anticipated reimbursements (Q1 to Q3), CVC investments and other proprietary only adjustments (including imprest and other funds held outside of Treasury).

**NOTE 3: 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. In 2012, the Cash Imprest Funds included funds held to cover expenses for the Office of Inspector General to conduct and supervise confidential investigations. These funds have since been returned to Treasury. There are no restrictions on cash.

The cash balances as of September 30, 2013 and 2012 follows.

Dollars in Thousands

Cash and Other Monetary Assets	2013	2012
Undeposited Collections	\$ 2	\$ 25
Cash Imprest Funds	14	18
<b>Total</b>	<b>\$ 16</b>	<b>\$ 43</b>

**NOTE 4: Investments**

Investments at September 30, 2013 and 2012 are summarized below.

At September 30, 2013 (Dollars in Thousands)

Investments	Cost	Amortized (Premium) Discount	Investments, Net	Market Value
<b>Intragovernmental, Non-marketable:</b>				
Capitol Visitor Center Revolving Fund				
One Day Certificate 0.030% Daily Yield Maturing 10/01/2013	\$ 2,983	\$ —	\$ 2,983	\$ 2,983
Six Month Certificate 0.07% Annual Yield Maturing 11/14/2013	4,117	1	4,118	4,118
One Year Certificate, 0.17% Annual Yield Maturing 11/14/2013	3,547	6	3,553	3,553
<b>Total Intragovernmental</b>	<b>\$ 10,647</b>	<b>\$ 7</b>	<b>\$ 10,654</b>	<b>\$ 10,654</b>
<b>With the Public:</b>				
The Bank of New York Mellon				
Operating Reserve Fund				
Serial Zero Coupon Certificates Maturing 08/15/2024	26,702	—	26,702	26,702
<b>Total With the Public</b>	<b>\$ 26,702</b>	<b>\$ —</b>	<b>\$ 26,702</b>	<b>\$ 26,702</b>
<b>Total Investments</b>	<b>\$ 37,349</b>	<b>\$ 7</b>	<b>\$ 37,356</b>	<b>\$ 37,356</b>

At September 30, 2012 (Dollars in Thousands)

Investments	Cost	Amortized (Premium) Discount	Investments, Net	Market Value
<b>Intragovernmental, Non-marketable:</b>				
Capitol Visitor Center Revolving Fund				
One Day Certificate, 0.50% Daily Yield Maturing 10/01/2012	\$ 3,330	\$ —	\$ 3,330	\$ 3,330
Six Month Certificate 0.12% Semiannual Yield Maturing 11/29/2012	4,980	3	4,983	4,983
<b>Total Intragovernmental</b>	<b>\$ 8,310</b>	<b>\$ 3</b>	<b>\$ 8,313</b>	<b>\$ 8,313</b>
<b>With the Public:</b>				
The Bank of New York Mellon Operating Reserve Fund Serial Zero Coupon Certificates Maturing 08/15/2024				
	26,707	—	26,707	26,707
<b>Total With the Public</b>	<b>\$ 26,707</b>	<b>\$ —</b>	<b>\$ 26,707</b>	<b>\$ 26,707</b>
<b>Total Investments</b>	<b>\$ 35,017</b>	<b>\$ 3</b>	<b>\$ 35,020</b>	<b>\$ 35,020</b>

**NOTE 5: Accounts Receivable**

The breakdown of the consolidated accounts receivable (both Intragovernmental and With the Public), as of September 30, 2013 and 2012 is as follows:

Dollars in Thousands

Accounts Receivable	2013	2012
<b>Intragovernmental:</b>		
Entity	\$ 1,344	\$ 1,231
Non-Entity	34	31
<b>Total Intragovernmental</b>	<b>\$ 1,378</b>	<b>\$ 1,262</b>
<b>With the Public</b>		
Entity	\$ 555	\$ 580
Non-Entity	10	1,201
<b>Total With the Public</b>	<b>\$ 565</b>	<b>\$ 1,781</b>
<b>Total</b>	<b>\$ 1,943</b>	<b>\$ 3,043</b>

As of September 30, 2013, AOC may be involved in certain cases seeking restitution for expenditures and damages resulting from construction-related contract activities. These cases are currently in various stages of claims and appeals and the restitution amounts and case resolutions are uncertain. As a result, no related receivables have been recorded.

**NOTE 6: 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 shop's appropriated and/or revolving funds. AOC may record an allowance which is based on slow-moving, excess, or obsolete and damaged inventory.

Inventory, as of September 30, 2013 and 2012 is as follows:

Dollars in Thousands

Inventory Category	2013	2012
Purchased Goods Held for Current Sale	\$ 902	\$ 800
Damaged/Restricted/Held for Future Sale	2	—
<b>Total</b>	<b>\$ 904</b>	<b>\$ 800</b>

Based upon management reviews, inventory in the amount of \$2 thousand, was considered damaged or restricted and pending management's decision on its ultimate disposition as of September 30, 2013.

**NOTE 7: General Property, Plant and Equipment**

AOC differentiates its property and equipment by distinct categories. The following represents these categories and their balances as of September 30, 2013 and 2012:

At September 30, 2013 (Dollars in Thousands)

Class of Property and Equipment	Acquisition Value	Accumulated Depreciation	Net Book Value	%
Buildings	\$ 1,398,961	\$ 605,125	\$ 793,836	43.3
Building Improvements	1,340,561	694,118	646,443	35.2
Land	168,672	—	168,672	9.2
Land Improvements	153,674	65,096	88,578	4.8
Capital Leases (Real Property)	39,749	31,901	7,848	0.4
Leasehold Improvements	22,934	16,636	6,298	0.3
Equipment (Computers and Hardware)	18,238	14,910	3,328	0.3
Other Structures	9,288	2,536	6,752	0.4
Construction Work-in-Progress	112,306	—	112,306	6.1
<b>Total</b>	<b>\$ 3,264,383</b>	<b>\$ 1,430,322</b>	<b>\$ 1,834,061</b>	<b>100.0</b>

At September 30, 2012 (Dollars in Thousands)

Class of Property and Equipment	Acquisition Value	Accumulated Depreciation	Net Book Value	%
Buildings	\$ 1,398,961	\$ 574,726	\$ 824,235	44.6
Building Improvements	1,283,086	645,421	637,665	34.5
Land	168,672	—	168,672	9.1
Land Improvements	148,393	57,886	90,507	4.9
Capital Leases (Real Property)	39,749	28,376	11,373	0.6
Leasehold Improvements	22,934	14,883	8,051	0.4
Equipment (Computers and Hardware)	17,962	13,650	4,312	0.2
Other Structures	9,288	2,177	7,111	0.4
Construction Work-in-Progress	97,840	—	97,840	5.3
<b>Total</b>	<b>\$ 3,186,885</b>	<b>\$ 1,337,119</b>	<b>\$ 1,849,766</b>	<b>100.0</b>

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. AOC is responsible for reviewing and authorizing all structural and architectural changes to the buildings and grounds prior to any change occurring.

### NOTE 8: Stewardship PP&E

Stewardship assets are property, plant, and equipment that are unique for one or more of the following reasons: historic or natural significance; cultural, educational, or artistic importance; or significant architectural characteristics. Stewardship assets are expected to be preserved indefinitely. Federal agencies are not required to assign a cost on the Balance Sheet for stewardship assets, except for multi-use heritage assets, which are defined as stewardship assets whose predominant use is in general government operations. The Capitol, House Office Buildings, Senate Office Buildings, Supreme Court, and Thomas Jefferson Building of the Library of Congress are all multi-use heritage assets at AOC.

AOC's stewardship assets are directly related to its mission to preserve and enhance the Capitol. Authority for the care and maintenance of the Capitol was established by legislation in 1876. The Architect's core duties include the conservation and care of works of art in the buildings under the Architect's jurisdiction and the upkeep and improvement of the living heritage assets on the Capitol Grounds and in the Botanic Garden. AOC's stewardship responsibility for the heritage assets of the Capitol complex include those that are jointly under the Senate and House (such as works of architectural fine art) and those attached to the complex's buildings and on its grounds. In FY 2012, Union Square was transferred to AOC from the National Park Service and is also included in AOC's heritage assets. Heritage asset categories include:

**Artwork:** AOC cares for some collectible or movable art and all of the architectural fine and decorative art that is part of the Capitol buildings and grounds, which includes fine art, decorative art, architectural fine art, and architectural decorative art.

**Architectural Features:** The Capitol buildings and grounds are graced with many unique architectural features. These include outdoor sculptures and monuments and landscape features and fixtures.

**Reference and Library Materials:** These collections include art and reference files, art and reference library.

**Records:** These collections include architectural and engineering drawings, manuscripts and other textual records, small architectural models, photographs, and conservation reports.

**Living Heritage Assets:** As Acting Director of the USBG and steward of the Capitol Grounds, AOC has living heritage assets in its collections. These include memorial trees and a variety of living plants.

A summary inventory of AOC's stewardship assets as of September 30, 2013 and 2012 is as follows:

Description	2013	2012
<b>Artwork</b>	2,010 items	1,993 items
<b>Architectural Features</b>	197 features	199 features
<b>Reference and Library Materials</b>		
Art and Reference Files	108 drawers	108 drawers
Art and Reference Materials	1,172 items	1,154 items
<b>Records</b>	437,707 records	420,200 records
<b>Living Heritage Assets</b>	59,088 items	66,466 items

### NOTE 9: Other Assets

On September 30, 2013 and 2012, Other Assets consisted solely of Advances to Others which were travel advances to AOC employees.

Dollars in Thousands

Other Assets	2013	2012
Advances to Others	\$ 1	\$ 3

### NOTE 10: Liabilities

The Balance Sheet as of September 30, 2013 and 2012 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; and capital lease, contingent, and environmental liabilities. Liabilities covered by budgetary resources generally include accounts payable, advances from others, contract holdbacks, and other accrued liabilities.

Liabilities not covered by budgetary resources for September 30, 2013 and 2012 follow.

Dollars in Thousands

Fund Type	2013	2012
Intragovernmental:		
Liabilities covered by budgetary resources	\$ 105	\$ 241
Liabilities not covered by budgetary resources	9,975	10,640
<b>Total Intragovernmental</b>	<b>\$ 10,080</b>	<b>\$ 10,881</b>
With the Public:		
Liabilities covered by budgetary resources	\$ 45,440	\$ 71,136
Liabilities not covered by budgetary resources	291,528	218,937
<b>Total With the Public</b>	<b>\$ 336,968</b>	<b>\$ 290,073</b>
<b>Total</b>	<b>\$ 347,048</b>	<b>\$ 300,954</b>

**NOTE 11: Payroll-Related Liabilities**

On September 30, 2013 and 2012, the liability for Accrued Annual Leave and Other is comprised of three accounts: Funded Accrued Payroll (payrolls that have 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, 2013 and 2012 are as follows:

Dollars in Thousands

Accrued Annual Leave and Other	2013	2012
Appropriated Funds	\$ 5,108	\$ 12,927
Unfunded Accrued Annual Leave	11,090	11,078
<b>Total</b>	<b>\$ 16,198</b>	<b>\$ 24,005</b>

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, 2013 and 2012 is as follows:

Dollars in Thousands

Workers' Compensation, by Type	2013	2012
Unfunded Workers' Compensation (Current)	\$ 9,929	\$ 9,408
Actuarial Workers' Compensation (Long-Term)	57,455	51,646
<b>Total</b>	<b>\$ 67,384</b>	<b>\$ 61,054</b>

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 10.

**NOTE 12: Debt Held by the Public**

As of September 30, 2012 and 2011, Debt Held by the Public consists of the financing obtained for the construction of the TMFJB. The debt consists of 30-year Serial Zero Coupon Certificates of Participation issued in 1988 for \$125.4 million with a maturity value of \$525.5 million. The certificates are amortized using the effective interest rate of 8.72 percent. The balance of Debt Held by the Public follows.

Dollars in Thousands

Debt Held by the Public, by Type	2013	2012
Securities	\$ 189,530	\$ 206,760
Interest Payable	859	992
Subtotal	190,389	207,752
Discount on Securities	(400,123)	(400,123)
Less: Amortization of Discount	330,877	319,963
Subtotal	(69,246)	(80,160)
<b>Total</b>	<b>\$ 121,143</b>	<b>\$ 127,592</b>

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 13: Contingent and Environmental Liabilities**

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.

The accrued and potential Contingent and Environmental Cleanup Cost Liabilities, as of September 30, 2013 and 2012 are as follows:

Dollars in Thousands

Contingent and Environmental Liabilities	2013	2012
Contingent Liabilities	\$ —	\$ 1,150
Estimated Cleanup Cost Liabilities	86,394	—
<b>Total</b>	<b>\$ 86,394</b>	<b>\$ 1,150</b>

### 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 were recognized for those cases that were determined to meet management's materiality threshold (*see Note 1.N*). No amounts have been 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.

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, 2013 the lower level estimate of these cases amounted to approximately \$8.5 million. 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

Pursuant to the Federal Accounting Standards Advisory Board (FASAB) Technical Bulletin 2006-1, Recognition and Measurement of Asbestos-related Cleanup Costs, federal entities are required to recognize a liability for federal property asbestos cleanup costs. AOC is responsible for managing friable and non-friable asbestos-containing materials (ACM) in all Capitol Complex Buildings owned by the Federal Government. Beginning in 2000, AOC contracted EPA-accredited asbestos inspectors to conduct inspections in accessible areas using nondestructive sampling techniques. For financial reporting purposes, separate per square foot rates were determined for friable and non-friable ACM. The per square foot values were based on recent removal projects conducted by AOC's Construction Division and a review of readily available current industry estimates. The rates were applied to the ACM square footage of each Capitol Complex building as estimated during the asbestos inspections. Upon the effective date in FY 2013, AOC recognized an estimated asbestos liability of \$86 million. The balance was recorded as a prior period adjustment due to a change in accounting principle since the real property has been in service for a significant portion of their estimated useful life. As required by SFFAS No. 6 "Accounting for Property, Plant and Equipment", AOC will determine the need for asbestos liability adjustments on an annual basis. As actual asbestos remediation costs are incurred, the asbestos liability will be reduced

by the reported amount. In FY 2013, the entire amount of the "Contingent and Environmental Liabilities" line on the Balance Sheet is due to the estimated asbestos liability as required by Technical Bulletin 2006-1.

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 liabilities include expected future cleanup costs, and for those sites where future liability is unknown, the cost of studies necessary to evaluate response requirements.

### Fort George G. Meade, Maryland

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.

### NOTE 14: Leases

As of September 30, 2013, AOC was 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. At the period end, AOC had two real property capital leases.

### 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. As of September 30, 2013 and 2012, the present value of the future minimum lease payments required by those leases identified as capital leases is as follows:

At September 30, 2013 (Dollars in Thousands)

Fiscal Year	Total
2014	\$ 3,523*
2015	845
2016	845
2017	845
2018	845
Thereafter	5,915
<b>Total Minimum Future Lease Payments</b>	<b>12,818</b>
Less: Imputed Interest	(2,479)
<b>Total Capital Lease Liability</b>	<b>\$ 10,339</b>

\* The numbers for 2014 and 2013 include expected lease payments for the year indicated, as well as prior year unpaid amounts of \$395 thousand and \$463 thousand for 2013 and 2012, respectively.

At September 30, 2012 (Dollars in Thousands)

Fiscal Year	Total
2013	\$ 5,199*
2014	3,128
2015	845
2016	845
2017	845
Thereafter	6,760
<b>Total Minimum Future Lease Payments</b>	<b>17,622</b>
Less: Imputed Interest	(3,078)
<b>Total Capital Lease Liability</b>	<b>\$ 14,544</b>

\* The numbers for 2014 and 2013 include expected lease payments for the year indicated, as well as prior year unpaid amounts of \$395 thousand and \$463 thousand for 2013 and 2012, respectively.

### Operating Leases

AOC currently has leases with the General Services Administration (GSA) and commercial vendors for office and storage space, plus rentals of equipment and vehicles. These leases expire in various years.

As of September 30, 2013, the aggregate of minimum future payments due under non-cancelable operating leases and estimated real property payments to GSA for fiscal year 2013 through fiscal year 2017 and in the aggregate are as follows:

Dollars in Thousands

Fiscal Year	Real Property	Personal Property	Total
2014	\$ 10,479	\$ 45	\$ 10,524
2015	8,934	—	8,934
2016	7,880	—	7,880
2017	6,553	—	6,553
2018	2,144	—	2,144
Thereafter	8,144	—	8,144
<b>Total Minimum Future Lease Payments</b>			<b>\$ 44,179</b>

### NOTE 15: Other Liabilities

As of September 30, 2013 and 2012, other liabilities consist of accrued accounts payable (with the public) and miscellaneous receipts that are to be forwarded to Treasury (intragovernmental custodial liabilities). These receipts included, but were not limited to, flag-flying fees, rent from the Monocle restaurant and steam and chilled water collections over the Congressional cap. These liabilities are classified as current.

Other Liabilities as of September 30, 2013 and 2012 are as follows:

Dollars in Thousands

Other Liabilities	2013	2012
Intragovernmental	\$ 46	\$ 1,232
With the Public	25,957	35,583
<b>Total</b>	<b>\$ 26,003</b>	<b>\$ 36,815</b>

### NOTE 16: 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 pension benefits for AOC employees that are paid on its behalf by the Office of Personnel Management (OPM), printing services provided by the GPO, design elements paid for by the Army Corps of Engineers to improve building infrastructure campus-wide, capital projects performed by another Federal Agency, and Treasury judgment fund payments, as applicable. AOC conducted a quarterly review of its imputed financing for its September 30, 2013 and 2012 financial statements.

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 March 31, 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 as of September 30, 2013 and 2012 is as follows:

Dollars in Thousands

Imputed Financing, by Type	2013	2012
CSRS	\$ 4,045	\$ 5,226
CSRS Offset	1,058	890
FERS	28,748	28,252
Less: Contributions	(28,032)	(28,619)
Subtotal: Employee Pensions	5,819	5,749
Health	8,896	11,809
Life Insurance	31	33
Subtotal: All Employee Benefits	\$ 14,746	\$ 17,591
Government Printing Office	295	472
Other Agency—Campus Infrastructure	17,243	14,725
Department of Justice—Treasury Judgment Fund	—	21
<b>Total</b>	<b>\$ 32,284</b>	<b>\$ 32,809</b>

### NOTE 17: 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 managers report directly to top management. 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, 2013 and 2012 amounted to \$259,121 thousand and \$259,195 thousand, respectively. The totals amounted to approximately 43 and 39 percent of the annual gross cost of operations for each respective year. This cost includes imputed Federal employee benefit costs \$14,746 thousand and \$17,591 thousand, respectively, paid by OPM. The amount identified as expenses for salaries and related benefits represents actual expenditures and does not include accrued expenses.

### NOTE 18: 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 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 off-setting collections may result in expenses or exchange revenue (e.g., a building purchase is capitalized in proprietary accounts, but obligated and outlayed in budgetary 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 off-setting 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, 2013 and 2012 is as follows:

Dollars in Thousands

Reconciliation of Net Cost of Operations to Budget	2013	2012
<b>Resources Used to Finance Activities:</b>		
<b>Budgetary resources obligated</b>		
Obligations Incurred	\$ 553,323	\$ 600,261
Less: Spending Authority from Offsetting Collections and Recoveries	(63,909)	(78,158)
Obligations Net of Offsetting Collections and Recoveries	489,414	522,103
Net Obligations	489,414	522,103
<b>Other resources</b>		
Transfers In/(Out) Without Reimbursement	2,210	(6,533)
Imputed Financing	32,284	32,809
Net Other Resources used to Finance Activities	34,494	26,276
<b>Total Resources Used to Finance Activities</b>	<b>\$ 523,908</b>	<b>\$ 548,379</b>
<b>Resources Used to Finance Items not Part of Net Cost of Operations (NCOO)</b>		
Change in Budgetary Resources Obligated for Goods, Services and Benefits Ordered but not yet Provided	(4,981)	(53,444)
Resources that Fund Expenses Recognized in Prior Periods	(82,200)	3,771
Budgetary Offsetting Collections and Receipts that do not affect NCOO	10	(111)
Resources that Finance the Acquisition of Assets	79,618	89,118
<b>Total Resources Used to Finance Items not Part of NCOO</b>	<b>(7,533)</b>	<b>39,334</b>
<b>Total Resources Used to Finance the Net Cost of Operations</b>	<b>\$ 531,461</b>	<b>\$ 509,045</b>
<b>Components of NCOO that will not Require or Generate Resources in the Current Period</b>		
Components Requiring or Generating Resources in Future Periods	(194)	(70)
Other	(81,214)	3,755
Total Components of NCOO that will Require or Generate Resources in Future Periods	(81,408)	3,685
Components not Requiring or Generating Resources		
Depreciation and Amortization	93,282	93,203
Revaluation of Assets or Liabilities	43	31
Other	2,099	1,973
Total Components of NCOO that will not Require or Generate Resources	95,424	95,207
<b>Total Components of NCOO that will not Require or Generate Resources in the Current Period</b>	<b>14,016</b>	<b>98,892</b>
<b>Net Cost of Operations</b>	<b>\$ 545,477</b>	<b>\$ 607,937</b>

### NOTE 19: Reconciliation of SCNP Appropriation to SBR Appropriation

Amounts reported as Appropriations Received on the Statement of Changes in Net Position (SCNP) are \$571,668 thousand and \$575,668 thousand for 2013 and 2012, respectively. These amounts consist of funds congressionally appropriated to the agency within the current fiscal year. On the Statement of Budgetary Resources (SBR) the Appropriations line consists of appropriations received, current year transfers, reduction of

borrowing authority and new budget authority totaling \$524,765 and \$558,438 for 2013 and 2012, respectively. In 2013, the difference between the two statements is attributed to the \$17,230 thousand semiannual bond payment to the Bank of New York/Mellon and rescissions of \$29,673 thousand that permanently reduced the new budget authority. In 2012, the difference was attributed to the \$17,230 thousand semiannual bond payment to the Bank of New York/Mellon.



The U.S. Capitol's Rotunda contains many of AOC's most significant heritage assets (including paintings, sculptures, historic benches, stone reliefs and frescoes). It is one of the most popular locations in the U.S. Capitol for visitors and will remain open during the Dome Restoration Project that will resume in FY 2014.

## Required Supplementary Information

### Stewardship of Heritage Assets

AOC is the steward of heritage assets located throughout Capitol Hill. 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. 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.

AOC's Curator maintains detailed records for each work of art and manages computerized inventories of heritage assets.<sup>6</sup> AOC contracts with professional fine art conservators for needed repairs or treatments. The 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 AOC's jurisdictions on projects and contracts that involve heritage assets or preservation issues. The Records Management and Archives Branch preserves and maintains historic architectural and engineering drawings and textual records. The branch also creates records policies. The Photography Branch documents facilities and projects, heritage assets and AOC and congressional events, and manages and preserves 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 conducting historical

research and providing copies of photographs, drawings, records, specifications and reports.

AOC's Historic Preservation Officer is responsible for preserving the architectural features of the historic buildings maintained by AOC. The Historic Preservation Officer works closely with the Curator in documenting, researching and providing information about buildings, reviewing projects, developing specifications and developing and implementing AOC's Preservation Policy.

### General Condition Standards

AOC has defined condition standards based on principles and guidance used by members of the American Institute for Conservation and those of Heritage Preservation. 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. **Table 28** summarizes the condition survey rating scales used by AOC for its heritage assets.

### AOC Heritage Assets

In the following tables, footnotes explain changes in condition or inventory count.

#### 1. AOC Capitol Building

The U.S. Capitol is an important example of 19th century neo-classical architecture. While a working building, the U.S. Capitol may also be considered a museum of American art and history with millions of visitors each year.

<sup>6</sup> The catalogue of the entire congressional art collection was last published in 1978 in *Art in the United States Capitol*.

**TABLE 28: AOC Heritage Assets Condition Rating Scales**

Condition Rating Scale	Definition	Priority
<b>Heritage Assets</b>		
Poor	Asset exhibits, or is in danger of, structural damage or loss. Requires major conservation or repair to maintain it intact and keep it stable	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 conservation maintenance (e.g., minor surface cleaning)	Low
Excellent	Asset is new or has been conserved close to its original condition and appearance	No Treatment Needed
<b>Historic Paper Records</b>		
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
<b>Photographic Records</b>		
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 location	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

### 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 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 AOC's inventory as possibly joint). The possibly joint assets are located in the Senate and House wings of the U.S. Capitol and, in many cases, are considered part of the Senate or House collections. The AOC Curator is not responsible for assets in the Senate or House collections.

#### 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 2013, all of the statues were maintained at least once (with most maintained multiple times).

Sculpture	As of 10/01/12	As of 9/30/13	Change	General Condition
1.1.1.1 National Statuary Hall Statues	100	100	—	Good to Excellent
1.1.1.2 Other Statues <sup>1</sup>	6	9	3 <sup>2</sup>	Good to Excellent
1.1.1.3 Possibly Joint Statues	5	3	(2) <sup>3</sup>	Good
1.1.1.4 Busts	16	16	—	Good
1.1.1.5 Possibly Joint Busts	21	21	—	Good
1.1.1.6 Other (Maquettes, etc.)	22	25	3 <sup>4</sup>	Good to Excellent

<sup>1</sup> The Magna Carta display, located in the Crypt, is included in this category.  
<sup>2</sup> Statues of Rosa Parks and Frederick Douglass were added and the statue of Edward Dickinson Baker was moved to this category from Possibly Joint Statues.  
<sup>3</sup> The sculpture *Indian Seated Beside Pool* was mistakenly included in Possibly Joint Statues and was reclassified as Other (Maquettes, etc.).  
<sup>4</sup> Two electrolyte plaster statuettes, *Walking Lion* and *Walking Tiger*, were conserved and added to the inventory in this category this year along with *Indian Seated Beside Pool*, which was reclassified.



The Zodiac Corridor, originally decorated by Constantino Brumidi and his assistants, was later damaged by leaks and heavily overpainted. AOC fully conserved and reopened the Corridor in FY 2013.

### 1.1.2. Framed Oil Paintings

Framed oil paintings under 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 10/01/12	As of 9/30/13	Change	General Condition
1.1.2.1 Portraits	17	17	—	Good
1.1.2.2 Possibly Joint Portraits	26	26	—	Good
1.1.2.3 Paintings Other Than Portraits	11	11	—	Good to Excellent
1.1.2.4 Possibly Joint Paintings	23	23	—	Good

### 1.1.3. Works of Art on Paper

AOC is the steward of works on paper primarily related to the U.S. Capitol. This collection is used for research and reference purposes and is generally not on display.

Works of Art on Paper	As of 10/01/12	As of 9/30/13	Change	General Condition
1.1.3.1 Watercolors	6	6	—	Good
1.1.3.2 Prints and Drawings	63	64	1*	Fair to Excellent
1.1.3.3 Sketches for Murals	approx. 232	approx. 232	—	Good

\* The 1861 wood engraving of President Lincoln's first inauguration was added to the collection upon approval of the Joint Committee on the Library.

### 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 10/01/12	As of 9/30/13	Change	General Condition
1.2.1 Gilded Mirror Frames*	93	93	—	Fair to Good
1.2.2 Historic Furniture	38	38	—	Good
1.2.3 Antique Clocks	10	10	—	Good
1.2.4 Textiles	2	2	—	Good

\* This number primarily includes frames in the House side of the Capitol. The Senate Curator has assumed responsibility for inventory and conservation of Senate mirror frames.

### 1.3. Architectural Fine Art

This 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 10/01/12	As of 9/30/13	Change	General Condition
1.3.1 Pediments (exterior)	3	3	—	Poor to Fair <sup>1</sup>
1.3.2 Statues (interior and exterior)	6	6	—	Good
1.3.3 Plaster Model for Sculpture	1	1	—	Excellent
1.3.4 Sculptured Stair Railings	4	4	—	Good
1.3.5 Architectural Models on Display	—	—	—	—
1.3.6 Reliefs	39	39	—	Good
1.3.7 Bronze Doors (sets) (interior and exterior)	4	4	—	Excellent
1.3.8 Plaques	28	29	1 <sup>2</sup>	Fair to Good
1.3.9 Stained Glass	16	16	—	Poor to Good <sup>3</sup>
1.3.10 Rotunda Paintings	8	8	—	Good to Excellent
1.3.11 Rooms or Spaces with Fine Art Murals	79	84 <sup>4</sup>	—	Fair to Excellent

<sup>1</sup> Conservation of the marble pediment sculptures is being planned as part of the Capitol stone preservation project.

<sup>2</sup> The Gabriel Zimmerman Memorial Plaque was unveiled in HVC-215.

<sup>3</sup> The stained glass skylights in the grand stairwells were removed for future conservation.

<sup>4</sup> Each room or space may contain multiple sections of murals in vaults and lunettes with individual mural scenes, portraits, or images. Because individual rooms within the Main and Inner Brumidi Corridors are being restored as part of the current contract, 5 rooms have been added to the inventory. There are hundreds if not thousands of images painted on the Capitol's walls within these spaces. Mural conservation has been ongoing since 1981 and most are in now at least "good" condition.

### 1.4. Architectural Decorative Art

This 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 Decorative Art	As of 10/01/12	As of 9/30/13	Change	General Condition
1.4.1. Mantels	approx. 167	approx. 167	—	Good
1.4.2. Chandeliers <sup>1</sup>	approx. 250	approx. 250	—	Good to Excellent
1.4.3. Pendant Lights <sup>2</sup>	approx. 270	approx. 270	—	Good
1.4.4. Sconces <sup>3</sup>	approx. 100	approx. 100	—	Good
1.4.5. Rooms or Spaces with Decorative Murals	47	48	1 <sup>4</sup>	Good

<sup>1</sup> Counts are taken from the lighting fixtures included on the Capitol Superintendent's CAFM inventory. About one third of the fixtures would be considered historic.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> A historic decorative mural of illusionistic molding was revealed through paint analysis and was replicated in S-220, adding to the number of decorative murals.



AOC's stewardship responsibility includes maintaining the National Garden as well as the 290 acres of Capitol Grounds.

### 1.5. Architectural Features

Historic architectural features include woodwork, shutters, columns, capitals, brackets, historic floors (e.g., the U.S. Capitol'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.<sup>7</sup>

### 2. AOC Capitol Grounds

The Capitol Grounds cover approximately 290 acres on which the U.S. Capitol, 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 10/01/12	As of 9/30/13	Change	General Condition
2.1.1 Monuments/Statues	4	4	—	Poor to Excellent
2.1.2 Fountains with Sculpture	1	1	—	Good
2.1.3 Plaques	4	5	1*	Poor to Excellent

\* The CVC Groundbreaking Plaque was installed and added to the inventory.

<sup>7</sup> A survey of all architectural features in rooms in the U.S. Capitol was completed in FY 2013.

## 2.2. Landscape Features and Fixtures (including fixtures on the exterior of the U.S. Capitol)

Landscape Features and Fixtures	As of 10/01/12	As of 9/30/13	Change	General Condition
2.2.1 Urns	20	20	—	Good
2.2.2 Lighting Fixtures	approx. 166	approx. 166	—	Fair to Excellent

## 2.3. Memorial Trees

Memorial trees are living heritage assets planted to honor distinguished citizens, groups and national events. About half are located on the Capitol's East Front.

Memorial Trees	As of 10/01/12	As of 9/30/13	Change	General Condition
2.3 Memorial Trees	138	144	6	Good

## 3. AOC House Office Buildings

There are three major office buildings and one annex building for the House of Representatives: the Cannon, Longworth, Rayburn and Ford House Office Buildings, respectively.

Architectural Fine Art	As of 10/01/12	As of 9/30/13	Change	General Condition
3.1 Pediments (exterior)	1	1	—	Good
3.2 Sculpture (exterior)	8	8	—	Fair to Good
3.3 Plaster Models of Sculpture	27	27	—	Good
3.4 Architectural Models on Display	1	1	—	Fair to Good
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

## 4. AOC 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 10/01/12	As of 9/30/13	Change	General Condition
4.1 Pediments (exterior)	1	1	—	Fair
4.2 Sculpture	1	1	—	Poor
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. AOC Library Buildings and Grounds

The Library of Congress' 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 10/01/12	As of 9/30/13	Change	General Condition
5.1 Statues	27	27	—	Good to Excellent
5.2 Sculptured Stair Railings	2	2	—	Good
5.3 Reliefs (interior and exterior)	74	74	—	Good
5.4 Bronze Doors (sets) (exterior)	11	11	—	Fair to Excellent
5.5 Stained Glass/Mosaics	17	17	—	Fair to Good
5.6 Rooms or Spaces with Fine Art Murals	32	32	—	Fair to Excellent
5.7 Fountains with Sculpture (exterior)	3	3	—	Fair to Good
5.8 Sculptural Clock	1	1	—	Excellent

## 6. AOC Supreme Court Buildings and Grounds

The Supreme Court Building is richly adorned with decorative carvings in marble and wood, decorative metal and plaster work and decorative painting.<sup>8</sup>

Architectural Fine Art	As of 10/01/12	As of 9/30/13	Change	General Condition
6.1 Pediments (exterior)	2	2	—	Poor to Excellent*
6.2 Sculpture (exterior)	2	2	—	Fair
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

\* Conservation of the west pediment sculpture was completed in FY 2013 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 and Perry expeditions, 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

<sup>8</sup> The collectible fine art within the Supreme Court Building does not fall under AOC's jurisdiction and is cared for by the Curator of the Supreme Court.

- 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 and cycads.

The USBG makes its gardens and living collections important resources for the study of threatened plants and their conservation.

USBG staff maintains extensive computerized records of the plant collections, which track the location, condition and provenance of each addition. This information is available to the public on USBG’s website, [www.usbg.gov](http://www.usbg.gov). Collections are continually reviewed for accuracy in identification.

**Non-living Heritage Assets**

Outdoor Sculpture	As of 10/01/12	As of 9/30/13	Change	General Condition
7.1 Fountains with Sculpture	1	1	—	Excellent

**Living Heritage Assets**

The table on page 94 identifies USBG’s inventory of living heritage assets. Plant inventories for FY 2013 and the prior five years are provided to facilitate comparison. At the end of FY 2013, the USBG held over 58,000 individual plants at the Conservatory and the Blue Plains Production Facility in Maryland. The USBG maintains nearly 7,500 unique taxa in its collections.

All Plants (Including Orchid C



AOC maintains the three-acre National Garden inspired by the environments of the Mid-Atlantic region. Conceived as an outdoor laboratory for gardening in harmony with natural ecosystems, the Garden opened in the fall of 2006. The major features of the National Garden are the Regional Garden featuring Mid-Atlantic native plants, the Rose Garden, the Butterfly Garden, the First Ladies Water Garden, the Lawn Terrace and the Amphitheater.

FY	Names <sup>1</sup>	Accessions <sup>2</sup>	Plants <sup>3</sup>	Deaccessions — YTD <sup>4</sup>	Taxa (Alive) <sup>5</sup>	Plants (Alive) <sup>6</sup>	Number of Individuals <sup>7</sup>
2008	28,086	25,860	37,639	891	7,802	16,957	67,397
2009	28,351	26,439	38,319	1,242	7,670	16,333	66,872
2010	29,210	27,471	40,008	1,984	7,547	15,942	62,079
2011	30,189	28,403	41,668	529	7,738	16,442	63,542
2012	30,703	29,496	43,487	1,128	7,890	16,919	66,328
2013	31,326	30,294	44,944	2,051	7,459	16,051	58,944

<sup>1</sup> The number of taxonomic entries is not based on or associated with current holdings (cumulative).

<sup>2</sup> Current number of accession, presumed to be genets (cumulative).

<sup>3</sup> Total number of individuals in Plants table—living and dead (cumulative).

<sup>4</sup> Deaccessions for the respective year.

<sup>5</sup> Number of unique taxa currently alive in holdings.

<sup>6</sup> Number of individuals in Plants table currently living.

<sup>7</sup> Number of individuals living including multiple ramets associated with a single accession number (note: this number has a high degree of inaccuracy).

### Orchid Collection

There were over 5,000 total 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 total collection.

Orchid Collection							
FY	Names	Accessions	Plants	Deaccessions	Taxa (Alive)	Plants (Alive)	Number of Individuals
2008	3,994	7,530	10,330	349	1,694	4,774	N/A
2009	4,035	7,564	10,479	590	1,567	4,334	N/A
2010	4,295	8,095	11,440	517	1,727	4,816	N/A
2011	4,819	8,483	12,389	212	1,771	5,147	N/A
2012	4,928	8,704	12,839	344	1,803	5,171	N/A
2013	5,071	9,085	13,531	452	1,847	5,397	N/A



The USBG maintains more than 58,000 plants. These are used for exhibition, study and exchange with other institutions. The USBG's noteworthy collections include economic plants, medicinal plants, orchids, carnivorous plants, cacti and succulents, bromeliads, cycads and ferns. Historic specimens include several that date from the original 1842 founding collection.

## 8. Architectural and Engineering Artifacts

AOC maintains an inventory of small architectural and engineering artifacts and models for research or exhibition. 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 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 and textual records. The Branch uses approved 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 Capitol in the early 1800s, and with primary holdings from the 1850s on, the architectural and engineering drawings collection contains a wide range of subjects and 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.

AOC archives contain over 178,000 architectural and engineering drawings with more constantly added. 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 scans, labels, indexes and backs up (using a web-based database) the drawings to facilitate retrieval. The Archival staff performs basic 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 Records Center and Archives maintains administrative and project records that document AOC's history as well as the construction history of Capitol Hill buildings. These holdings date from the Capitol extension project in the 1850s and continue through the present. Of special value are the manuscript collection and the Architects' letter books dating to the 1850s.



AOC is responsible for maintaining historic architectural fine art and features located throughout Capitol Hill. These heritage assets include pediments, statues, sculptured stair railings, reliefs, bronze doors, plaques, stained glass, woodwork, shutters, columns, capitals, brackets and historic floors.

### 9.3. Photographs

The Photography Branch produces photographs relating to architectural design, construction, renovation and restoration of the historic buildings and grounds under AOC's care. The Branch covers major ceremonial events, documents works of art and conservation projects and produces graphic slides, displays and video for AOC and congressional use. The Branch maintains an archive of over 230,000 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

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 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 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. AOC uses these files to answer questions from 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.

Records and Reference	As of 10/01/12	As of 9/30/13	Change	General Condition
9.1 Architectural and Engineering Drawings	Approx. 178,270	Approx. 186,322	8052	Good to Excellent
9.2 Manuscripts and Other Textual Records	Approx. 7,063	Approx. 7,566	503	Fair to Good
9.3 Photographs	234,588	243,522	8,934	Fair 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)	1,157 Vols.	1,172 Vols.	15	Good
9.7 Conservation Reports (in notebooks)	261	279	18	Good

### Deferred Maintenance for the Fiscal Year Ended September 30, 2013

AOC oversees 17.4 million square feet of facilities and more than 630 acres of grounds on Capitol Hill and off-site areas. AOC is responsible for ensuring that the historic facilities 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 Statement of Federal Financial Accounting Standard (SFFAS) No. 6, “Accounting for Property, Plant and Equipment” (as amended) defines deferred maintenance as maintenance that was not performed when it should have been or was scheduled to be and which, therefore, is put off or delayed for a future period.

SFFAS No. 6 requires that the estimated cost to remedy accumulated deferred maintenance on AOC’s property, plant and equipment (PP&E) be disclosed annually. AOC defines its acceptable level of condition of PP&E to be good to excellent based on the Facility Condition Index. PP&E of less than good condition

are determined to require significantly more maintenance than facilities in better condition. The three major classes of capitalized assets for which deferred maintenance was tracked are: buildings and other structures, stewardship land and heritage assets and does not include capital equipment. To evaluate the condition of buildings, other structures and grounds, AOC uses a combination of the Facility Condition Assessment (FCA) and Capitol Complex Master Plan to identify deferred maintenance, capital renewal projects, capital improvements and capital construction projects. The cost models in the FCAs are considered early planning estimates used to identify liabilities but are not derived by fully completed construction drawings. The focus of this disclosure is solely deferred maintenance, as identified through the FCA and does not include capital renewal projects, capital improvements and capital construction projects; however, AOC continues to monitor capital renewal projects that, if not funded, could become deferred maintenance in the near future. Deferred maintenance calculations are based on projected replacement values. AOC has completed an initial FCA on all buildings and grounds under its purview with some exceptions. Exceptions have not been included in the figures. AOC continues to complete and update the FCA for all Capitol facilities. As a result, the FCA for some of these facilities are underway or in the planning stage and will be reported in subsequent reports.

AOC’s estimate of the amount of accumulated deferred maintenance work required to bring facilities to a good condition, based on the Facility Condition Index, is approximately \$318 million for the fiscal year ending September 30, 2013.<sup>9</sup> **Table 29** depicts deferred maintenance costs, by category, at the beginning and end of the fiscal year.

**TABLE 29: Deferred Maintenance**  
(\$ in thousands required to achieve good condition)

Category	As of 10/01/12	As of 9/30/13*	Change
Buildings and Other Structures	\$262,837	\$307,340	\$44,503
Grounds	9,017	10,190	1,173
Heritage Assets	572	565	(7)
<b>Total</b>	<b>\$272,426</b>	<b>\$318,095</b>	<b>\$ 45,669</b>

\* The deferred maintenance figure for September 30, 2013, excludes the Library of Congress’ Special Service Facilities Center, the Supreme Court Building, pedestrian tunnels, miscellaneous U.S. Capitol Police Courier Acceptance Facilities, E Street, S.E. Garage and most major equipment related to the Capitol Power Plant. The majority of the change in deferred maintenance is related to recent assessment work in the James Madison Memorial Building, the Thomas Jefferson Building and the Rayburn and Longworth House Office Buildings. All reassessment work, completed in 2013, included an AOC reevaluation of the base survey. Deferred maintenance calculations are based on FY 2012, AOC replacement values, completed in April 2013.

For further information on deferred maintenance costs, plus data on the capital renewal costs, please see the *Management Challenges and Looking Ahead* section of this report.

<sup>9</sup> AOC aims to maintain its assets in at least good condition. Condition is defined by the Facility Condition Index, which is calculated as the cost of deferred maintenance divided by the current replacement value. A ratio of less than 0.02 is considered excellent. 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. 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 to return the system to an acceptable operating condition.



AOC’s employees are instrumental to the maintenance and upkeep of the facilities and grounds on Capitol Hill. Reduced funding coupled with the aging infrastructure, however, has resulted in \$318 million in deferred maintenance requirements.

## Summary of Heritage Assets

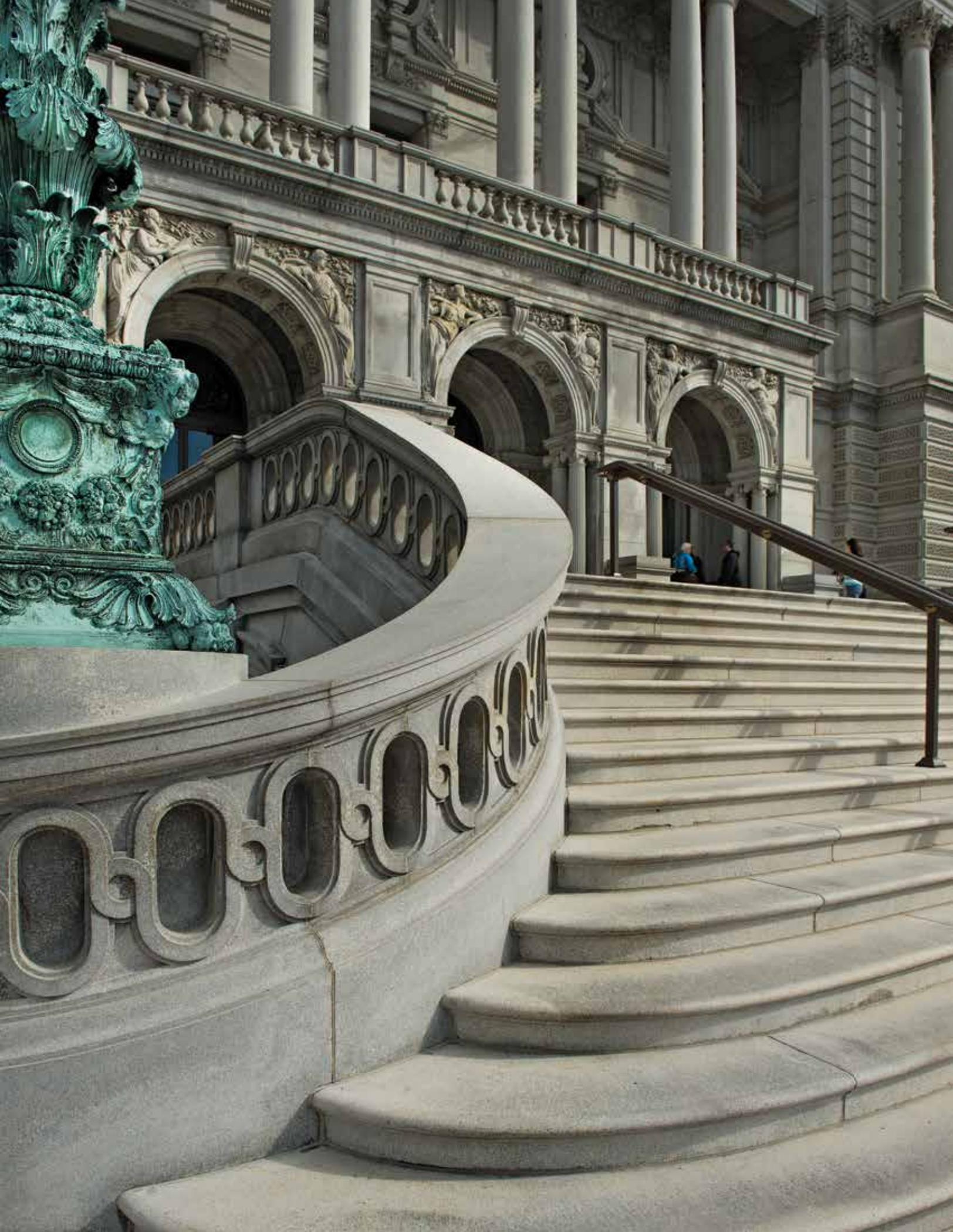
This consolidating schedule reports the heritage assets by jurisdiction and AOC-wide. Although records are related to all jurisdictions, for simplicity, such reference files are shown under the responsibility of the AOC Capitol Building.

**TABLE 30: AOC Heritage Assets Consolidating Schedules as of September 30, 2013 and September 30, 2012**

Category	FY 2013								FY 2012								
	AOC Jurisdiction							TOTAL	AOC Jurisdiction							TOTAL	
	CB	CG	HOB	LBG	SC	SOB	USBG		CB	CG	HOB	LBG	SC	SOB	USBG		
<b>Artwork</b>																	
<b>Fine Art</b>																	
<b>Interior Sculpture</b>																	
National Statuary Hall Statues	100	—	—	—	—	—	—	100	100	—	—	—	—	—	—	—	100
Other Statues in Rotunda	9	—	—	—	—	—	—	9	6	—	—	—	—	—	—	—	6
Possibly Joint Statues	3	—	—	—	—	—	—	3	5	—	—	—	—	—	—	—	5
Busts	16	—	—	—	—	—	—	16	16	—	—	—	—	—	—	—	16
Possibly Joint Busts	21	—	—	—	—	—	—	21	21	—	—	—	—	—	—	—	21
Other	25	—	—	—	—	—	—	25	22	—	—	—	—	—	—	—	22
Sub-Total: Interior Sculpture	174	—	—	—	—	—	—	174	170	—	—	—	—	—	—	—	170
<b>Paintings</b>																	
Portraits	17	—	—	—	—	—	—	17	17	—	—	—	—	—	—	—	17
Possibly Joint Portraits	26	—	—	—	—	—	—	26	26	—	—	—	—	—	—	—	26
Paintings other than Portraits	11	—	—	—	—	—	—	11	11	—	—	—	—	—	—	—	11
Possibly Joint Paintings	23	—	—	—	—	—	—	23	23	—	—	—	—	—	—	—	23
Sub-Total: Paintings	77	—	—	—	—	—	—	77	77	—	—	—	—	—	—	—	77
<b>Works of Art on Paper</b>																	
Watercolors	6	—	—	—	—	—	—	6	6	—	—	—	—	—	—	—	6
Prints	64	—	—	—	—	—	—	64	63	—	—	—	—	—	—	—	63
Sketches for Murals	232	—	—	—	—	—	—	232	232	—	—	—	—	—	—	—	232
Sub-Total: Works of Art on Paper	302	—	—	—	—	—	—	302	301	—	—	—	—	—	—	—	301
Sub-Total: Fine Art	553	—	—	—	—	—	—	553	548	—	—	—	—	—	—	—	548
<b>Decorative Art</b>																	
Gilded Overmantel Mirror Frames	93	—	—	—	—	—	—	93	93	—	—	—	—	—	—	—	93
Historic Furniture	38	—	—	—	—	—	—	38	38	—	—	—	—	—	—	—	38
Antique Clocks	10	—	—	—	—	—	—	10	10	—	—	—	—	—	—	—	10
Textiles	2	—	—	—	—	—	—	2	2	—	—	—	—	—	—	—	2
Sub-Total: Decorative Art	143	—	—	—	—	—	—	143	143	—	—	—	—	—	—	—	143
<b>Architectural Fine Art</b>																	
Pediments	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	1	—	27	—	—	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	74	4	51	—	169	39	—	1	74	4	51	—	—	169
Light Posts with Reliefs (exterior)	—	—	—	—	2	—	—	2	—	—	—	—	2	—	—	—	2
Bronze Doors (sets)	4	—	—	11	1	—	—	16	4	—	—	11	1	—	—	—	16
Plaques	29	—	1	—	—	—	—	30	28	—	1	—	—	—	—	—	29
Monuments/Statues	—	—	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	79	—	1	32	—	1	—	—	113
Fountains with Sculpture	—	—	—	3	—	—	—	3	—	—	—	—	—	—	—	—	—
Maquettes	—	—	—	—	—	1	—	1	—	—	—	—	—	1	—	—	1
Sub-Total: Architectural Fine Art	194	—	42	166	11	65	—	478	188	—	40	163	11	65	—	—	467

**TABLE 30: AOC Heritage Assets Consolidating Schedules as of September 30, 2013 and September 30, 2012 (continued)**

Category	FY 2013								FY 2012							
	AOC Jurisdiction							TOTAL	AOC Jurisdiction							TOTAL
	CB	CG	HOB	LBG	SC	SOB	USBG		CB	CG	HOB	LBG	SC	SOB	USBG	
<b>Architectural Decorative Art</b>																
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	47	—	—	—	—	—	—	47
Sculptural Clock	—	—	—	1	—	—	—	1	—	—	—	1	—	—	—	1
Sub-Total: Architectural Decorative Art	835	—	—	1	—	—	—	836	834	—	—	1	—	—	—	835
<b>TOTAL</b>	<b>1,725</b>	<b>—</b>	<b>42</b>	<b>167</b>	<b>11</b>	<b>65</b>	<b>—</b>	<b>2,010</b>	<b>1,713</b>	<b>—</b>	<b>40</b>	<b>164</b>	<b>11</b>	<b>65</b>	<b>—</b>	<b>1,993</b>
<b>Architectural Features</b>																
Outdoor Sculptures																
Monuments/Statues	—	4	—	—	—	—	—	4	—	4	2	—	—	—	—	6
Fountains with Sculpture	—	1	—	—	—	—	1	2	—	1	—	3	—	—	1	5
Plaques	—	5	—	—	—	—	—	5	—	4	—	—	—	—	—	4
Sub-Total: Outdoor Sculptures	—	10	—	—	—	—	1	11	—	9	2	3	—	—	1	15
Landscape Features and Fixtures																
Lighting Fixtures	—	166	—	—	—	—	—	166	—	166	—	—	—	—	—	166
Urns	—	20	—	—	—	—	—	20	—	20	—	—	—	—	—	20
Reliefs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Sub-Total: Landscape Features and Fixtures	—	186	—	—	—	—	—	186	—	186	—	—	—	—	—	186
<b>TOTAL</b>	<b>—</b>	<b>196</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1</b>	<b>197</b>	<b>—</b>	<b>195</b>	<b>2</b>	<b>3</b>	<b>—</b>	<b>—</b>	<b>1</b>	<b>201</b>
<b>Reference and Library Materials</b>																
Art and Reference Files	108	—	—	—	—	—	—	108	108	—	—	—	—	—	—	108
Art and Reference Library	1,172	—	—	—	—	—	—	1,172	1,154	—	—	—	—	—	—	1,154
<b>TOTAL</b>	<b>1,280</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,280</b>	<b>1,262</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,262</b>
<b>Records</b>																
Architectural and Engineering Drawings	186,322	—	—	—	—	—	—	186,322	178,270	—	—	—	—	—	—	178,270
Manuscripts and Other Textual Records	7,566	—	—	—	—	—	—	7,566	7,063	—	—	—	—	—	—	7,063
Small Architectural Models	18	—	—	—	—	—	—	18	18	—	—	—	—	—	—	18
Conservation Reports	279	—	—	—	—	—	—	279	261	—	—	—	—	—	—	261
Photographs	243,522	—	—	—	—	—	—	243,522	234,588	—	—	—	—	—	—	234,588
<b>TOTAL</b>	<b>437,707</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>437,707</b>	<b>420,200</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>420,200</b>
<b>Living Heritage Assets</b>																
Individual	—	144	—	—	—	—	58,944	59,088	—	138	—	—	—	—	66,328	66,466
<b>TOTAL</b>	<b>—</b>	<b>144</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>58,944</b>	<b>59,088</b>	<b>—</b>	<b>138</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>66,328</b>	<b>66,466</b>





## BEN MYERS

*Curator Division*

Ben, Chief of the Records Management and Archives Branch within AOC's Curator Division, has worked for AOC for more than 20 years. His efforts to gather, organize and preserve AOC's archives and to provide needed information to support projects, contracts and requests for information demonstrate the curatorial knowledge and expertise that AOC requires to meet its mission to preserve America's Capitol. He exemplifies AOC's dedication to serving as a trusted steward of the historic facilities and assets under AOC's care.

SERVE | PRESERVE | INSPIRE

# SECTION IV:



## Other Information

### Summary of Financial Statement Audit and Management Assurances

**TABLE 31: Summary of Financial Statement Audit**

AUDIT OPINION TYPE	Unmodified				
RESTATEMENT (YES/NO)	No				
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated/ Reassessed	Ending Balance
Internal Control Assessment	1	0	1	0	0
<b>Total Material Weaknesses</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>

**TABLE 32: Summary of Management Assurances**

EFFECTIVENESS OF INTERNAL CONTROL OVER FINANCIAL REPORTING (FMFIA, para. 2)					
STATEMENT OF ASSURANCE	Qualified				
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated/ Reassessed	Ending Balance
Internal Control Assessment	1	0	1	0	0
<b>Total Material Weaknesses</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>

EFFECTIVENESS OF INTERNAL CONTROL OVER OPERATIONS (FMFIA, para. 2)					
STATEMENT OF ASSURANCE	Qualified				
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated/ Reassessed	Ending Balance
Internal Control Assessment	1	0	1	0	0
<b>Total Material Weaknesses</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>

CONFORMANCE WITH FINANCIAL MANAGEMENT SYSTEM REQUIREMENTS (FMFIA, para. 4)					
STATEMENT OF ASSURANCE	Qualified				
Nonconformance	Beginning Balance	New	Resolved	Consolidated/ Reassessed	Ending Balance
<b>Total Nonconformance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

COMPLIANCE WITH FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT ACT (FFMIA)		
	Agency	Auditor
Overall Substantial Compliance	Yes	Yes
1. System Requirements		Yes
2. Accounting Standards		Yes
3. U.S. Standard General Ledger (USSGL) at Transaction Level		Yes

## Improper Payments Information Act

The Improper Payments Information Act of 2002 defines requirements to reduce improper and erroneous payments made by the Federal Government. OMB also has established specific reporting requirements for Executive Branch agencies with programs that have a significant risk of erroneous payments and for reporting on the results of 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.

As a Legislative Branch office, AOC is not subject to this Act or the related OMB guidance. As a result, AOC has not adopted policies implementing this law. Nonetheless, as part of its multi-year effort for implementing its Internal Control Program and conducting reviews of its internal control and financial systems (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 within AOC. As part of this effort, AOC will refer to the Improper Payments Information Act for general guidance.



AOC's stewardship responsibility includes the Thurgood Marshall Federal Judiciary Building. In FY 2013, AOC, in conjunction with external organizations, completed a project to improve pedestrian safety and vehicular access to the building. As a result of the project, one-third of an acre was added to AOC stewardship land responsibilities.

# The AOC Inspector General's Statement of Management Opportunities and Performance Challenges



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 499 S. Capitol St., SW, Suite 518  
 Washington, D.C. 20515  
 202.593.1948  
 www.aoc.gov

United States Government

## MEMORANDUM

DATE: September 27, 2013

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

FROM: Kevin Mulshine   
 Inspector General

SUBJECT: Statement of Management Opportunities and Performance Challenges

As you requested, and on behalf of the Office of Inspector General (OIG), attached is the Statement of Management Opportunities and Performance Challenges (Statement) for the Fiscal Year ending September 30, 2013. I must credit former IG Carol Bates for authoring this document. This Statement identifies and assesses the most serious challenges facing the Architect of the Capitol (AOC) from the OIG perspective, and the AOC's progress in addressing challenges from prior year Statements.

Progress on previous year challenges has been notable this year. We have removed one of the five challenges from last year concerning *Delays in Implementing OIG Recommendations*. AOC established effective tracking methodology to address OIG recommendations. This is clearly visible at the most senior levels of the agency. Similar emphasis would be helpful in this coming year to address ongoing deficiencies in the internal controls program.

We look forward to working with you, the chief operating officer, and our colleagues on the entire AOC team to help AOC achieve its strategic vision goals to build a culture of accountability and responsibility and 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 [kmulshin@aoc.gov](mailto:kmulshin@aoc.gov).

Copy to: Christine A. Merdon, Chief Operating Officer  
 AOC Senior Leadership Team

Doc. No. 130918-06-01

## The Inspector General's Statement of Management Opportunities and Performance Challenges (continued)

### Introduction

As requested, this is the Office of Inspector General's (OIG) annual Statement of Management Opportunities and Performance Challenges (Statement). This document identifies the Architect of the Capitol's (AOC) most significant challenges and opportunities for improvement. The Statement is based on the results of our observations, audit and investigative efforts, as well as the AOC-contracted Financial Statements Audit. We are optimistic that AOC's economy, efficiency and effectiveness would benefit greatly from senior management emphasis on these challenges. As an important result, the risks of fraud, waste and abuse would be reduced through improved prevention and detection controls. We appreciate this opportunity to provide the architect of the Capitol, the chief operating officer, and senior leadership with our unique perspective on areas that need increased management attention and decisive action.

The AOC is responsible to the United States Congress, the Library of Congress, and the Supreme Court for the maintenance, operation, construction, and preservation of the buildings and land throughout Capitol Hill. The AOC also provides professional expertise for preserving architectural and artistic elements entrusted to its care. By all measured internal performance standards, the AOC has executed its primary mission in a stellar manner. Customer feedback showing high satisfaction ratings demonstrates the professional commitment and excellence in serving the needs and requirements of Congress and the Supreme Court.

The AOC developed the Capitol Complex Master Plan, along with a Five-Year Capital Improvement Plan, which includes a rank-ordered, deferred maintenance project list. This significant backlog of construction and maintenance is dependent upon increased funding. Limited resources are a challenge for the AOC and this funding challenge is not further addressed in this document.

While recognizing AOC's accomplishments in executing the core mission, amid fiscal constraints, the AOC must make progress in these challenge areas. The OIG believes that focusing senior leadership attention on the challenges enumerated below will help to improve service delivery; promote economy and efficiency; and also reduce the potential for fraud, waste, and abuse in AOC operations. Management focus on these challenges will help ensure that finite AOC appropriations are carefully used to meet the needs of Congress and the Supreme Court.

## The Inspector General's Statement of Management Opportunities and Performance Challenges (continued)

### The Opportunities and Challenges

We identified four challenges, which present significant opportunities for AOC organizational improvement. These challenges should be viewed as parts of a whole, rather than as separate, unrelated parts. From our perspective, the stumbling block in each of these challenges is an agency-wide culture that views internal controls as an extra burden, rather than as a necessary part of how each employee approaches day to day work. Senior management needs to establish internal controls as a cornerstone, rather than as an extra chore.

We are pleased to report that *Policy Atrophy and Enforcement* reported in the last three annual Statements is now just *Policy Enforcement*. Under the chief administrative officer's leadership, all policies are reviewed once a year. Many have been updated and outdated policies have been eliminated. Similarly, while *Procurement Policy* remains a challenge, much work has been done in this area, and AOC expects to issue a single and all-encompassing Procurement Policy by March 31, 2014. There has also been notable improvement in *Improving Human Capital Management* as well.

AOC has made the necessary progress for my office to eliminate a previous challenge, *Delays in Implementing OIG Recommendations*. While we note that lack of an internal controls program is a longstanding, unimplemented OIG recommendation, we will not keep the challenge open for this single unimplemented recommendation.

Four challenges listed below continue in place from last year, and this Statement includes updates to those challenges:

- *Enhancing Internal Controls*
- *Policy Enforcement*
- *Procurement Policy*
- *Improving Human Capital Management*

## The Inspector General's Statement of Management Opportunities and Performance Challenges (continued)

### Enhancing Internal Controls

The FY 2002 Legislative Branch Appropriation Act (Public Law 107 - 68), required the AOC to develop and maintain an accounting and financial management system, including financial reporting and internal controls, which complies with applicable federal accounting principles, standards, requirements, and internal controls standards. In January 2003 the Government Accountability Office (GAO) issued a report, "Management and Accountability Framework needed for Organizational Transformation" which recommended that the AOC establish and improve internal controls. The AOC agreed to implement the GAO recommendations. In the AOC's first Accountability Report issued for Fiscal Year (FY) 2003, the AOC reported that, "We will design and implement programs and procedures to continually assess and improve internal controls." In subsequent Performance and Accountability Reports (PAR), the AOC management continues to report that it is implementing an Internal Controls Program and will use OMB Circular A-123, *Management's Responsibility for Internal Control*, as a guide.

In the 11 years since AOC was required by law to implement an Internal Controls Program, it has not completed the steps necessary to implement the program. In April 2012, AOC's senior leaders voted to change the composition of the Senior Assessment Team (SAT), update the Internal Control Order and hire a contractor to help implement the program. However, the SAT did not meet until March 2013 and only meets quarterly. The SAT continues to update vulnerability assessments which AOC recognized a year ago, but the SAT has not done any work to make progress on the AOC stated plan to implement an Internal Controls over Financial Reporting Program, per OMB Circular A-123.

The contractor gave AOC the required deliverables to include templates and test of effectiveness plans on September 30, 2012. AOC began testing in August 2013 and this work to date continues. As of July 2013, a decision was made to hire another contractor to assist AOC in speeding up implementation. AOC expects to award the contract by September 30, 2013.

Unless the Senior Management Council realizes that establishing a viable Internal Controls Program should be a priority, this management challenge will continue into future years. The Council needs to establish firm milestone dates and hold those personnel given internal control responsibilities accountable for completion of assigned tasks.

## The Inspector General's Statement of Management Opportunities and Performance Challenges (continued)

### Policy Enforcement

AOC policies, referred to within the AOC as “orders,” are a key component of the Internal Controls Program. We are so encouraged with the work AOC accomplished on this prior challenge, *Policy Atrophy and Enforcement* that we’ve re-labeled this challenge as *Policy Enforcement*. Between October 1, 2012 and July 31, 2013, AOC accomplished the following:

- Reviewed 209 separate orders
- Determined that 127 orders were current and needed no update
- Identified 68 orders that required updates
- Identified several orders that could be rescinded
- Created a website tool so that content of orders can be found via key word searches

Having current and complete orders is only part of the story. Unless there is training and compliance testing – and measures to ensure AOC employees at all levels are following the orders – the process is not complete. Testing is part of an Internal Controls Program, which would help complete the first challenge. We continue to recommend that AOC have a comprehensive notification process, combined with implementation training, to ensure that AOC employees receive notice of new or updated policies.

This challenge also marks a significant AOC opportunity which has all the indicators of a bright future. With new or revised orders in place, the problems we have identified with noncompliance should improve in the coming year. Training and implementation are crucial to hold employees accountable for their actions and will also help implement the AOC Internal Controls Program.

## The Inspector General's Statement of Management Opportunities and Performance Challenges (continued)

### Procurement Policy and Voluntary Fraud Risk-Avoidance Initiatives

Procurement policy was identified as a new challenge in FY 2012, presenting a significant opportunity for improvement. We reported that, as with employee payroll, AOC contracts make up a significant portion of the AOC's budget. Unfortunately, the AOC has historically written procurement guidance for the benefit and use of Acquisition and Material Management Division (AMMD) staff. This guidance has been in the form of standard operating procedures, none of which constitutes AOC policy, as defined in AOC Order 4-1, Policy on Policies. As a result, most AOC personnel do not have access to this guidance, and it is not enforceable as a policy. As an example, while the AOC has published written policy for Small Purchases (less than \$100K), it has no supporting written policy for procurements over \$100K, where risks are higher. The AOC recognized this void, and included a Strategic Plan objective to publish an initial "Procurement Regulation."

To date the AOC completed a draft of the Procurement Regulation. This document will replace the existing orders, standard operating procedures, and other procurement guidance documents. When published, this document will be the single source for procurement guidance.

The AOC timeline shows that this order should be signed and in place by March 31, 2014. Although we cannot eliminate Procurement Policy as a challenge this year, we are confident that it will be eliminated in FY 2014.

Besides improved procurement policy, there are additional tools available to the AOC to promote economy and efficiency and to prevent, detect, and deter fraud in AOC contracts. These include the contractor Mandatory Disclosure Program and establishing a Suspension and Debarment (S&D) process that can reduce risks to the AOC. Federal Acquisition Regulation subpart 3.10 requires contracting officers to insert a clause which requires contractors to mandatorily self-disclose credible evidence of fraud to the contracting agency inspector general, and to report unintentional overpayments to the contracting officer in certain categories of contracts.

We also believe that the AOC should develop an S&D process to provide improved contract remedies with unscrupulous or ineffective contractors. S&D are two effective tools. They are not meant to punish, but rather to prevent the government from doing business with contractors that lack "present responsibility." Another legislative branch agency has a system to suspend and debar contractors. While the suspension and debarment is for that one agency, the actions are listed on the government-wide list. As the OIG becomes more heavily engaged in contract audits and investigations, the potential to exercise S&D actions against AOC contractors based on OIG findings will increase.

## The Inspector General's Statement of Management Opportunities and Performance Challenges (continued)

### Improving Human Capital Management

Employees provide the backbone of AOC's effectiveness – employee salaries and benefits make up about half of the AOC's annual appropriations. Unfortunately, the Human Capital Management Division (HCMD) has suffered from extensive under-staffing as management has opted, or been forced, to leave many vacancies unfilled due to budget concerns. At least partly as a result of this understaffing, significant “potholes” or “loopholes” have developed, some of which adversely affect the workforce. On the positive side, the AOC has updated many orders to date, with more updates due in early FY 2014.

The AOC currently uses a computer-based system to support applicants and the workforce. This system is used to apply for jobs, create employee performance plans to evaluate employees, and request personnel actions. It continues to be the source of employee, supervisor and manager frustration. The AOC recognized this limitation and established a task force to determine AOC requirements, and then find a solution to meet those needs. Soon, the AOC will begin a transition to another software system to support the job application process, develop performance plans, and issue performance evaluations. We are encouraged by this remarkable and much needed improvement in personnel management.

AOC continues to have a “Drug Free Workplace” policy that has not been implemented. As a result, managers who suspect substance abuse in the workplace have no current tools available to determine whether substance abuse is occurring. This is particularly troubling given that much of the AOC workforce regularly operates power tools and motor vehicles, works on roof tops and other high-hazard places, and is exposed to exceptional hazards such as high voltage electricity. We are encouraged that the AOC will begin drug testing for *new* employees in FY 2014, but the AOC must also implement a comprehensive substance abuse testing program to ensure a drug free workplace within the current workforce as well. The safety of our workforce calls for no less.

## The Inspector General's Statement of Management Opportunities and Performance Challenges (continued)

### Concluding Thoughts

All federal agencies have areas for improvement. This Statement of Challenges, as seen from the IG perspective, should be taken in that context. AOC has much to be proud of as they have eliminated or reduced some prior challenges. AOC made remarkable progress in updating policies, drafting its first global procurement order, identifying a new personnel software management system, and beginning drug testing for new employees, all of which were in response to OIG recommendations.

For those challenges with limited progress, the primary “culprit” appears to be the lack of accountability, directly tied to specific managers charged with fully correcting the deficiencies in a timely manner. We believe implementing a viable Internal Controls Program that provides for monitoring and testing of accountable controls will help AOC go from “good to great”. This may entail some “culture change” within AOC. Change of this nature can only begin with a clear signal from AOC senior management that transformation is required. This “tone at the top” will signal success or continued resistance to these opportunities for greatness.

The OIG is encouraged by progress on the identified challenges. The OIG will work in new areas where we may find additional challenges. Still, this record of addressing and overcoming such challenges has resulted in a stronger organization dedicated to accomplishing the mission in an efficient and effective manner.

## Schedule of Spending

The Schedule of Spending provides accessible and easily understandable financial data. As shown in **Table 32**, the Schedule of Spending presents an overview of how much money AOC had available to spend and how or on what that money was spent. The data for the Schedule of Spending is the same used to prepare the Statement of Budgetary Resources (SBR). The

Schedule of Spending provides a more detailed summary of the “Obligations Incurred” line shown on the Statement of Budgetary Resources. What Money is Available to Spend compares to the SBR’s total resources, factoring the amounts for funds available and unavailable. The term “spend,” as used in this report, means funds paid out or used. It does not equate to expenses as reported in the Statement of Net Cost.

**TABLE 32: Schedule of Spending**

Schedule of Spending												
For the Period Ended September 30, 2013 (Dollars in Thousands)												
	Total	AOC Capitol Building	AOC Capitol Grounds	AOC Capitol Police Buildings Grounds and Security	AOC House Office Buildings	AOC Library Buildings and Grounds	AOC Senate Office Buildings	AOC Supreme Court Buildings and Grounds	AOC Utilities and Capitol Power Plant	General Administrative	U.S. Botanic Gardens	U.S. Capitol Visitor Center
<b>What Money is Available to Spend?</b>												
Total Resources	\$ 981,155	\$ 109,066	\$ 14,929	\$ 28,862	\$ 304,142	\$ 60,859	\$ 99,973	\$ 58,908	\$ 155,418	\$ 99,743	\$ 14,280	\$ 34,973
Less Amount Available but Not Agreed to be Spent	(401,936)	(30,604)	(4,998)	(3,756)	(230,371)	(18,068)	(36,437)	(21,792)	(38,725)	(4,780)	(1,542)	(10,864)
Less Amount Not Available to be Spent	(25,896)	(755)	(601)	(1,064)	(926)	(1,007)	(2,191)	0	(14,077)	(3,120)	(1,021)	(1,134)
<b>Total Amounts Agreed to be Spent</b>	<b>\$ 553,323</b>	<b>\$ 77,707</b>	<b>\$ 9,330</b>	<b>\$ 24,042</b>	<b>\$ 72,845</b>	<b>\$ 41,785</b>	<b>\$ 61,345</b>	<b>\$ 37,116</b>	<b>\$ 102,616</b>	<b>\$ 91,843</b>	<b>\$ 11,718</b>	<b>\$ 22,975</b>
<b>Who Did the Money Go to?</b>												
Employees	\$ 230,096	\$ 20,452	\$ 6,039	\$ 3,525	\$ 42,982	\$ 27,015	\$ 41,993	\$ 4,143	\$ 10,866	\$ 50,187	\$ 5,939	\$ 16,955
Federal Entities	44,379	341	65	496	8,757	465	8,347	3,066	9,446	12,339	200	856
Non-Federal Entities	278,848	56,913	3,226	20,021	21,106	14,304	11,005	29,908	82,303	29,317	5,578	5,165
<b>Total Amounts Agreed to be Spent</b>	<b>\$ 553,323</b>	<b>\$ 77,707</b>	<b>\$ 9,330</b>	<b>\$ 24,042</b>	<b>\$ 72,845</b>	<b>\$ 41,785</b>	<b>\$ 61,345</b>	<b>\$ 37,116</b>	<b>\$ 102,616</b>	<b>\$ 91,843</b>	<b>\$ 11,718</b>	<b>\$ 22,975</b>
<b>How was the Money Spent/Given?</b>												
Personnel Compensation/Benefits	\$ 236,123	\$ 21,087	\$ 6,226	\$ 3,524	\$ 44,359	\$ 26,542	\$ 43,517	\$ 4,388	\$ 10,532	\$ 53,527	\$ 6,332	\$ 16,090
Contracts	299,638	56,351	2,854	18,831	28,149	12,562	16,574	31,675	86,332	35,595	4,894	5,820
Investments and loans	3	0	0	0	0	0	0	3	0	0	0	0
Other (Unclassified)	17,559	269	250	1,688	337	2,680	1,254	1,051	5,752	2,722	491	1,065
<b>Total Amounts Agreed to be Spent</b>	<b>\$ 553,323</b>	<b>\$ 77,707</b>	<b>\$ 9,330</b>	<b>\$ 24,042</b>	<b>\$ 72,845</b>	<b>\$ 41,785</b>	<b>\$ 61,345</b>	<b>\$ 37,116</b>	<b>\$ 102,616</b>	<b>\$ 91,843</b>	<b>\$ 11,718</b>	<b>\$ 22,975</b>

# Financial Management System Summary and Federal Financial Management Improvement Act

## AOC's Financial Systems Summary

AOC's core financial system centrally accounts for over \$500 million through the processing of approximately 240,000 transactions annually by 265 users (300 user licenses). **Figure 53** depicts the current system architecture.

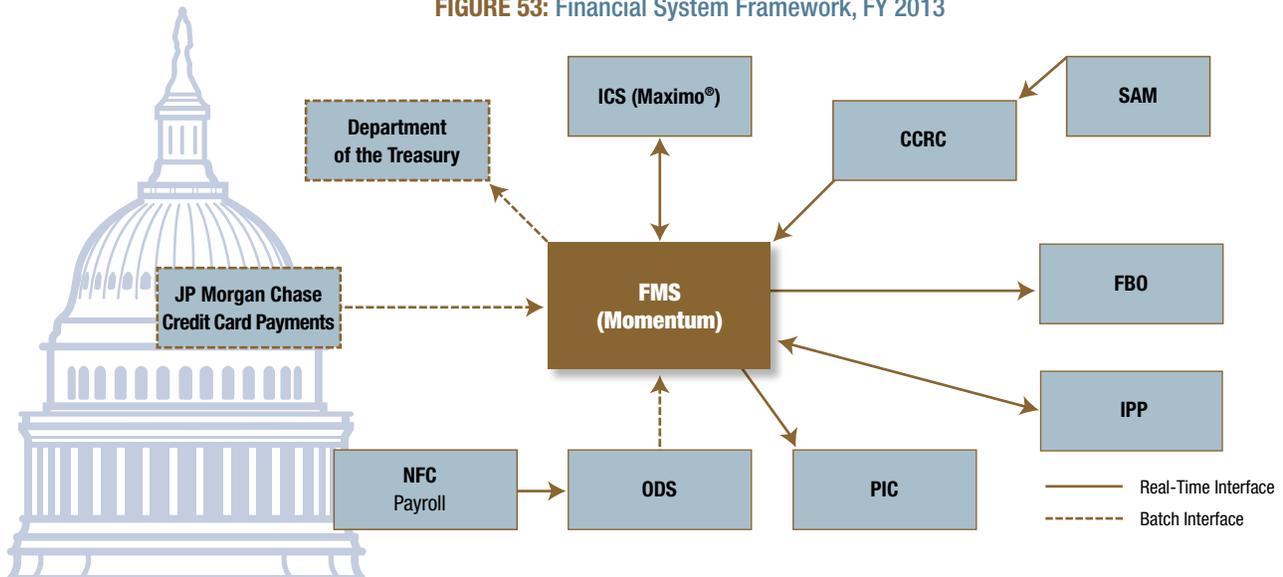
## Federal Financial Management Improvement Act

The following is a representation of AOC's primary accounting and financial reporting system. AOC's Financial Management System (FMS) conforms to the requirements of FFMIA. FMS is AOC's core financial system utilizing commercial software (Momentum®) that was built for Federal Government use. It is managed and operated by AOC's Financial Systems Division (FSD). FMS provides the core financial system functionality to AOC that encompasses the following Momentum® modules: Budget Execution, Acquisitions, Purchasing, Receiving, Accounts Payable, Automated Disbursements, Credit Card, Fixed Assets, Workload, Central Contract File, Contract Closeout and General Ledger.

In addition, 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® and provides for the download of the latest vendor information from the System for Award Management (SAM) and directly updates the FMS vendor records.
- **Computer Aided Facilities Management System (CAFM)** is used by AOC jurisdictions to track facility maintenance work orders and preventive maintenance.
- **Federal Business Opportunities (FBO or Fed Biz Opps)** is a Web-based portal that allows the Federal Government to post Federal procurement opportunities over \$25,000. Commercial vendors seeking federal markets for their products and services can search, monitor and retrieve opportunities solicited by the entire federal contracting community. The FMS-FBO interface allows members of AOC's Acquisition & Material Management Division (AMMD) to post announcements and solicitations directly in FMS and the system automatically uploads these to FBO.
- **Inventory Control System (ICS)** is commercial software (Maximo®) used to track AOC's inventory of materials, supplies and accountable property. With 161 users, ICS uses a lifecycle and asset management system and is managed and operated by FSD. FMS obligations, the receipt of transactions and the draw-down of inventories are integrated real-time with ICS.
- **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 the Accounting Division.
- **JP Morgan Chase** credit card interface is used to transmit credit card payment data via a batch file to FMS.
- **National Finance Center (NFC)**, as part of a cross-servicing agreement with the Department of Agriculture, provides payroll and personnel services to AOC. Managed by AOC's

**FIGURE 53: Financial System Framework, FY 2013**



Human Capital Management Division (HCMD), payroll transactions are interfaced via a batch file through the Operational Data Store (ODS) to FMS.

- **Operational Data Store (ODS)**, maintained by AOC's Information Technology Division (ITD), is 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 General Services Administration (GSA) to consolidate several legacy acquisition and award support systems into one government-wide system. These legacy systems include Central Contractor Registration (CCR), Federal Agency Registration (FedReg) and several others. CCR, the only system within SAM used by AOC, provides information on vendors that do business with the Federal Government.

### Financial Systems Division Strategies

FMS was upgraded to Momentum® version 7.0 SP2 in FY 2013. This upgrade provided additional acquisitions functionality such as the Contract Closeout, Central Contract File and the Workload modules. Of key importance is the Workload module implementation, which allows AMMD staff to assign acquisition document tasks to FMS users and track the completion of these tasks throughout the lifecycle of the document. Implementation of the FMS Workload module allowed AOC to eliminate the use of the Procurement Overview Portal (POP) at the end of FY 2013, which was a separate system that interfaced with FMS.

The FMS upgrade also provided legislatively-mandated enhancements such as an update to the Treasury reporting functionality in FMS through the implementation of the Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS) and SAM for federal vendor record management.

In FY 2013 FSD procured 12 new inventory barcode label printers and began setting them up for use throughout AOC's jurisdictions. The previous inventory barcode label printers were approximately nine years old. In FY 2014, FSD upgrade ICS to Maximo® version 7.1.1.11 so that it is compatible with AOC's approved Internet Explorer version 9.

## Small Business Accomplishments at the AOC

AOC's procurement authority is separate from the Competition in Contracting Act and other laws applicable to Executive Branch. AOC is not authorized by law to use the Small Business Act for set-aside programs or subcontracting plans. However, 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, 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. AOC works collaboratively with the Small Business Administration to implement and operate small business programs at AOC.

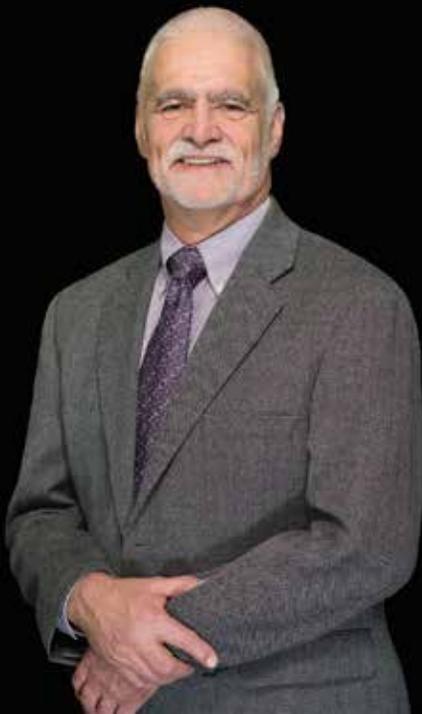
AOC has established socio-economic goals through its small business programs for prime contract awards to small business, small disadvantaged business, women-owned small business, veteran-owned small business, service-disabled veteran-owned small business and HUBZone small business concerns. In FY 2013, AOC exceeded the goals for every category of small business concerns through increased visibility in the small business community, consultations with small business concerns seeking information regarding the AOC's procurements, on-going data collection efforts on the business type of vendors, and actively seeking small business concerns for small purchases. See **Table 33**.

AOC recognized jurisdictions that met or exceeded socio-economic contracting goals through the Architect's Honor Awards Program. In FY 2013, AOC awarded contracts in excess of \$25.4 million to small businesses.

**TABLE 33: Small business Program Accomplishments, October 1, 2012 to September 30, 2013**

Category	FY 2013 Goal	FY 2013 Achievements*	Goal Met?
Small Business	65%	87.6%	Yes
Small Disadvantaged Business	8%	9.5%	Yes
Women-Owned Small Business	11%	15.1%	Yes
Veteran-Owned Small Business	4%	8.0%	Yes
Service-Disabled Veteran-Owned Small Business	1%	1.7%	Yes
HUBZone Small Business	1%	1.7%	Yes

\*Contract awards may fall under more than one category. Goals are based on all AOC contracts valued at \$100,000 or less.



## GEORGE MOORE

*Safety, Fire, and Environmental Programs*

George is a Certified Industrial Hygienist in the AOC Safety Division. He manages industrial hygiene and hazardous materials policies and reviews and oversees projects designed to remove hazardous materials in a safe manner. George is proactive and committed to a collaborative environment that AOC demands amongst the various administrative offices and jurisdictions to promote *One Team, One Mission*. As a safety expert, George holds the highest regard for the health, safety and well-being of employees, congressional staff and the visiting public, and embodies AOC's philosophy of *People First, Safety Always*.

SERVE | PRESERVE | INSPIRE

# APPENDICES



## Appendix A: AOC Jurisdictions' Key Accomplishments and Priorities

AOC is comprised of 10 jurisdictions that have distinct responsibilities for a designated area of Capitol Hill. This section highlights each of the jurisdiction's top accomplishments for FY 2013 and identifies FY 2014 priorities. These accomplishments and priorities support AOC's mission and supplement the information provided in *Section I: Management's Discussion and Analysis*.

**Table 34** identifies the jurisdictions.

The jurisdictions also identified employees that exemplify AOC's values and its efforts to Serve, Preserve and Inspire. These employees are highlighted throughout this report.

**TABLE 34:** List of AOC Jurisdictions

AOC Capitol Building
AOC Capitol Grounds
AOC Capitol Police Buildings, Grounds and Security
AOC House Office Buildings
AOC Library Buildings and Grounds
AOC Senate Office Buildings
AOC Supreme Court Buildings and Grounds
AOC Utilities and Capitol Power Plant
U.S. Botanic Garden
U.S. Capitol Visitor Center



## AOC CAPITOL BUILDING



### Key Accomplishments in FY 2013

#### Preservation Projects

AOC Capitol Building initiated numerous repair and preservation projects throughout the U.S. Capitol. In addition to the ongoing projects such as the Brumidi Corridor Restoration Project, the jurisdiction also began the final stage of restoration of the Strom Thurmond Room (S238) with the removal and conservation of the original wall canvas, restored cracking plaster and paint, and conserved murals in H125, replicated the historic ceiling design in S220 and repaired and painted the ceiling of the House Chamber.

#### Improved Operational Efficiencies

The jurisdiction made efforts to improve operational efficiencies and reduce costs. These efforts included restructuring the elevator and plumbing shops, adjusting supervisor shift overlap plans and implementation of online training courses. Reduction in overtime requirements, off-site training needs and elimination of redundancies allowed the jurisdiction to operate more efficiently and reduce costs.

#### Safety Initiatives

The jurisdiction continued efforts to improve the safety environment for its workers. The jurisdiction organized safety education initiatives to include a Safety Fair, safety meetings during the August recess focusing on the jurisdiction's largest safety concerns and management visits to each jurisdiction workshop.

### What's Next? FY 2014 Priorities

#### Continuing Dome Shell Restoration

The multi-year restoration of the Capitol Dome will resume in FY 2014 with a focus on the Dome exterior shell. Scaffolding will be constructed to cover the Dome. Restoration efforts will begin in FY 2014 and are scheduled to last two years.

#### Exterior Stone and Metal Preservation Project

AOC will begin to rehabilitate exterior stone, metals, and lighting on the U.S. Capitol. The first phase will include the North Extension, Senate Carriage Entrance, West Terrace balustrades, and the North Pediment Sculpture.

## AOC CAPITOL GROUNDS



### Key Accomplishments in FY 2013

#### Landscape and Sustainability Enhancements

The jurisdiction continued to implement best practices in its landscape and infrastructure management efforts. AOC Capitol Grounds installed low-cost, low-maintenance Bermuda grass atop the House Underground Garage, executed annual tree pruning efforts to ensure safety and repaired sidewalks across Capitol Hill.

#### Union Square Restoration

Significant masonry repairs to the deteriorated Union Square walkways and steps surrounding the reflecting pool were completed this fiscal year. Union Square, which was added to the AOC portfolio in FY 2012, will require significant repair efforts in the future.

#### Improved Facilities Management

AOC Capitol Grounds revamped the Facilities Management Plan to improve facilities work and to provide more effective customer service. The jurisdiction was the subject of a pilot work management program to better document, analyze, manage and predict project workloads. These efforts resulted in reduced material and labor costs for projects across AOC.

### What's Next? FY 2014 Priorities

#### New Maintenance Management Plan

In a reduced budget environment, the jurisdiction looks to revamp its maintenance management practices in order to better prioritize the most important projects. The new plan will be used to generate improved efficiencies while making quality improvements in the landscape.

#### Cultural Landscape Reports

AOC Capitol Grounds will begin a 10-year process to implement recommendations from the Cultural Landscape Report for Capitol Square. The jurisdiction will also perform a Cultural Landscape Report for Union Square, which will serve as a key planning tool for Union Square maintenance and future development plans.



### **Key Accomplishments in FY 2013**

#### **Facility Improvements**

The jurisdiction completed numerous facility improvement and maintenance projects this fiscal year. These include re-keying over 200 locks and 88 doors to improve security posture of the Headquarter's building, replacing the fire alarm system at the courier acceptance site, continuing the kiosk flooring replacement project and window upgrades and the Headquarter's roof repair.

#### **Energy Saving**

The jurisdiction implemented energy saving measures to help meet the AOC's annual energy reduction goals. These initiatives included installation of a solar light tower, which will serve as a starting point in a sustainable lighting program for the jurisdiction, the upgrade for parking lot lighting to LED fixtures and a building automation system for the Headquarter's heating and cooling systems. These upgrades are expected to result in approximately \$300,000 in annual savings.

#### **OSP Reorganization**

Since its first hire in December 2002, the Office of Security Program's (OSP) responsibilities have evolved from general facilities security to serving as a liaison with the U.S. Capitol Police, as well as supporting Senate and House emergency management and AOC internal security needs. With a more fully developed mission, the jurisdiction reorganized OSP to reallocate existing positions into a structure based on the new mission focus, workload and responsibilities.

### **What's Next? FY 2014 Priorities**

#### **Energy Reduction**

The jurisdiction looks to reduce energy costs in any way possible in order to free up funding for operational concerns. A Client Outreach Plan will educate building occupants on ways to reduce energy usage. The jurisdiction also is working towards a LEED Gold certification for the Canine Facility.

#### **Alternative Computer Facility (ACF) Upgrades**

The jurisdiction has planned extensive upgrades to the ACF for FY 2014. These upgrades include an increase in capacity for continued IT expansion, chiller replacement and chilled water system expansion and an electricity distribution upgrade.



### **Key Accomplishments in FY 2013**

#### **113th Congressional Transition**

AOC House Office Buildings coordinated the move of 222 member suites as a result of the November, 2012 elections. In addition to suite moves, the jurisdiction coordinated 133 member storage room moves and addressed over 5,000 transition related work orders.

#### **West House Underground Garage Renovations**

The jurisdiction completed various upgrades and renovations to the garage. These included replacement of slabs, wall repair and waterproofing, replacement of electrical, mechanical and fire protection systems, repainting, restriping and sidewalk repairs. In addition, the air handler unit was replaced with a more efficient system that reduced energy usage.

#### **Energy and Sustainability Improvements**

The jurisdiction completed a number of projects that will reduce energy costs, such as steam trap replacements, room occupancy sensors and new air handler installations. The jurisdiction also created a Sustainability Program Analyst position that will be responsible for coordinating recycling, environmental compliance and hazardous material tracking.

### **What's Next? FY 2014 Priorities**

#### **Improve Efficiency and Effectiveness**

The jurisdiction will prioritize and acquire information that will assist in monitoring, measuring and analyzing maintenance efforts to best allocate resources. Additionally, the jurisdiction will engage its employees to develop methods and processes that improve efficiency while maintaining service and maintenance levels.

#### **Documenting Processes**

The jurisdiction anticipates high rates of employee turnover over the near-term future. Over 22 percent of AOC House Office Buildings employees are either eligible to retire or will be eligible within two years. In FY 2014, the jurisdiction will focus on capturing institutional knowledge and processes so as to mitigate the effects of the turnover.

## AOC LIBRARY BUILDINGS AND GROUNDS



### Key Accomplishments in FY 2013

#### Implemented New Energy Saving Measures

AOC Library Buildings and Grounds completed numerous energy reduction projects. Upgrades, to include modifications to system controls that manage lighting usage based on ambient light or time of day, replacement of high-wattage light bulbs with lamps and bulbs and re-commissioning of air handling units and HVAC systems, will result in expected annual cost savings of \$225,000.

#### Smoke Detection Upgrades Completed

The two-year project to improve the fire and life safety program at the James Madison Memorial Building was finalized. The jurisdiction installed over 2,900 smoke detection units. The Fire Marshal's office certified the installation and the jurisdiction completed acceptance testing.

#### Phase I of the James Madison Memorial Building Atrium Renovations Completed

The completed renovations included removal of the existing raised floor, repair and water-proofing of the planter boxes, uncovering of a sculpture, replacement of the fountain plumbing and installation of energy efficient lighting.

### What's Next? FY 2014 Priorities

#### Address Sprinkler Leaks in the John Adams Building and Thomas Jefferson Building

AOC Library Buildings and Grounds recently completed a study that identified significant issues with corrosion of copper piping in the sprinkler systems. A project team will survey and complete necessary repairs to remediate leaks and upgrade the sprinkler system.

#### Continue James Madison Memorial Building Renovations

The jurisdiction will initiate Phase II of the Atrium Renovations, to include designing and commissioning a new fountain. The jurisdiction will finalize the multi-year project to renovate the cafeteria.

## AOC SENATE OFFICE BUILDING



### Key Accomplishments in FY 2013

#### Completed Kennedy Caucus Room Restoration

The jurisdiction completed the restoration of the grand foyer to the Kennedy Caucus Room in the Russell Senate Office Building. The restoration included plaster and marble repair, chandelier repairs, gilding repairs, upgrade of lighting systems, and installation of automatic sprinklers and fire alarms.

#### Prevented Significant Storm Damage

The jurisdiction created a 39-employee team from the Senate Superintendent's Office to monitor the facilities during Hurricane Sandy and to identify and remedy any emergencies. The team prepared the facilities for the weather and addressed repairs and leaks created throughout the two-day duration of the storm, preventing major damage to the buildings.

#### Implemented Several Energy Saving and Sustainability Measures

The jurisdiction has successfully completed the Energy Savings Performance Contract project. The project involved the implementation of more efficient transformers and retrofitted over 26,000 lighting fixtures. Climate control curtailment strategies that the jurisdiction implemented reduced energy usage and contributed approximately \$875,000 in annual energy savings.

### What's Next? FY 2014 Priorities

#### Resolve Safety Issues in the Russell Senate Office Building

The jurisdiction will finalize necessary upgrades to address the Office of Compliance safety citations associated with the Russell Senate Office Building's stairwells. The upgrades will protect the exit stairwells from fire, smoke, and toxic fumes.

#### Initiate Hart Senate Office Building Skylight and Roof Replacement Projects

Construction on the project will commence in FY 2014 pending the availability of funds. The project will repair the building's 180 skylights, replace the glass with acrylic and make necessary repairs to the adjoining roof.



### Key Accomplishments in FY 2013

#### Supreme Court Building Revitalization

The renovation of the West Front Façade, began in FY 2012, has revitalized the unique architectural features of the Supreme Court building. Progress in FY 2013 included resurfacing of the West Façade and the installation of a bird deterrent system. The project is due to be completed in early FY 2014.

#### Columbus Plaza Safety Improvements

The jurisdiction worked with external organizations to improve pedestrian safety and vehicular access to the Thurgood Marshall Federal Judiciary Building at Columbus Plaza. The project was completed this fiscal year, and as a result, one-third of an acre was added to the Thurgood Marshall Federal Judiciary Building's (TMFJB) facility and grounds.

#### Long-Term Planning for TMFJB Implemented

The jurisdiction completed a long-term capital renewal plan to address the aging infrastructure of the TMFJB. The AOC will work with the Administrative Office of the United States Courts to revise an interagency agreement that will address project execution going forward.

### What's Next? FY 2014 Priorities

#### Increase Energy Efficiency

The jurisdiction continues to look for ways to reduce its energy consumption. In FY 2013, the jurisdiction identified malfunctioning steam traps in the Supreme Court Building. Mitigation of this issue began in FY 2013 and will be completed in FY 2014. Once complete, the jurisdiction will be able to establish a baseline usage of steam energy and better develop strategies to reduce usage.

#### Improve Operational Efficiency

Reduced funding has placed a greater emphasis on improved efficiency. The jurisdiction will evaluate current staffing and funding requirements and develop a plan to adjust those levels in order to meet the changing facility and client requirements as well as the restrictions of a reduced fiscal environment.



### Key Accomplishments in FY 2013

#### Advanced Cogeneration Project

The jurisdiction continued work on the multi-year cogeneration project. AOC obtained necessary permits for the project in FY 2013 from the Environmental Protection Agency and the District of Columbia Department of the Environment. Additionally, the jurisdiction worked to complete the design for the new cogeneration facility.

#### Completed Phase 1 of the West Refrigeration Plant Renovation (WRPR) Project

The WRPR project has delivery phases scheduled over multiple years. This fiscal year, Phase I was completed in a manner that coordinated necessary power outages to allow for continued reliable operations of the CPP. The jurisdiction identified savings opportunities that were implemented to reduce the overall project cost.

#### Implemented Safety Improvements

The jurisdiction initiated a comprehensive review of its employee safety policies and program. The safety program was revised to include a revitalized Joint Occupational Safety and Health Committee, a safety culture barometer survey, site safety inspection protocols and a job safety observation process.

### What's Next? FY 2014 Priorities

#### Infrastructure Improvements

The cogeneration and WRPR projects are delivering infrastructure improvements that will produce long-term efficiency benefits. The jurisdiction will continue to focus on managing the requirements of the construction and renovation projects as well as the ongoing demand for continuous operations and service reliability.

#### Implement New Natural Gas Procurement Strategy

The jurisdiction will reevaluate its future natural gas source acquisition. To extract the most value from the jurisdiction's energy acquisitions, the jurisdiction will develop and implement a new acquisition strategy aimed at saving costs while continuing to meet the heating and cooling needs of the facilities under AOC's care.

## U.S. BOTANIC GARDEN



### Key Accomplishments in FY 2013

#### USBG Building Repairs

The USBG Administration building's façade was cleaned and repaired in FY 2013. The projects included replacement of stone caulk joints and masonry stucco and the repairs to the flashing. The Conservatory's exterior limestone was stabilized to mitigate water leakage and prevent the stone from breaking and falling. These repairs are a temporary fix for a longer term problem that requires additional funding.

#### Adapted Visitor Services to Appeal to a Wider Audience

The jurisdiction adapted its visitor service offerings to appeal to a wider public audience. Over 320,000 people attended the annual Holiday Show that featured a fantasy-themed train display and the models of historic Washington, D.C. buildings and monuments. The USBG also expanded the Hands-On Plant Science (HOPS) program to include a teacher training component. The USBG's attendance increased by 37 percent in FY 2013.

#### Completed Five-Year Business Plan

The USBG completed a five-year business plan that emphasizes improving organizational culture. The focus areas of the plan are providing extraordinary experiences, promoting internal collaboration and developing valued, skilled and motivated staff. The plan will guide the USBG organizational culture to allow the USBG to better fulfill its mission.

### What's Next? FY 2014 Priorities

#### Succession Planning

The USBG faces the pending retirement of many of its employees and managers. This presents the jurisdiction with significant succession planning challenges and the possibility of institutional knowledge loss. The USBG will look to its employees to take on increased responsibilities in light of current hiring restrictions.

#### Adapting to a Continually Rising Visitor Count

In FY 2014, the USBG will continue to focus on delivering a world-class visitor experience. In order to accommodate increased visitor counts, the USBG will continue to focus on customer-service responsibilities and other opportunities to utilize its outstanding workforce.

## U.S. CAPITOL VISITOR CENTER



### Key Accomplishments in FY 2013

#### Improved Training and Education Opportunities

The jurisdiction implemented new programs to improve the staff's knowledge and skills. These include a two-day customer service and hospitality workshop, expert presentations on topics relevant to the Capitol or Congress and behind-the-scenes Capitol tours for CVC employees.

#### Assisted in Special Events

The CVC was instrumental in supporting numerous special events throughout the fiscal year. These included the presidential inauguration, the unveiling of the Rosa Parks and Frederick Douglass statues, the lying-in-state ceremony for Senator Daniel Inouye and many other events.

#### Developed a Volunteer Program

The jurisdiction created a volunteer program to assist with the increasing number of visitors to the U.S. Capitol. Over 80 volunteers provided more than 6,000 hours of service to the CVC in FY 2013, which helped maintain visitor flow and reduce the burden on full time staff.

### What's Next? FY 2014 Priorities

#### Refine CVC Staffing Model

The CVC will continue to refine its staffing model to improve efficiencies and address the fluctuating seasonal visitation demands. In addition to implementing a new staffing model, the CVC will refine its Visitors Services operations schedule to improve the effectiveness, efficiency and responsiveness of its staff.

#### Business Process Improvements

Improvements to CVC business processes will streamline the accomplishment of its Visitor Services mission. The CVC will implement an Advance Reservation System in FY 2014 to allow visitors, congressional offices and professional tour organizations to reserve Capitol tour passes, which will facilitate more accurate staffing and tour schedules.

## Appendix B: List of Major Facilities under AOC Care

AOC serves as builder, caretaker and curator of many of the nation's most iconic landmark buildings. The major AOC facilities, organized by jurisdiction, are listed in **Table 35** with their location and the date AOC assumed responsibility for them, whether through construction completion or acquisition.

**TABLE 35: List of Major AOC Facilities**

Facility	Location	Construction Completion Date (AOC's Acquisition Date)
<b>AOC Capitol Building</b>		
U.S. Capitol	Washington, DC	1793 and various dates
<b>AOC Capitol Grounds</b>		
Summerhouse	Washington, DC	1881
<b>AOC Capitol Police Buildings, Grounds and Security</b>		
Eney, Chestnut, Gibson Memorial Building (U.S. Capitol Police Headquarters)	Washington, DC	1930 (1986)
Courier Acceptance Site	Washington, DC	1996
Vehicle Maintenance/Hazardous Device Unit Facility	Washington, DC	1996 (leased since 2001)
Canine Facility at D.C. Village	Washington, DC	1996 (2004)
Chemical/Explosive Storage Facility	Washington, DC	2004
Fairchild Building	Washington, DC	Leased a portion of facility since 2004
Alternate Computer Facility	Location Withheld	1983 (2005)
Interim Offsite Delivery Facility	Washington, DC	2006
Government Printing Office	Washington, DC	Leased a portion of facility since 2006
USCP Radio Mirror Site	Washington, DC	Leased a portion of facility since 2011
<b>AOC House Office Buildings</b>		
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)



**TABLE 35: List of Major AOC Facilities** (continued)

Facility	Location	Construction Completion Date (AOC's Acquisition Date)
<b>AOC Library Buildings and Grounds</b>		
Thomas Jefferson Building	Washington, DC	1897 (1922)
John Adams Building	Washington, DC	1938
James Madison Memorial Building	Washington, DC	1980
Special Services Facility Center	Washington, DC	1990 (1991)
Congressional Campus, which includes:	Fort Meade, MD	Transferred from U.S. Army 1993
Book Storage Modules	Fort Meade, MD	2002
Warehouse Buildings	Fort Meade, MD	2005 and various dates
Packard Campus for Audio-Visual Conservation	Culpeper, VA	2007
<b>AOC Senate Office Buildings</b>		
Russell Senate Office Building	Washington, DC	1909
Senate Underground Garage	Washington, DC	1932
Monocle Building	Washington, DC	1885 (1935)
Dirksen Senate Office Building	Washington, DC	1958
Hart Senate Office Building	Washington, DC	1982
Daniel Webster Page Dormitory	Washington, DC	1930 (1993)
Senate Childcare Center	Washington, DC	1998
Senate Long-Term Mail Facility	Columbia Park, MD	2008
<b>AOC Supreme Court Buildings and Grounds</b>		
Supreme Court Building	Washington, DC	1935
Thurgood Marshall Federal Judiciary Building	Washington, DC	1992
<b>AOC Utilities and Capitol Power Plant</b>		
Old Generator Building	Washington, DC	1909
Main Boiler Building	Washington, DC	1909
East Refrigeration Plant	Washington, DC	1937
Capitol Power Plant Administration	Washington, DC	1978
West Refrigeration Plant	Washington, DC	1978 and various dates
<b>U.S. Botanic Garden</b>		
Administration Building	Washington, DC	1931
United States Botanic Garden Conservatory	Washington, DC	1933
Plant Production and Support Facility	Anacostia, MD	1993 and various dates
<b>U.S. Capitol Visitor Center</b>		
Capitol Visitor Center	Washington, DC	2008

## Appendix C: Performance Metrics No Longer Used

The following four metrics appeared in the FY 2012 PAR but are not included in the FY 2013 PAR.

**Employee Development:** This metric appeared under *Innovative and Empowered Workforce* (Strategic Objective 2.1). In FY 2013, AOC changed its data collection process and while the number of training hours is still recorded, it is not available in centralized reporting structure.

Employee Development							
Intent: Provide opportunities for continuous learning.							
2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Target	2012 Actual	Met/Not Met
19.34	20.94	19.01	22.48	18.55	N/A	9.67	Other
<p><b>Data Source:</b> Financial Management System (via ITD ad hoc report), extracted 10/15/2012</p> <p><b>Discussion:</b> AOC has not established a target for the hours of formal training per employee, per year. Rather, AOC informally monitors the indicator to help AOC shape the learning program. The lower threshold presented graphically above is based on a survey by the American Society for Training and Development of 19 major U.S. corporations. As a result of a FY 2012 process change that decentralized AOC's training approval process, the number of training hours entered into its systems is understated.</p>							

**Organizational Assessment Survey:** This metric appeared under *Innovative and Empowered Workforce* (Strategic Objective 2.3) and was based on the results of the biennial Organizational Assessment Survey. AOC conducted the survey in FY 2012 and will conduct a new survey in FY 2014.

Organizational Assessment Survey	
Target: To participate in the Organizational Assessment Survey administered by OPM and address the challenges it identifies.	
2012 Action	Met/Not Met
AOC successfully conducted OPM's Organizational Assessment Survey, and is developing action plans to address areas of concern the survey brought to management's attention.	 Met
<p><b>Data Source:</b> Organizational Assessment Survey</p> <p><b>Discussion:</b> 1,689 AOC employees participated and offered feedback in the survey. AOC is at or above the median for similar agencies in ten of the 12 dimensions measured. Although AOC favorably compares to similar agencies, it understands it needs to build a trend before asserting conclusions. AOC organizations are developing responses to localized deficiencies and AOC Senior Leadership is coordinating plans to address AOC-wide challenges in FY 2013. AOC expects to see improvements in the planned 2014 repetition of the survey.</p>	

**Customer Satisfaction — Building Occupants:** This metric appeared under *Extraordinary Services* (Strategic Objective 4.1) and was based on the biennial Building Services Customer Satisfaction Survey. AOC conducted the survey in FY 2012 and will conduct a new survey in FY 2014.

Customer Satisfaction — Building Occupants							
Target: 90 percent of building occupants are satisfied with AOC's services.							
2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Target	2012 Actual	Met/Not Met
88.2%	89.6%	89.5%	90.8%	N/A	90.0%	N/A	Other
<p><b>Data Source:</b> Building Services Customer Satisfaction Survey</p> <p><b>Discussion:</b> AOC conducted the Building Services Customer Satisfaction Survey annually from FY 2002 through FY 2010. In FY 2010 AOC converted to a biennial schedule and no survey data was available for FY 2011. Performance data from FY 2012 was not available at time of publication.</p>							

**Improvement of Internal Service Providers:** This metric appeared under *Extraordinary Services* (Strategic Objective 4.1) and was based on the Internal Service Provider Survey. AOC suspended the FY13 cycle to allow the newly created Performance, Strategy & Innovation Division to generate a more comprehensive Employee Feedback program.

Improvement of Internal Service Providers							
Intent: At least 50 percent of respondents noted improvements in service delivery between 2009 and 2011.							
CAO	CER	CFO	COO	OGC	PPM	SFEP	Met/Not Met
72.4%	75.0%	77.5%	56.5%	76.5%	88.5%	79.0%	Other

**Data Source:** Internal Service Providers Survey  
**Discussion:** More than 50 percent of respondents indicated an improvement in service delivery for each office over a two-year period. All seven offices met the intended improvement level.



AOC received responsibility for Union Square in FY 2012. Addressing the significant maintenance requirements for the Square is a priority for AOC.

## Appendix D: Websites of Interest

**TABLE 38: Other Websites of Interest**

Name	Website
Architect of the Capitol	<a href="http://www.aoc.gov">www.aoc.gov</a>
Library of Congress	<a href="http://www.loc.gov/index.html">www.loc.gov/index.html</a>
The Supreme Court of the United States	<a href="http://www.supremecourt.gov">www.supremecourt.gov</a>
U.S. Botanic Garden	<a href="http://www.usbg.gov">www.usbg.gov</a>
U.S. Capitol Police	<a href="http://www.uscapitolpolice.gov/home.php">www.uscapitolpolice.gov/home.php</a>
U.S. Capitol Visitor Center	<a href="http://www.visitthecapitol.gov">www.visitthecapitol.gov</a>
U.S. House of Representatives	<a href="http://www.house.gov">www.house.gov</a>
U.S. Senate	<a href="http://www.senate.gov">www.senate.gov</a>
<b>Social Media</b>	
Twitter	<a href="https://twitter.com/uscapitol">https://twitter.com/uscapitol</a>
flickr	<a href="http://www.flickr.com/photos/uscapitol">http://www.flickr.com/photos/uscapitol</a>
facebook	<a href="https://www.facebook.com/ArchitectoftheCapitol">https://www.facebook.com/ArchitectoftheCapitol</a>
Youtube	<a href="http://www.youtube.com/aocgov">http://www.youtube.com/aocgov</a>
Pinterest	<a href="https://www.pinterest.com/uscapitol/">https://www.pinterest.com/uscapitol/</a>



AOC is honored to be entrusted with the responsibility to serve Congress and the Supreme Court, preserve the historic facilities and grounds entrusted to its care and inspire the millions of visitors who come to Capitol Hill each year.

## Appendix E: List of Abbreviations and Acronyms

### A

<b>ACF</b>	Alternate Computer Facility
<b>ACM</b>	Asbestos-Containing Materials
<b>AGA</b>	Association of Government Accountants
<b>AIA</b>	American Institute of Architects
<b>AICPA</b>	American Institute of Certified Public Accountants
<b>AMMD</b>	Acquisition and Material Management Division
<b>AOC</b>	Architect of the Capitol
<b>AP</b>	Accredited Professional

### B

<b>BIM</b>	Building Information Modeling
<b>BSCSS</b>	Building Services Customer Satisfaction Survey

### C

<b>CAFM</b>	Computer Aided Facilities Management
<b>CAO</b>	AOC Chief Administrative Officer
<b>CB</b>	AOC Capitol Building
<b>CCMP</b>	Capitol Complex Master Plan
<b>CCR</b>	Central Contractor Registration
<b>CCRC</b>	Central Contractor Registration Connector
<b>CER</b>	AOC Congressional and External Relations
<b>CERCLA</b>	Comprehensive Environmental Response, Compensation and Liability Act
<b>CFM</b>	Certified Facilities Manager
<b>CFO</b>	AOC Chief Financial Officer
<b>CG</b>	AOC Capitol Grounds
<b>CGFM</b>	Certified Government Financial Manager
<b>CIP</b>	Capital Improvements Plan
<b>COO</b>	AOC Chief Operating Officer
<b>CPA</b>	Certified Public Accountant
<b>CPBG&amp;S</b>	AOC Capitol Police Buildings, Grounds and Security
<b>CPI</b>	Consumer Price Index
<b>CPP</b>	AOC Utilities and Capitol Power Plant
<b>CSRDF</b>	Civil Service Retirement and Disability Fund
<b>CSRS</b>	Civil Service Retirement System
<b>CVC</b>	AOC Capitol Visitor Center

### D

<b>DOL</b>	Department of Labor
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### E

<b>EAP</b>	Employee Assistance Program
<b>EED</b>	Exhibits and Education Division
<b>EISA2007</b>	Energy Independence and Security Act of 2007
<b>EPA</b>	Environmental Protection Agency
<b>EPAct2005</b>	Energy Policy Act of 2005
<b>ExCEL</b>	Exchange of Critical Expertise and Learning

### F

<b>FAIA</b>	Fellow, American Institute of Architects
<b>FASAB</b>	Federal Accounting Standards Advisory Board
<b>FBO</b>	Federal Business Opportunities
<b>FBWT</b>	Fund Balance with Treasury
<b>FCA</b>	Facility Condition Assessment
<b>FECA</b>	Federal Employees' Compensation Act
<b>FedReg</b>	Federal Agency Registration
<b>FERS</b>	Federal Employees' Retirement System
<b>FFMIA</b>	Federal Financial Management Improvement Act
<b>FGGM</b>	Fort George G. Meade, Maryland
<b>FIFO</b>	First-In, First-Out
<b>FISCAM</b>	Federal Information Systems Controls Audit Manual
<b>FISMA</b>	Federal Information Security Management Act
<b>FMD</b>	Fire Marshal Division
<b>FMFIA</b>	Federal Managers' Financial Integrity Act
<b>FMS</b>	Financial Management System
<b>FSD</b>	Financial Systems Division
<b>FTEs</b>	Full-Time Equivalents
<b>FY</b>	Fiscal Year

### G

<b>GA</b>	Green Associate
<b>GAAP</b>	Generally Accepted Accounting Principles
<b>GAO</b>	Government Accountability Office
<b>GPO</b>	Government Printing Office
<b>GSA</b>	General Services Administration
<b>GTAS</b>	Governmentwide Treasury Account Symbol Adjusted Trial Balance System

### H

<b>HCMD</b>	Human Capital Management Division
<b>HOB</b>	AOC House Office Buildings jurisdiction
<b>HOPS</b>	Hands-On Plant Science
<b>HVAC</b>	Heating, Ventilation and Air Conditioning

**I**

<b>ICOFRR</b>	Internal Controls Over Financial Reporting
<b>ICS</b>	Inventory Control System
<b>IDP</b>	Individual Development Plan
<b>IG</b>	AOC Inspector General
<b>IPP</b>	Invoice Processing Platform
<b>ITD</b>	Information Technology Division

**J**

<b>JOSH</b>	Jurisdiction Occupational Safety and Health
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**L**

<b>LBG</b>	AOC Library Buildings and Grounds
<b>LEED</b>	Leadership in Energy and Environmental Design

**N**

<b>NCOO</b>	Net Cost of Operations
<b>NFC</b>	National Finance Center
<b>NIST</b>	National Institute of Standards and Technology

**O**

<b>ODS</b>	Operational Data Store
<b>OGC</b>	Office of General Counsel
<b>OMB</b>	Office of Management and Budget
<b>OPM</b>	Office of Personnel Management
<b>OSP</b>	Office of Security Programs

**P**

<b>PALT</b>	Procurement Acquisition Lead Time
<b>PAR</b>	Performance and Accountability Report
<b>PCES</b>	Performance, Communication and Evaluation System
<b>PE</b>	Professional Engineer
<b>PIC</b>	Project Information Center
<b>PL</b>	Public Law
<b>PM</b>	Preventive Maintenance
<b>POP</b>	Procurement Overview Portal
<b>POS</b>	Point of Sale
<b>PP&amp;E</b>	Property, Plant and Equipment
<b>PPM</b>	Planning and Project Management

**R**

<b>RATE</b>	Responsibility, Accountability, Trust and Engagement
<b>RFID</b>	Radio Frequency Identification

**S**

<b>SAM</b>	Shared Acquisitions Module
<b>SAT</b>	Senior Advisory Team
<b>SBR</b>	Statement of Budgetary Resources
<b>SC</b>	AOC Supreme Court
<b>SCNP</b>	AOC Statement of Changes in Net Position
<b>SEIM</b>	Security Event and Information Management
<b>SFEP</b>	AOC Safety, Fire and Environmental Programs
<b>SFFAS</b>	Statement of Federal Financial Accounting Standards
<b>SMC</b>	Senior Management Council
<b>SITES</b>	Sustainable Sites Initiative
<b>SNC</b>	Statement of Net Cost
<b>SOB</b>	AOC Senate Office Buildings

**T**

<b>TMFJB</b>	Thurgood Marshall Federal Judiciary Building
<b>Treasury</b>	Department of Treasury
<b>TSP</b>	Thrift Savings Plan

**U**

<b>USBG</b>	United States Botanic Garden jurisdiction
<b>USC</b>	United States Code
<b>USCP</b>	United States Capitol Police
<b>USSGL</b>	United States Standard General Ledger

**W**

<b>WRPR</b>	West Refrigeration Plant Renovation
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## Appendix F: Acknowledgements

The FY 2013 Performance and Accountability Report was produced with the energies and talents of AOC staff. To these dedicated individuals, we offer our sincerest thanks and acknowledgement.

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## We Welcome Your Comments

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Suggestions or comments on how we can make this report more informative may be directed to AOC by phone (202.226.2552) or e-mail ([aocpar@aoc.gov](mailto:aocpar@aoc.gov)).

Comments may also be submitted to:

Architect of the Capitol (ATTN: Accounting Division—PAR)  
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