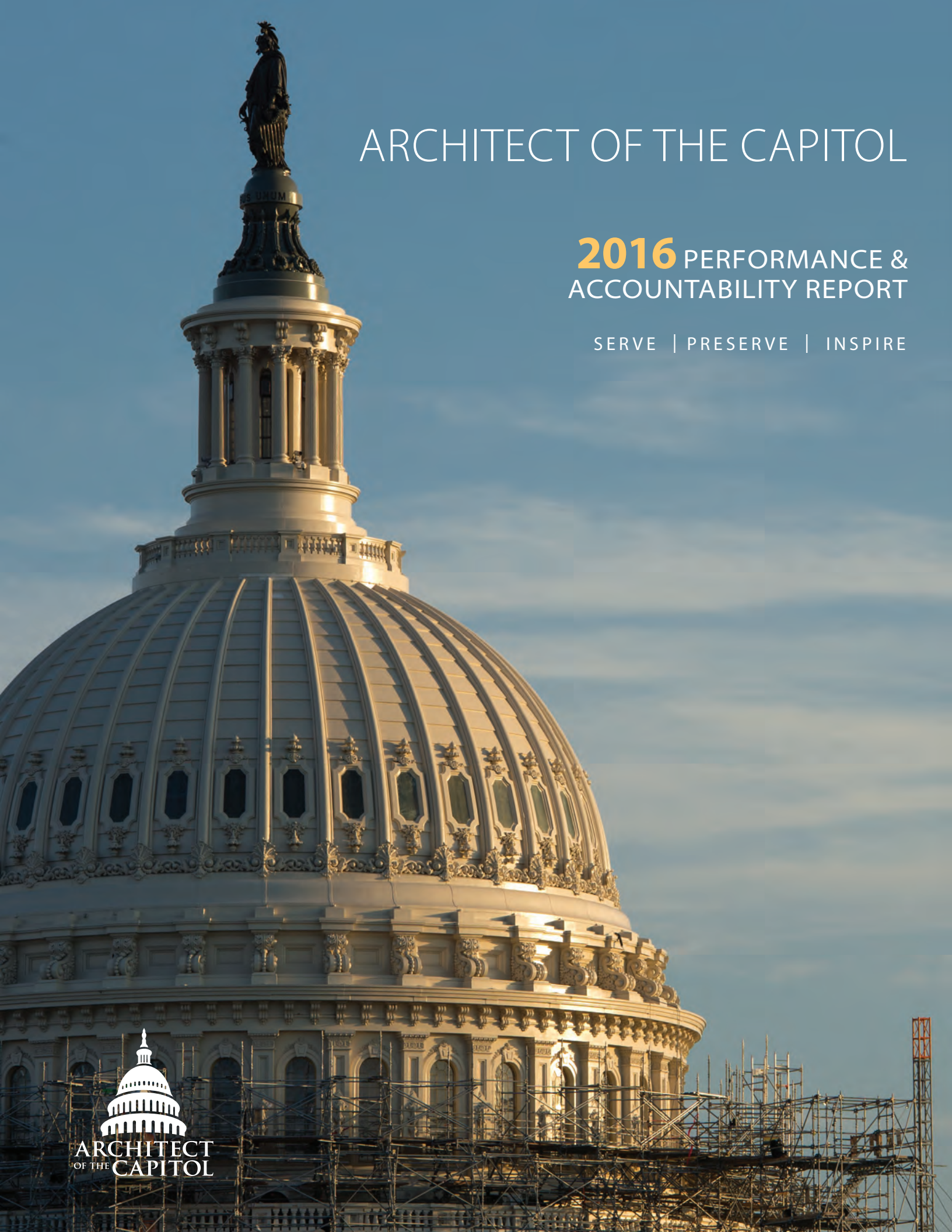


ARCHITECT OF THE CAPITOL

2016 PERFORMANCE & ACCOUNTABILITY REPORT

SERVE | PRESERVE | INSPIRE

ARCHITECT OF THE CAPITOL

In August 2016, the AOC lowered the interior suspended safety netting system inside the U.S. Capitol Rotunda. This canopy system protected the visiting public and art from falling debris during the multi-year restoration of the Capitol Dome.

FISCAL YEAR 2016 PERFORMANCE AND ACCOUNTABILITY HIGHLIGHTS

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

ARCHITECT OF THE CAPITOL

ABOUT THE ARCHITECT OF THE CAPITOL

Who We Are: The Architect of the Capitol (AOC) cares for more than 17.4 million square feet of facilities, 570 acres of grounds and thousands of works of art. More than 2,100 AOC employees work quietly and effectively behind the scenes day and night to provide Congress and the Supreme Court with facilities and infrastructure to conduct its business. Our employees serve in diverse roles applying both modern techniques and historical tradecrafts in the care and preservation of the Capitol campus.

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

Branch of Government: Legislative.

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

Number of Full-Time Equivalents: 2,117 as of September 30, 2016.

FY 2016 Budget Authority: $612.9 million.

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

DID YOU KNOW?

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

FIGURE 1: Map of the U.S. Capitol

PERFORMANCE RESULTS IN BRIEF

TABLE 1: The AOC's Performance Accomplishments

ONE TEAM, ONE MISSION

- The AOC enhanced its key acquisition and contracting processes, receiving a favorable Government Accountability Office review completed in April 2016.
- The AOC worked across jurisdictions to provide outstanding support for special events such as the Speaker of the House Transition Ceremony in October 2015.

INNOVATIVE AND EMPOWERED WORKFORCE

- An employee-driven initiative to create a Mediterranean Collection Exhibit led to the first major renovation of a U.S. Botanic Garden Conservatory room since its 2001 re-opening.
- The AOC used creative approaches, such as CareerPath and AOCLearn, to expand training and development opportunities despite limited funding.

AWE-INSPIRING FACILITIES

- The AOC successfully managed the restoration of the iconic U.S. Capitol Dome and Rotunda—repairing more than 1,000 cracks and deficiencies in the historic structure.
- The AOC made progress on the Ulysses S. Grant Memorial restoration—repairing severe deterioration to the bronze components and marble pedestal and refabricating missing bronze pieces.

EXTRAORDINARY SERVICES

- The AOC welcomed more than 2.2 million visitors to the U.S. Capitol Visitor Center and more than 1.1 million visitors to the U.S. Botanic Garden over the fiscal year.
- The AOC successfully managed the late-July through early-September 2016 closure of the Capitol Rotunda, lessening its impact on the experiences of visitors and staff.

TABLE 2: Summary of Key Performance Indicators

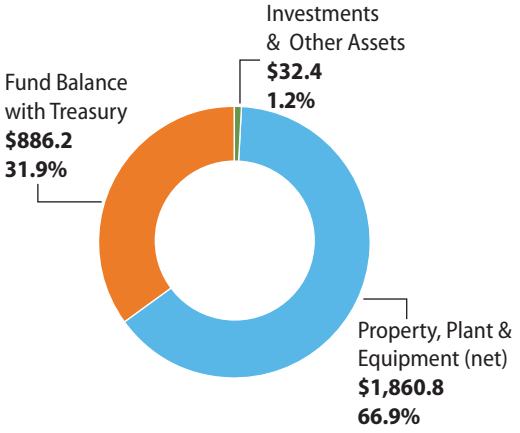
Key Performance Indicator	FY 2015 Target	FY 2015 Actual	FY 2015 Results	FY 2016 Target	FY 2016 Actual	FY 2016 Results
STRATEGIC GOAL 1: One Team, One Mission						
Reduction in Usage of Overtime. Reduce overtime hours used to fulfill mission through improved planning and scheduling.	<126,840 hours	138,752* hours	Not Met	<138,752 hours	172,078 hours	Not Met
STRATEGIC GOAL 2: Innovative and Empowered Workforce						
Volume of Honor Awards. Recognize employees who have gone above and beyond the call of duty and who have demonstrated service excellence, extraordinary teamwork or ingenuity in solving challenges.	N/A	689	Target Not Established	N/A	944	Target Not Established
STRATEGIC GOAL 3: Awe-Inspiring Facilities						
Preventive Maintenance Work Order Timeliness. Complete routine facility maintenance work on schedule.	≥ 90.0%	89.3%	Not Met	≥ 90.0%	91.1%	Met
Injuries and Illnesses Rate. Targeted to be less than the previous year's rate.	<2.82%	4.26*%	Not Met	<4.26%	3.31%	Met
Reduction in Energy Consumption. Decrease energy consumption through effective utility usage.	≤-30.0%	-30.8%	Met	≤-32.0%	-32.2%	Met
STRATEGIC GOAL 4: Extraordinary Services						
Service Request Work Orders Timeliness. Complete service request work orders on time.	≥90.0%	92.8%	Met	≥90.0%	92.1%	Met

Note: Information adjusted from that reported in the FY 2015 PAR is marked with an asterisk (*).

FINANCIAL RESULTS IN BRIEF

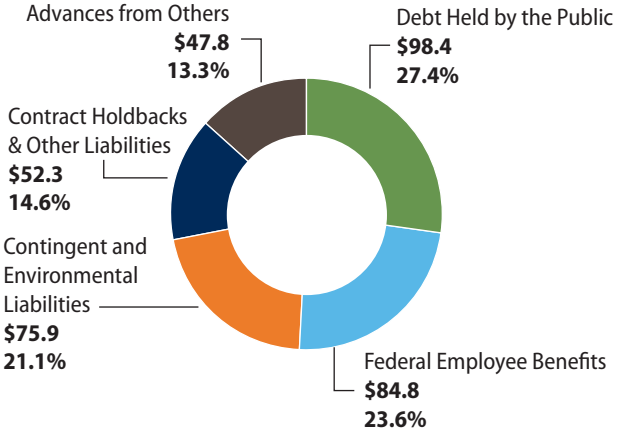
An independent audit of the AOC's financial statements resulted in an unmodified (clean) audit opinion in FY 2016.

FIGURE 2: Summary of Total Assets



Total Assets: **$2,779.4** ($ in millions)

FIGURE 3: Summary of Total Liabilities



Total Liabilities: **$359.2** ($ in millions)

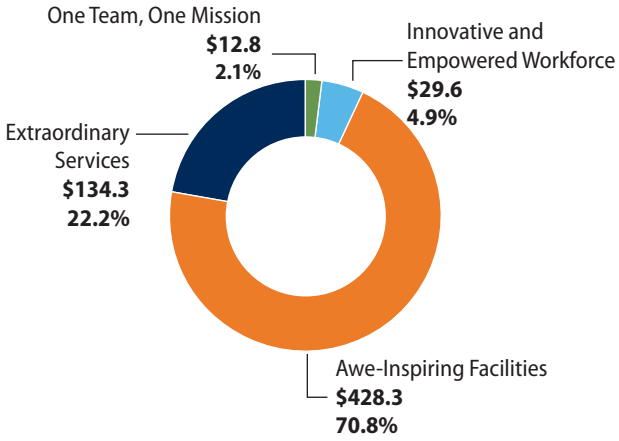
TABLE 3: Select Financial and Related Non-Financial Data ($ in millions)

	FY 2016	FY 2015	Percent Change
Total Assets	$2,779.4	$2,698.2	3%
Total Liabilities	$359.2	$328.8	9%
Total Net Position	$2,420.2	$2,369.4	2%
Total Revenues	$48.9	$56.1	(13%)
Total Net Cost of Operations	$605.0	$514.8	18%
Total Enacted Appropriations	$612.9	$600.3	2.1%
Facility Space Managed	More than 17.4 million sq. ft.	More than 17.4 million sq. ft.	-%
Grounds Managed	More than 570 acres	More than 580 acres	(2%)
Actual FTEs at Fiscal Year End	2,117	2,103	1%

TABLE 4: Independent Auditor's Internal Control Findings

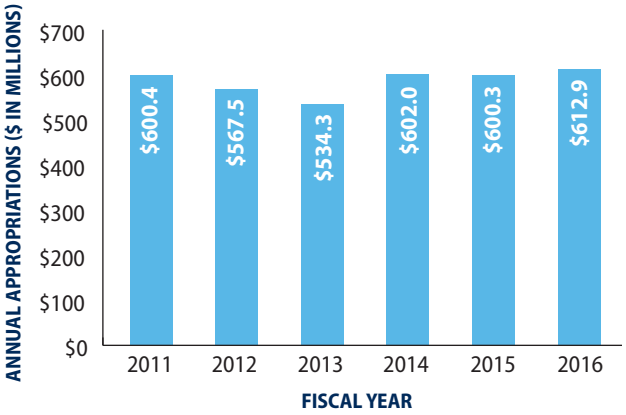
	Audit Findings	
Category	FY 2016	FY 2015
Material Weaknesses	Improvements to Project Cost Capitalization Analysis	Ineffective Controls over Estimate of Asbestos Cleanup
Significant Deficiencies	Contract Holdback Reconciliation	None

FIGURE 4: Net Cost of Operations by Strategic Goal



Total Net Cost Operations: **$605.0** ($ in millions)

FIGURE 5: Trend in Total Enacted Appropriations



Resource constraints have deferred maintenance and delayed important capital renewal projects, causing significant deterioration of the historic buildings and grounds under the AOC's stewardship. More than a quarter of the AOC's buildings and grounds are in poor condition, as measured by the Facility Condition Index.

FUTURE CHALLENGES AND PRIORITIES

Deteriorating Condition of Grounds and Buildings. Resource constraints have deferred maintenance and delayed important capital renewal projects causing significant deterioration of buildings and grounds. More than a quarter of the AOC's buildings and grounds are in poor condition and significant investments are needed for preservation and to ensure the future safety of building occupants and visitors. In FY 2016, the AOC's total deferred maintenance and capital renewal backlog was estimated at $1.55 billion.

Energy Stewardship and Sustainability. The AOC has established a new 10-year goal to reduce energy consumption and improve efficiency across the Capitol campus. The AOC met the FY 2016 energy reduction target of 32 percent. Looking ahead, the Capitol Power Plant's West Refrigeration Plant Revitalization and the Cogeneration program, both underway, will allow for further energy reductions when implemented.

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

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

Managing Concurrent Projects. The AOC is undertaking many needed major construction and restoration projects concurrently. To be successful, the AOC must ensure that each long-term project remains on-time and within budget, while also safeguarding that this workload minimizes impacts to the agency's people and day-to-day customers.

Retaining and Attracting a Skilled and Engaged Workforce. The AOC requires a high-performing and engaged workforce to achieve its mission and deliver services to stakeholders. The AOC's human capital strategy includes planning for staff retirements and turnover and working to attract and retain talented new staff — especially millennials.

In addition, the AOC's Inspector General (IG) identified one management opportunity and performance challenge facing the organization: managing the AOC's construction projects. Due to the number of major construction and repair projects underway throughout the Capitol campus, ensuring their timely completion in accordance with quality standards and within budget is a significant challenge.

The AOC Performance and Accountability Highlights provides a brief summary of the AOC's FY 2016 Performance and Accountability Report. The full report is available online at **www.aoc.gov/par** or by scanning the QR code.

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

This report is issued with data as of November 15, 2016.

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Message from the Architect of the Capitol

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

I am pleased to present the Fiscal Year (FY) 2016 Performance and Accountability Report (PAR) for the Architect of the Capitol (AOC). This report includes the results of this year's audit of the agency's financial statements, measures our performance against our FY 2016 strategic goals and objectives, highlights the accomplishments of the past year, and identifies the challenges that lie ahead.

The mission of the AOC is to serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable experiences. We are a trusted partner of Congress and trace our beginnings back to 1793, when President George Washington laid the cornerstone of the U.S. Capitol. Today, our more than 2,100 employees work round the clock to operate and care for more than 17.4 million square feet of facilities, 570 acres of grounds and thousands of works of art.

I am tremendously pleased to be able to report our extraordinary accomplishments this year, including the completion of the once-in-a-generation restoration of the U.S. Capitol Dome and Rotunda. Since its last major renovation in 1960, age and weather had created more than 1,000 cracks and deficiencies to the cast-iron structure. I am proud to report that we completed the project ahead of the commitment to our clients and under budget. The success of the Dome Restoration is representative of the outstanding work that the agency performs behind the scenes, day and night, to provide Congress and the Supreme Court with the infrastructure to conduct its business.

For the past five years, the *Strategic Vision and Five-Year Focus (FY 2012–2016)* has guided our work by establishing the AOC's four strategic goals connecting our mission and operations. This report describes the successful completion of this five-year plan and the AOC's progress toward each goal. The first two strategic goals are support goals that promote a culture of integrity, teamwork and accountability. The AOC's next two strategic goals are program-oriented, and focus on the agency's core mission areas such as facilities maintenance, facilities operations, client services, project delivery, historic preservation and visitor services.

Goal 1: One Team, One Mission

A culture of learning, sharing and teamwork is essential to the effectiveness of the AOC. In FY 2016, we saw many instances of one team supporting a unified mission. The success of high-visibility events was due to the efforts of workers across the AOC. This same spirit of teamwork is found in many less visible, but still critical, mission support areas, as our jurisdictions routinely work together to solve issues. We also eagerly seek out and implement industry best practices. This year, a Government Accountability Office study of our agency's contracting function found that our policies and procedures are consistent with key practices. Also, through better planning and management, we have learned to use our resources more efficiently, resulting in significant cost savings.

Goal 2: Innovative and Empowered Workforce

The AOC is working to sustain an environment that attracts and retains highly qualified employees. We recognize that our employees desire the opportunity to be innovative and empowered. We are acting to meet this need and improve the workforce experience through efforts such as a new hire mentoring program, workforce empowerment initiatives, employee action committees and peer recognition programs.

Goal 3: Awe-Inspiring Facilities

The beauty and grandeur of the Capitol campus have inspired awe for generations. In FY 2016, we continued to execute projects to ensure the stewardship of our historic facilities and grounds. In addition to the Dome Restoration, we made progress on several key projects including the renewal of the Cannon House Office Building, restoration of the Ulysses S. Grant Memorial and conservation of the

Brumidi Corridors. The AOC also initiated work on the cogeneration plant at the Capitol Power Plant, helping to ensure that the agency will be able to meet its aggressive long-term energy reduction targets.

Goal 4: Extraordinary Services

A core element of our mission is providing extraordinary customer service. In FY 2016, the AOC further improved the customer experience and carefully coordinated work on major construction projects to minimize disruptions to our customers. We also hosted a number of high-profile events and are planning for the upcoming 58th Presidential Inauguration. At the same time, a host of new educational exhibits and programs were held at the Capitol Visitor Center and U.S. Botanic Garden. Efforts to improve our customer service to Congress included an upgraded online suite selection tool for the forthcoming election year office moves and the coordination of room set-ups for committee meetings and congressional functions.

Looking Forward

While we have achieved many important milestones this year, we also face many challenges. The AOC's most significant challenge is our deferred maintenance and capital renewal backlog — currently estimated at $1.55 billion. The historic buildings entrusted to the AOC's care require significant repair and maintenance which has been frequently delayed due to limited funding. These projects, if unaddressed, could greatly impact building operations, safety and security. While the AOC uses a disciplined process to prioritize projects and make the best use of the funds available, the backlog continues to grow.

Underlying each of our challenges is the need for adequate funding. Given the increased costs of doing business and added responsibilities, the agency's operating budget has been insufficient to keep up with these demands. While we have improved our efficiency and carefully prioritized our work, meeting these challenges will depend upon modest funding increases that we will request in our budget submission.

In addition, the AOC's Inspector General identified a management opportunity and performance challenge related to managing the AOC's construction projects. Our leadership understands the importance of this issue, and we are committed to keeping these projects on schedule and within budget.

Sound Financial Management

Sound financial management makes our mission possible and the AOC has a proven record of responsible and transparent financial stewardship. We are proud that our FY 2015 PAR was recognized for outstanding reporting with the Association of Government Accountants' *Certificate of Excellence in Accountability Reporting*. For the 12th consecutive year, we received a clean opinion on our financial statements. The AOC also successfully addressed the prior year material weakness related to ineffective controls over our estimate of asbestos cleanup costs. The independent auditor's report for FY 2016 noted one material weakness related to project cost capitalization analysis and one significant deficiency related to contract holdback amounts. The AOC concurs with these findings and is committed to diligently correcting these internal control matters in FY 2017. In addition, the auditor's report identified no instances of noncompliance with the laws and regulations applicable to the AOC and its financial statements.

My statement of assurance over internal control may be found in Section I of this report. I further provide my assurance that the financial and performance data presented herein are complete, reliable and accurate.

Conclusion

I am proud of this report and the achievements it describes. It reflects the diverse team of professionals who work every day at the AOC to successfully accomplish our mission. I am confident that we have identified the critical challenges that we may face in the years ahead and have developed effective plans to address these challenges and preserve the Capitol campus for future generations.

Sincerely,

Stephen T. Ayers, FAIA, LEED AP
Architect of the Capitol
November 15, 2016

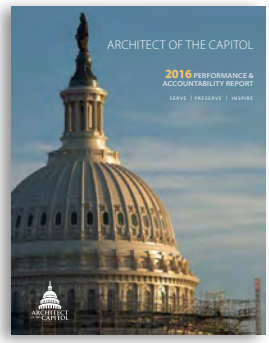
Performance and Accountability Report

ABOUT THIS REPORT

This *Performance and Accountability Report* of the Architect of the Capitol (AOC) communicates the agency's financial and programmatic achievements for Fiscal Year (FY) 2016. The AOC uses the PAR to promote transparency and accountability over the federal funds it receives and to demonstrate how well it is executing its mission — specifically its responsibility for the public property and heritage assets under its care. This PAR demonstrates the AOC's steadfast dedication to accomplishing its mission to serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable visitor experiences.

To spotlight major projects, events, accomplishments and challenges that tell the AOC's story, the PAR includes "Capitol Highlights" feature articles with website hyperlinks, full-color and black and white photographs, and links to online videos.

ABOUT THE COVER



During Fiscal Year 2016, the AOC removed the 1.1 million pound exterior scaffolding system surrounding the U.S. Capitol Dome. The construction scaffolding had been a fixture on the Capitol for more than two years to support its repair and restoration. The completion of the Dome Restoration Project marked an important milestone in the AOC's ongoing efforts to preserve its infrastructure, enhance the beauty of its historic buildings, and improve safety and security for all employees and visitors.

As a legislative branch agency, the AOC is not required to comply with executive branch financial reporting regulations. However, the 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 Performance and Results Act (GPRA) of 1993
- 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
- GPRA Modernization Act of 2010

This Performance and Accountability Report and the agency's prior year reports are available on the AOC website at: **www.aoc.gov/par**. In addition, the AOC publishes its PAR in a convenient mobile application version for Apple or Android tablets. The mobile application version includes the standard print edition and bonus photos and videos. Readers may browse each page in either landscape or portrait mode, zoom in to read individual sections, bookmark and share favorite articles, and use other interactive features. To download the digital report to your device, please visit the AppStore from your iPad or Google Play from your Android tablet and search for "Architect of the Capitol." Use of multiple platforms for its PAR helps expand the AOC's reach and makes learning about the agency more convenient.

HOW THIS REPORT IS ORGANIZED

The FY 2016 PAR provides the AOC's financial and performance information for the period beginning on October 1, 2015, and ending on September 30, 2016. The report offers candid insight into the organization's operations, accomplishments and challenges. By way of introduction, the PAR includes an Executive Summary for FY 2016 coupled with a Message from the Architect of the Capitol, the Honorable Stephen T. Ayers, FAIA, LEED AP. The report is divided into four main sections plus appendices.

SECTION I: Management's Discussion and Analysis

Section I provides a brief overview of the AOC (its history, mission and organizational structure), highlights the agency's FY 2016 financial and performance results and summarizes its systems and controls. In addition, Section I includes management's assessment of the agency's future challenges and trends, along with management's assurance on internal control. This section provides a concise and informative overview of how the AOC is doing, what it has accomplished, and how it is managing its programs and resources.

SECTION II: Performance Information

Section II provides a detailed analysis of the AOC's annual performance information, as required by Office of Management and Budget (OMB) Circular A-11 and the Government Performance and Results Act (GPRA), as amended by the GPRA Modernization Act. The section identifies the AOC's approach to performance management, describes how the AOC verifies the accuracy of its performance data and summarizes the AOC's Strategic Vision, its four strategic goals and the performance indicators used to evaluate the results achieved.

SECTION III: Financial Information

Section III details the agency's finances for FY 2016. The section opens with a Message from the Chief Financial Officer, followed by the independent auditor's reports, audited financial statements and footnotes, and the required supplementary information.

SECTION IV: Other Information

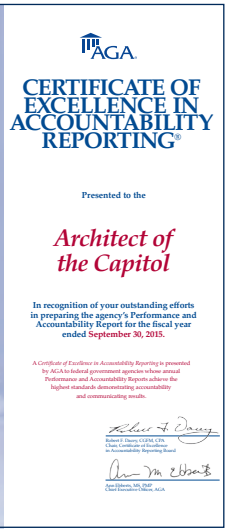
Section IV presents a Combined Schedule of Spending, the Inspector General's Statement of Management Opportunities and Performance Challenges, as well as a summary of the AOC's financial statement audit and management assurances. It also provides information pertaining to improper payments, real property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

APPENDICES

The appendices provide supplemental data for the reader. These include a summary of the FY 2016 accomplishments and priorities for each major AOC jurisdiction, the major facilities under the AOC's care, the AOC's websites and media platforms, a glossary of key terms utilized in this report and other supplemental information.

CERTIFICATE OF EXCELLENCE IN ACCOUNTABILITY REPORTING

In May 2016, the AOC received the Association of Government Accountants' (AGA) Certificate of Excellence in Accountability Reporting (CEAR) for its FY 2015 Performance and Accountability Report. This represents the fifth consecutive year the AOC has won the CEAR award. The CEAR Program was established by the AGA, in conjunction with the Chief Financial Officers Council and the U.S. Office of Management and Budget, to enhance accountability. The CEAR recognizes outstanding accountability reporting and represents the highest form of recognition in federal government reporting.


AGA

CERTIFICATE OF EXCELLENCE IN ACCOUNTABILITY REPORTING®

Presented to the

Architect of the Capitol

In recognition of your outstanding efforts in preparing the agency's Performance and Accountability Report for the fiscal year ended September 30, 2015.

A *Certificate of Excellence in Accountability Reporting* is presented by AGA to federal government agencies whose annual Performance and Accountability Reports achieve the highest standards demonstrating accountability and communicating results.

Robert F. Dacey, CGFM, CPA
Chairman, Certificate of Excellence in Accountability Reporting Board

Ann Ebberts, MS, PMP
Chief Executive Officer, AGA

The conservation and restoration of the Ulysses S. Grant Memorial began in FY 2015 and continued throughout FY 2016. Unveiled in 1922, this monumental sculpture was cared for by the National Park Service until 2011, when Congress transferred its care to the Architect of the Capitol.

SECTION I

Management's Discussion and Analysis

THE AOC'S HISTORY

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

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

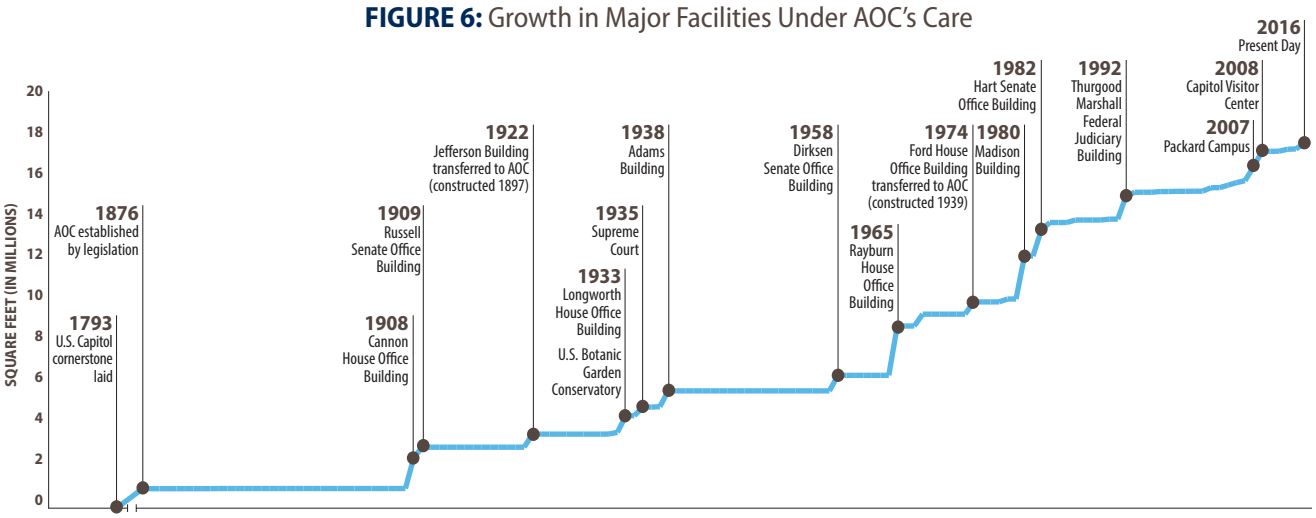
DID YOU KNOW?

Permanent authority for the care and maintenance of the U.S. Capitol was established by an Act of Congress on August 15, 1876.

[1] 1 STAT 130 (July 16, 1790).

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

FIGURE 6: Growth in Major Facilities Under AOC's Care



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

The AOC serves as steward for the Capitol campus, which holds more than 17.4 million square feet of facility space and more than 570 acres of grounds. The Capitol campus includes a variety of real property, including office and storage space, committee rooms, exhibit space, a conservatory, a plant production facility, a visitor center, gifts shops, restaurants and a power plant.

Architect of the Capitol as a permanent office under the legislative branch of the federal government.

The responsibilities of the AOC grew alongside the growth of our nation and the corresponding expansion of Congress. Throughout the 20th century, the AOC oversaw new construction on Capitol Hill and took stewardship responsibility for 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. The AOC also assumed administrative responsibility for the Library of Congress' Thomas Jefferson Building and oversaw construction of the Adams and Madison Memorial Buildings. In recent years, the AOC oversaw the construction of the U.S. Capitol Visitor Center. This 710,000-square-foot facility was the largest expansion to the U.S. Capitol in its history. In addition, in 2011, the AOC received responsibility for the care of Union Square, a 12-acre site between the U.S. Capitol and the National Mall. Although most of the AOC's facilities are on or near Capitol Hill, the AOC also maintains support facilities in other nearby locations.[3] Appendix B of this report provides a list of the major facilities under AOC's care. Today, under the leadership of Architect of the Capitol, the Honorable Stephen T. Ayers, the AOC's employees maintain and improve more than 17.4 million square feet of building space and more than 570 acres of grounds.

Figure 1 (page i) provides a map of the major facilities on Capitol Hill for which the AOC is responsible. In addition, **Figure 6** illustrates the growth of the AOC's facility stewardship responsibilities from 1793 through the present.

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

THE AOC'S MISSION AND ORGANIZATION

Who We Serve

Serving the U.S. Congress and the Supreme Court, the AOC is the builder and steward of the landmark buildings and grounds of the Capitol campus. The AOC is responsible for the operations and care of more than 17.4 million square feet of buildings, more than 570 acres of grounds on the Capitol campus and thousands of works of art. Today, there are more than 2,100 AOC employees serving around the clock in diverse roles to maintain and preserve the buildings and grounds. The Capitol campus is home to 30,000 daily occupants and hosts more than three million visitors annually.

The AOC's Mission

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

The AOC's Vision

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

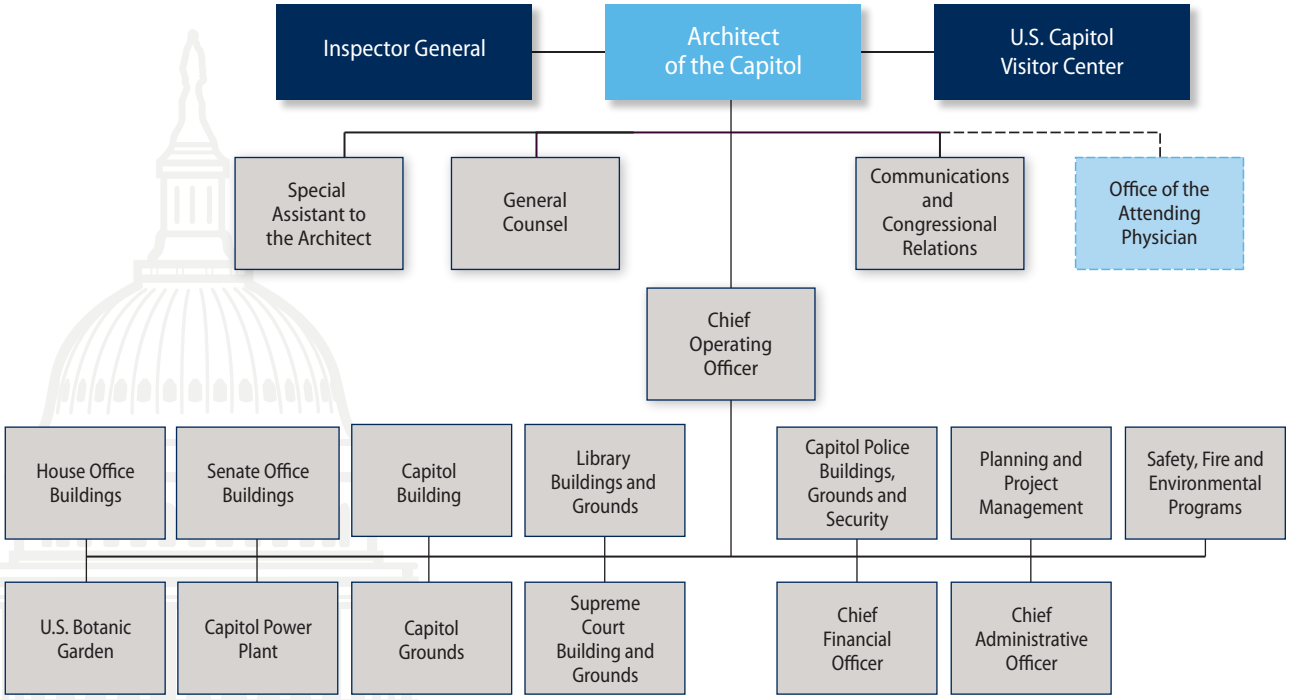
The AOC's Values

The **professionalism** and **integrity** of each AOC employee demonstrates its dedication to providing quality services and its commitment to holding itself to the highest standards.

The AOC recognizes that it does its best work through **teamwork**, each person lending his/her individual strengths and talents to the greater goal of the entire team. The AOC employees respect each other and rely on each other in their efforts to make AOC a center of excellence.

The AOC takes great **pride** in what it does and in the honor of serving Congress, the Supreme Court and the American people each day.

FIGURE 7: AOC Organization Chart



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

STONE PRESERVATION UNDERWAY ACROSS THE CAPITOL CAMPUS

Stone preservation is a top priority for the AOC as nearly every monumental building across the Capitol campus is enveloped in stone. When Congress established a permanent home for the legislative branch, the buildings were intended to last and were constructed of materials such as marble, granite, limestone, sandstone and brick. However, weather, age and insufficient maintenance are destroying many of the finer details of these awe-inspiring, historic stone edifices. Over time, if preservation work is not performed, water infiltration could result in building operational issues and pose a safety risk to members, staff and the general public. At the same time, water penetration could cause damage to the historic artwork and architectural features of the Capitol campus.

To get a full understanding of the challenge, the AOC has conducted a series of surveys of the exterior stone. The results confirm that the stone condition on most, if not all, of the Capitol campus buildings is deteriorating and the temporary fixes that the AOC undertakes are not enough to prevent conditions from worsening.

Numerous projects are underway, or planned, to restore and preserve the AOC's historic buildings. Using a team of historic preservationists, structural engineers and stonemasons, these projects include the Olmsted Terrace surrounding the base of the U.S. Capitol, the Russell Senate Office Building exterior envelope, and others. These critical stone restoration efforts will prolong the buildings' life expectancy, improve energy use, increase safety and ensure that the work of Congress can continue for decades to come.

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

DID YOU KNOW?

The AOC's Capitol Building Superintendent's Office implemented the Fallen Heroes Flag Act, a new program honoring those who have lost their lives in the line of duty by providing immediate family members with a flag flown over the U.S. Capitol.

The AOC's Organization

The AOC is a U.S. government legislative branch agency, led by the Architect of the Capitol. The Architect of the Capitol serves as an officer of the U.S. Congress.[4] The Architect of the Capitol Stephen T. Ayers, FAIA, LEED AP, was confirmed to this position on May 12, 2010, after serving as the Acting Architect since February 2007. Before his appointment as Acting Architect, Mr. Ayers served the AOC in several capacities between 1997 and 2007, including Deputy Superintendent for the Senate Office Buildings, Superintendent of the Library Buildings and Grounds, Acting Deputy Architect/Chief Operating Officer and Deputy Architect/Chief Operating Officer.

To achieve its mission, the AOC is organized into 10 primary jurisdictions as well as a Capital Construction and Operations (CCO) office in charge of centrally managed functions. **Figure 7** presents the AOC's organization chart. The AOC's leadership directory may be found online at: **www.aoc.gov/organizational-directory/leadership**.

Each of the AOC's jurisdictions is funded by a separate appropriation. In addition, the agency's CCO appropriation centrally funds common operational services supporting the AOC's construction, curatorial, design, energy and sustainability, facilities planning and programming, historic preservation, project management, safety, fire and environmental, technical support and business services and program needs. This structure allows the AOC to establish economies of scale that increase its efficiency and reduce its operating costs.

The AOC's mission responsibilities have steadily increased throughout its history and its workforce has kept up with congressional demand for professional facility management and construction services. As of September 30, 2016,

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

INFOGRAPHIC: Getting to Know AOC

Getting to know AOC

1793 The year George Washington laid the cornerstone of the U.S. Capitol.

3 Hidden Treasures on Capitol Hill
- Great Hall in the Jefferson Building, Library of Congress
- Summerhouse, Capitol Grounds
- Bartholdi Park, U.S. Botanic Garden

570+ Acres of Land

Currently, the Capitol campus is comprised of more than **30 buildings** and **17.4 million square feet** of building space.

2,000+ Uniquely Skilled Employees

11 Number of Architects of the Capitol

The first Architect of the Capitol was William Thorton. The 11th Architect of the Capitol, Stephen T. Ayers, was appointed in 2010.

9 Number of incremental growths of the U.S. Capitol

1	Original North (Senate) Wing	1793–1800
2	Original South (House) Wing	1793–1807
3	Center Section & Rotunda	1818–24
4	Present House and Senate Wings and Connecting Corridors	1851–67
5	Cast-iron Dome	1855–66
6	Terraces	1884–92
7	East Front Extension	1958–62
8	Courtyard Infill Room	1991–93
9	Capitol Visitor Center	2002–08

17,000,000 Visitors welcomed to the U.S. Capitol since the opening of the Capitol Visitor Center in 2008.

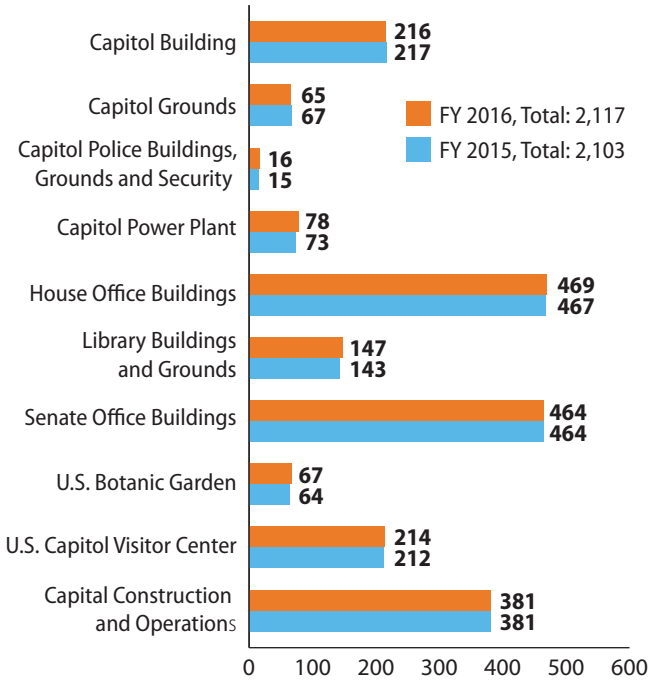
ARCHITECT OF THE CAPITOL

AOC's staff included more than 2,100 full-time equivalents (FTEs), as well as temporary and seasonal staff. The AOC uses temporary and seasonal staff as cost-saving measures for activities of limited duration (e.g., construction projects and the biennial congressional office moves) or for programs with fluctuating demands (e.g., visitor services). The AOC's workforce serves in diverse roles applying modern techniques and historic tradecrafts in the care and preservation of the Capitol campus. The employees include architects, carpenters, custodians, electricians, engineers, gardeners, laborers, masons, mechanics, painters, plumbers, sheet metal workers, upholsterers, woodcrafters and other craftspeople. An infographic (*Getting to Know AOC*) displays notable information about the agency and the U.S. Capitol. In addition, **Figure 8** shows the distribution of the AOC's FTEs by primary jurisdiction.

AOC Jurisdictions

Responsibilities for each AOC jurisdiction are summarized herein. For more information, see Appendix A, which provides highlights of each jurisdiction's FY 2016 accomplishments and FY 2017 priorities, and Appendix B, which lists the major facilities under each jurisdiction's stewardship.

FIGURE 8: Actual FTEs by AOC Location



Note: The total AOC FTEs and the chart exclude the FTEs on board at the Supreme Court Building and Grounds jurisdiction (39 in FY 2016 and 41 in FY 2015). These FTEs are not included in the AOC appropriations and are separately funded via the Jurisdiction Branch appropriation.

Capital Construction and Operations

The AOC's Capital Construction and Operations jurisdiction includes the positions of the Architect of the Capitol and the Special Assistant to the Architect, along with the several offices that provide essential construction, central management, and operational and professional support. The following list provides a description for each central office depicted in the Organization Chart (see **Figure 7**).

Chief Administrative Officer

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

Chief Financial Officer

The Chief Financial Officer (CFO) is responsible for ensuring sound financial stewardship as well as providing value-added analysis to give insight into the financial implications of program decisions. The CFO activities include accounting operations, budget formulation and execution, financial reporting, financial systems management, fiscal policy and managerial cost accounting. The internal controls function is managed jointly by the AOC's Chief Financial Officer and the Chief Administrative Officer.

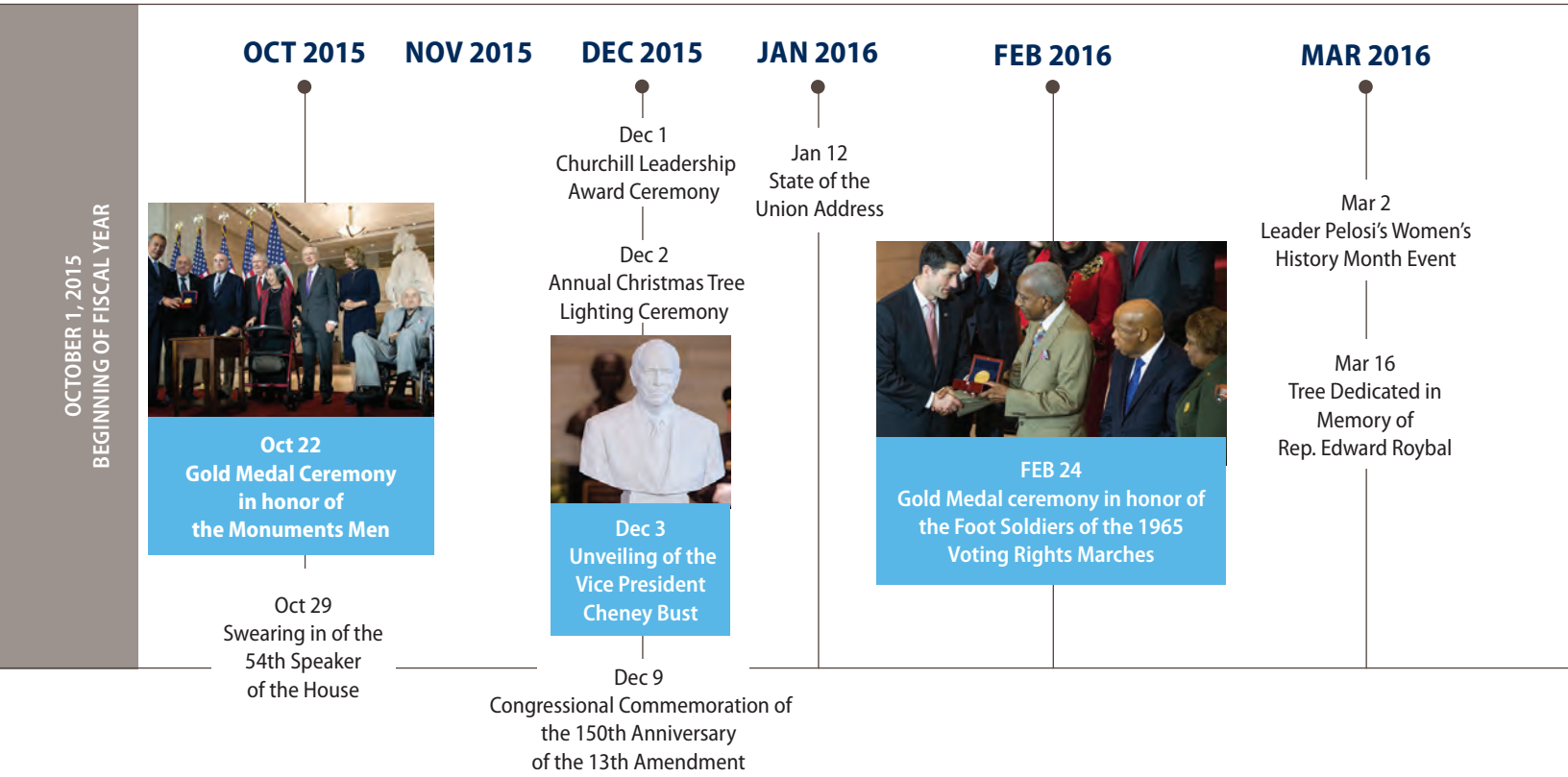
Chief Operating Officer

The Chief Operating Officer (COO) is responsible for organization-wide strategic planning, performance management, quality management, worker safety, customer satisfaction and service quality. Through its Performance, Strategy and Innovation Division, the COO brings greater focus to the AOC's strategic goals and drives improved performance and accountability throughout the organization.

Communications and Congressional Relations

Communications and Congressional Relations is responsible for strategic communication initiatives, legislative affairs, and media and community relations. The office oversees

FIGURE 9: Timeline of Special Events at the U.S. Capitol, Fiscal Year 2016



internal and external communications to members of Congress and their staffs, external parties such as the press, government agencies and the public.

General Counsel

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

Inspector General

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

Planning and Project Management

Planning and Project Management (PPM) provides consolidated services to all jurisdictions across the AOC including long-range facility planning, architectural and engineering design and construction services, project, risk and program management, historic preservation and other technical services in support of projects. PPM conducts campus master planning, building performance audits, retro-commissioning and Facility Condition Assessments; manages a sustainability, energy and water conservation program to develop and implement energy savings initiatives; provides project funded in-house construction services; provides facility management services of large critical campus-wide systems that span jurisdictions including electrical distribution, emergency generators, cable television and legislative clocks.

Safety, Fire and Environmental Programs

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

APR 2016

Apr 13
Congressional Gold Medal Ceremony honoring the 65th Infantry Regiment

Apr 21
Tree Dedicated in Honor of the 70th Anniversary of the Fulbright Program

MAY 2016

May 5
Days of Rememberance Ceremony

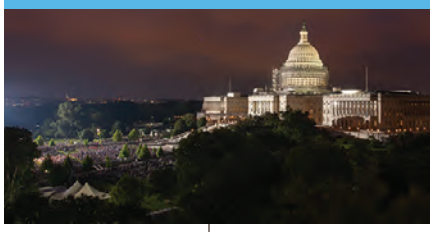
May 18
Tree Dedicated in Honor of the 100th Anniversary of Ireland's Easter Rising

May 30
Memorial Day Concert

JUN 2016

JUL 2016

Jul 4
"A Capitol Fourth" Concert



AUG 2016

Jul 23–Sep 5
Rotunda Closed for Restoration and Removal of Scaffolding

SEP 2016

Sep 5
Labor Day Concert

Sep 6
Rotunda Reopened to the Public

SEPTEMBER 30, 2016
END OF FISCAL YEAR

THE AOC COMPLETES U.S. CAPITOL DOME RESTORATION

In FY 2016, the AOC successfully managed the restoration of the iconic U.S. Capitol Dome — in time for the fully restored Dome to serve as the backdrop to the inauguration of America's next President in January 2017. The construction work was completed under budget and to the highest professional standards. The project was recognized as an industry-wide best practice, receiving the 2016 "Project of the Year" award by the District of Columbia Society of Professional Engineers.

The cast iron, 8.9 million pound Capitol Dome was constructed more than 150 years ago during the height of the American Civil War. The scope of the restoration project was massive. The Dome's last major renovation was completed in 1960. Deterioration due to age and weather had created more than 1,000 cracks and deficiencies in the historic structure.

The renovation began in January 2014 and more than 1.1 million pounds of scaffolding with over 52 miles of scaffold pipe were erected around the Dome exterior. Layers of lead paint were removed and approximately 1,200 gallons of paint were applied (including a final top layer of "Dome White" paint) to provide protection. Many decorative ornaments were restored or recast.

Inside the Capitol, the Rotunda was restored to remove lead paint, repair ironwork, upgrade systems, install new lighting and repaint it to historically appropriate colors. The Rotunda was closed from July 23 through September 5, 2016 to safely remove the protective interior scaffold. To accommodate visitors during this closure, the Capitol Visitor Center developed new tour routes and implemented a robust communications plan for the congressional community.

More information is available at: **www.aoc.gov/dome.**

Office of the Attending Physician

The Office of the Attending Physician, comprised of several health units throughout the Capitol campus, provides primary care, emergency, environmental and occupational health services in support of the congressional community, the Supreme Court, visiting dignitaries, staff and visitors to the Capitol. The AOC provides administrative support to the Office of the Attending Physician.

Capitol Building

The Capitol Building jurisdiction is entrusted with the care and stewardship of the U.S. Capitol, one of the most iconic and historically significant buildings in the world and the centerpiece of the Capitol campus. The jurisdiction is responsible for carpentry, construction, custodial, electrical, elevator, heating and air conditioning, insulation, labor, masonry, painting, plumbing and sheet metal services. The jurisdiction also manages a flag office and supports special events. A timeline of special events at the U.S. Capitol during FY 2016 may be found in **Figure 9**. The jurisdiction also provides support for programs related to occupational health and safety, sustainability and recycling, energy management and fire detection and protection management, and manages the facility maintenance at the Capitol Visitor Center (CVC). More information is available at: **www.aoc.gov/us-capitol-building.**

Capitol Grounds

The Capitol Grounds jurisdiction is responsible for preserving and maintaining over 290 acres of landscape and infrastructure across Capitol Hill, including the 2011 addition of Union Square — the 12-acre site situated between the Capitol's West Front and the National Mall that was transferred to the AOC from the National Park Service. The jurisdiction performs routine and periodic landscape maintenance, mowing, comprehensive tree care and upkeep of the supporting infrastructure, vehicles and equipment. The jurisdiction maintains 18.5 miles of sidewalks; 8.5 miles of driveways, parking lots and irrigation systems; and preserves and maintains the historic stone walls, ornamental fountains and other decorative features. Snow and ice removal, trash collection and support for major events (such as the annual December Christmas Tree Lighting Ceremony) also fall under this jurisdiction's responsibilities. More information is available at: **www.aoc.gov/capitol-grounds**.

Capitol Police Buildings, Grounds and Security

The Capitol Police Buildings, Grounds and Security jurisdiction is managed by the Office of Security Programs (OSP) and is responsible for the maintenance, care and operation of the buildings, grounds and security

enhancements of the U.S. Capitol Police (USCP), the Alternate Computer Facility (ACF) and related facilities. OSP also provides centralized security operations for the U.S. Capitol, manages the AOC's internal security programs and perimeter security kiosks, coordinates interagency emergency preparedness and supports the USCP in protecting, policing and providing security for the congressional community and its visitors.

Capitol Power Plant

The Capitol Power Plant (CPP) jurisdiction manages the year-round operation of the Power Plant providing steam and chilled water to heat and cool the U.S. Capitol and 22 other facilities on or around Capitol Hill. In addition to the central steam and refrigeration plants, the jurisdiction also maintains an administration building and the utility tunnel distribution and metering system. The Power Plant operates on a reimbursable basis to non-congressional facilities and procures electricity from commercial suppliers. Construction of the CVC prompted the plant's expansion in the early 21st century. In support of the AOC's long-term energy program, the Capitol Power Plant is currently the site of two of the agency's major construction projects: the West Refrigeration Plant Revitalization and the Cogeneration Plant. More information is available at: **www.aoc.gov/capitol-buildings/capitol-power-plant**.

House Office Buildings

The House Office Buildings jurisdiction oversees the office and committee space for the members of the U.S. House of Representatives and their staffs. The jurisdiction is responsible for the operation, maintenance and preservation of the Cannon, Longworth, Rayburn and Ford House Office Buildings; leased space in the Thomas P. O'Neill, Jr. Federal Building; underground garages, annexes and subways. The jurisdiction oversees daily domestic care, repairs and maintenance for these facilities and performs client services, preventive maintenance, building inspector surveys, compliance issues abatement, energy savings and recycling initiatives, and safety inspections. The jurisdiction also manages the biennial office move process for House members. More information is available at: **www.aoc.gov/house**.

Library Buildings and Grounds

The Library Buildings and Grounds jurisdiction is responsible for the day-to-day structural, mechanical and grounds care of the Library of Congress. Its duties include heating, ventilation and air conditioning; electrical and fire systems; and trade work such as masonry, painting, plumbing, refinishing, sheet metal and wood crafting. The Library of Congress is the largest library in the world at over 4.3 million square feet. The jurisdiction manages four buildings on Capitol Hill (the Jefferson, Adams and Madison Buildings; and the St. Cecilia Special Services Facilities Center) and facilities beyond Washington, D.C. (including the 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 is available at: **www.aoc.gov/library-congress**.

Senate Office Buildings

The Senate Office Buildings jurisdiction oversees the office and committee space for the United States Senate. The jurisdiction is responsible for the daily care, maintenance, repair and operations of 2.9 million square feet of facility space, including the Russell, Dirksen and Hart Senate Office Buildings; restaurants; an employees' child care center; a congressional page school and student dormitory; and subway systems. The jurisdiction also manages five leased facilities housing off-site Senate support organizations and coordinates the office move process for senators and staff. More information is available at **www.aoc.gov/senate**.

The **Behind the Scenes** section of this PAR, pages 86–87, includes photographs which showcase the facilities and the wide-ranging services performed throughout the Senate Office Buildings jurisdiction.

Supreme Court Building and Grounds

The Supreme Court Building and Grounds jurisdiction operates and maintains the Supreme Court Building and the Thurgood Marshall Federal Judiciary Building (TMFJB). The 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 the 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 is available at: **www.aoc.gov/us-supreme-court**.

U.S. Botanic Garden

The U.S. Botanic Garden (USBG) jurisdiction is responsible for the maintenance, operations and construction for the USBG facilities, including the Conservatory and approximately eight acres of surrounding gardens encompassing the National Garden and Frédéric Auguste

On September 21, 2016, the Architect of the Capitol joined members of the Joint Congressional Committee on Inaugural Ceremonies to drive in the "First Nail" marking the beginning of the construction of the 2017 Presidential Inaugural platform. The AOC's Capitol Building jurisdiction (above) plays a critical role in its design and construction.

Bartholdi Park. The USBG is also responsible for an administration building and a plant production and support facility with 36 greenhouse bays, outdoor nurseries, and areas for storage and maintenance. The USBG is the steward of a diverse plant collection (including rare and endangered plants) and provides educational programs, tours, exhibits and consultations, as well as training for youth. The USBG is a leader in plant conservation efforts and has helped found the Sustainable Sites Initiative (SITES) program to encourage sustainable landscaping practices. The Architect of the Capitol serves as the Acting Director of the USBG and reports on its operations to Congress. More information is available at: **www.usbg.gov**.

U.S. Capitol Visitor Center

The CVC jurisdiction manages the U.S. Capitol Visitor Center, the main entrance for visitors to the U.S. Capitol. The entire facility is located underground on the east side of the Capitol and it provides informational exhibits, a restaurant, two orientation theaters, a large auditorium and two gift shops to enhance the visitor experience. The CVC has greatly increased public access to the U.S. Capitol, welcoming more than 17 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**. The CVC's Chief Executive Officer reports directly to the Architect of the Capitol.

THE AOC'S STRATEGIC GOALS AND OBJECTIVES

The 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 the AOC's strategic goals and the objectives that support them. For a copy of AOC's Strategic Vision, please visit the AOC website at: **www.aoc.gov/strategic-vision-and-five-year-focus**.

GOAL 1: One Team, One Mission

The 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:

- **Objective 1.1: Cultivate an Organizational Culture of Learning, Sharing and Support.** Deliver results and strengthen the 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.
- **Objective 1.2: 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.
- **Objective 1.3: 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.

GOAL 2: Innovative and Empowered Workforce

The AOC's goal to promote an *Innovative and Empowered Workforce* helps the organization attract, develop and retain exceptional employees. The 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:

- **Objective 2.1: 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.

TABLE 5: Strategic Goals and Objectives

	Strategic Goals	Strategic Objectives
Long-Term Support Goals	**Goal 1:** **One Team, One Mission** *United in Excellence*	1.1. Cultivate an Organizational Culture of Learning, Sharing and Support Strategies 1.2. Utilize AOC Resources Efficiently 1.3. Collaboratively Develop and Implement Standardized Processes, Policies and Programs
	Goal 2: **Innovative and Empowered Workforce** *Leading Change Together*	2.1. Treat People as the Cornerstone of our Success 2.2. Increase Employee Involvement and Engagement 2.3. Build a Culture of Transparency, Ownership and Accountability
Program-Oriented Goals	**Goal 3:** **Awe-Inspiring Facilities** *Unsurpassed Craftsmanship and Stewardship*	3.1. Preserve, Enhance, and Protect our Facilities and Landscapes 3.2. Strengthen our Facilities through Asset Lifecycle Management 3.3. Promote a Culture of Resource Conservation 3.4. Provide Superior Project Delivery
	Goal 4: **Extraordinary Services** *Going the Extra Mile*	4.1. Provide Extraordinary Client Services 4.2. Educate, Inform and Inspire the Capitol Hill Visitor Experience

- **Objective 2.2: 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.
- **Objective 2.3: 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.

GOAL 3: Awe-Inspiring Facilities

The 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:

- **Objective 3.1: Preserve, Enhance and Protect our Facilities and Landscapes.** Ensure that the national treasures entrusted to the 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.
- **Objective 3.2: Strengthen our Facilities through Asset Lifecycle Management Strategies.** Establish a world-class maintenance system to perform planned, preventative and corrective maintenance. Prepare the AOC's facilities to be a model workplace of the future.
- **Objective 3.3: 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.
- **Objective 3.4: 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.

GOAL 4: Extraordinary Services

The 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 the AOC's visitor services responsibilities. Two objectives support this goal:

- **Objective 4.1: Provide Extraordinary Client Services.** Improve service delivery for internal and external customers and clients. Increase efficiencies and transparencies in the acquisition process.
- **Objective 4.2: 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 the Capitol Rotunda the AOC repaired ironwork, upgraded electrical and mechanical systems, installed new lighting, removed hazardous materials, and returned the paint scheme to more historically accurate colors.

PERFORMANCE HIGHLIGHTS

Strategic Vision Framework

The AOC's organizational framework for performance reporting is guided by its *Strategic Vision and Five-Year Focus (FY 2012–FY 2016)*, hereafter referred to as the Strategic Vision. The Strategic Vision and its underlying goals, objectives, strategies and performance indicators provide the direction for the 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 strategic goals and each goal contains several strategic objectives (initiatives).

Each strategic objective contains multiple strategies. The strategies are monitored by performance indicators as well as alignment indicators. While the strategic objectives are the building blocks of the AOC's efforts to accomplish its goals, the performance indicators provide AOC management with quantifiable data to track progress. **Figure 10** illustrates the AOC Strategic Vision Framework.

As the Strategic Vision matures, the AOC adapts performance indicators to more accurately measure progress. Fiscal Year 2016 is the fifth and final year under the current Strategic Vision. The AOC identified 16 indicators to demonstrate and monitor progress against its strategic objectives for this fiscal year. Fourteen of these measure performance against an established target and two do not have a quantifiable target. Where available, this

FIGURE 10: Strategic Vision Framework

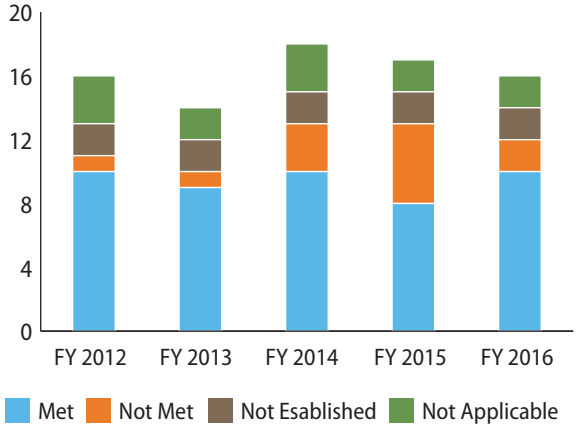
report provides up to five years of historic data for trend comparison. In these cases, actual achievements from the fiscal year serve to demonstrate progress against the strategic objectives. *Section II: Performance Information* provides a more detailed analysis of each goal and the performance results. Appendix G provides a detailed table of the Performance Indicators in use and Appendix H provides a listing of prior year indicators that were added or no longer used in FY 2016. **Table 6** provides a breakdown of the strategic goals to the number of strategic objectives and performance indicators.

In FY 2016, the AOC met or exceeded its targets for 10 of the 16 indicators and did not meet two. Four of the reported indicators either did not have quantifiable targets (classified as "Target not Established") or the performance results were not available at the time of this report's publication (classified as "Not Applicable"). A summary of the performance indicator results by fiscal year is presented in **Figure 11**. Detailed information on the performance indicators and the methods used to ensure the data used is reliable and relevant is included in *Section II: Performance Information*.

TABLE 6: Performance Indicators Breakdown

Strategic Goal	Strategic Objectives	Performance Indicators
Goal 1: One Team, One Mission	3	4
Goal 2: Innovative and Empowered Workforce	3	3
Goal 3: Awe-Inspiring Facilities	4	7
Goal 4: Extraordinary Services	2	2
Total	**12**	**16**

FIGURE 11: Performance Results by Fiscal Year



RESTORATION OF THE ULYSSES S. GRANT MEMORIAL

This fiscal year, the AOC neared completion of conservation of the bronze sculptural elements and the marble pedestals of the Ulysses S. Grant Memorial, located in Union Square, west of the U.S. Capitol. This major project underscores the agency's commitment to historic preservation and the conservation of art under the AOC's care.

After a winter hiatus, the FY 2016 work continued the prior year conservation effort and focused on treating the marble pedestal using poultices to remove the stains, repointing the mortar joints in the pedestals, cleaning the corroded bronze using microabrasion, as well as removing the old wax coatings, repatinating and applying a new protective coating. The AOC refabricated and replaced over 150 missing bronze pieces — including swords, scabbards and bridle straps.

The Grant Memorial, overlooking the Capitol Reflecting Pool, is highly visible and visited annually by millions of tourists. Dedicated in 1922 and completed in 1924, it commemorates General Grant's achievements in preserving the Union as the Commander of the Union forces during the Civil War. The ownership and responsibility for the care of the Grant Memorial was transferred to the AOC in FY 2012. Prior to the transfer, the monument had not been regularly maintained, resulting in severe corrosion on the bronze elements and many damaged and missing pieces. By the spring of 2015, the AOC had the funding in place to award a contract to address the memorial's deterioration and return it to near its original condition and appearance.

More information is available at: **www.aoc.gov/grant**.

The AOC's *One Team, One Mission* strategic goal fosters a culture of learning, sharing, cooperation and teamwork. During FY 2016, multiple AOC jurisdictions collaborated on the Russell Courtyard Project — restoring the Russell Senate Office Building's historic courtyard (above) to its original purpose and transforming the area into a beautifully designed green space.

Key Performance Indicators

Tables 7 through **10** highlight FY 2016 and FY 2015 performance results for selected key performance indicators in the AOC's Strategic Vision. The AOC's goals of *One Team, One Mission* and *Innovative and Empowered Workforce* focus on the AOC's organizational culture whereas *Awe-Inspiring Facilities* and *Extraordinary Services* encompass the AOC's operational mission.

The AOC cost of operations (net of revenue) for each strategic goal is also provided, along with each goal's percentage of total net costs, for the current fiscal year and the four prior fiscal years. A complete discussion of the AOC's performance results is presented in *Section II: Performance Information*.

GOAL 1: One Team, One Mission

The AOC's strategic 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.

DID YOU KNOW?

The AOC's Bicycle Advisory Committee held 15 events throughout the fiscal year and accepted the Bronze Level Bicycle Friendly Business award at the League of American Bicyclists National Bike Summit.

TABLE 7: One Team, One Mission — Results for Key Performance Indicator

Key Performance Indicator	FY 2015 Target	FY 2015 Actual	FY 2015 Results	FY 2016 Target	FY 2016 Actual	FY 2016 Results
Reduction in Usage of Overtime: The AOC diligently works to reduce the number of overtime hours to fulfill its mission through improved planning and scheduling. For FY 2016, the AOC incurred more overtime hours than the previous year.	<126,840 Hours	138,752* hours	Target Not Met	<138,752 hours	172,078 hours	Target Not Met

Note: Information adjusted from that reported in the FY 2015 PAR is marked with an asterisk (*).

Collaboration across the organization and between jurisdictions has allowed the AOC to improve efficiency and reduce costs in FY 2016. The selected key indicator for this goal demonstrates the AOC's efforts to make the organization more efficient and reduce the need for overtime hours. Overtime usage is an indicator of the AOC's ability to use resources efficiently. Each year, AOC attempts to reduce overtime usage over the previous year. However, as shown in **Table 7**, in FY 2016, the AOC increased overtime usage by approximately 33,000 hours. This increase represents the third consecutive year the overtime target was not met and may be accounted for as a result of employee shortages due to budget limitations, the additional work needed to clean up the campus after the January snow emergency, along with the planning to prepare for the upcoming congressional office moves and the Presidential Inaugural. An in-depth discussion is included in *Section II: Performance Information*.

In FY 2016, the AOC continued to realize a number of major accomplishments for the AOC programs aligned with the strategic goal *One Team, One Mission*. These include:

- **Support for the Speaker of the House Transition Ceremony:** The AOC provided coordinated support for the Speaker of the House Transition Ceremony that included greeting the Speaker's guests, hosting special tours for the Speaker's family, providing event support and live-feed audio-visual support, and supporting the reception in the CVC Atrium.
- **Support for the Lying in Repose Ceremony:** Multiple AOC jurisdictions and offices worked behind-the-scenes to support Supreme Court Justice Antonin Scalia's lying in repose ceremony. The AOC assisted with the set-up of Lincoln's Catafalque, provided over 150 feet of cable trays to protect and cover the media's cables, and delivered the palm arrangements that adorned the Supreme Court's Great Hall.
- **Line Item Construction Program:** The AOC's Line Item Construction Program (LICP) stakeholders from across the agency coordinated and prioritized over 57 projects (totaling more than $300 million). Using a risk-based prioritization, this effort helped the agency assess the LICP projects' criticality and determine which projects to recommend as part of the FY 2018 budget formulation.
- **Snow Management Coordination:** The AOC developed a coordinated snow-management plan to improve the agency's effectiveness and efficiency in responding to snow emergencies. The new plan included the first-time use of a virtual emergency operations center (WebEOC)

CAPITOL HIGHLIGHTS

CONSTRUCTION STARTED ON STORAGE MODULE 5

In October 2015, the AOC began construction on the state-of-the-art storage module 5 at Fort Meade, Maryland. At this site, sitting on part of the 100-acre lot, are structures used by the U.S. Congress, the AOC and the Library of Congress (the Library). The AOC currently operates four specially-constructed storage modules and four cold storage rooms to store, preserve and protect the Library's collections. These modules boast 35-foot high ceilings with rows of book shelves that reach 30 feet to allow the storage of books, periodicals, maps, globes, photographs, microfilm and music in a preservation quality climate-controlled environment. The AOC carefully maintains these spaces to dramatically increase the life expectancy of the collections.

The AOC was appropriated $19.4 million to oversee the construction of collection storage module 5 to help relieve the overcrowding of the Library's special materials and collections on the Hill. Since the Library's collection expands by approximately 250,000 items each year, its need for additional storage space continues to grow. Its current master plan calls for the phased construction of up to nine collections storage modules (modules six through nine are planned to be double in size).

At the close of FY 2016, the construction of the precast wall panels, structural steel, underground infrastructure and roof decks for module 5 were completed. The construction project duration is 24 months and is planned to be completed in October 2017, followed by the Library's load-in activities of processed collections, currently stored at a temporary warehouse.

More information is available at: **www.aoc.gov/library-congress.**

to coordinate resources and reporting. The plan and system were successfully implemented during the January 2016 blizzard.

- **New Contract Tools to Improve Service Delivery:** The AOC awarded new multi-year Indefinite Delivery, Indefinite Quantity (IDIQ) construction and construction management contracts in FY 2016 that will allow for the efficient, flexible execution and management of construction work. The five selected construction companies and three construction management firms will enhance the AOC's capabilities in service delivery.

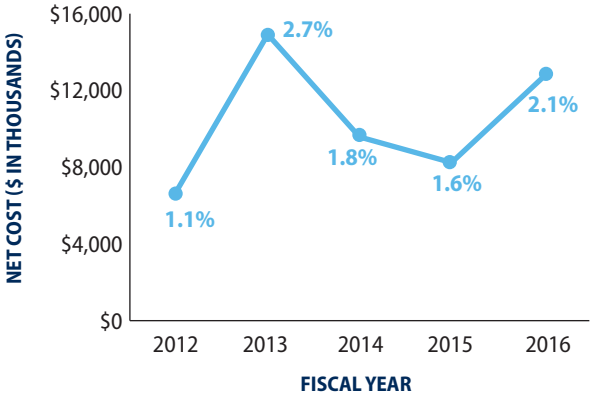
- **Interpretive Host Training:** In partnership with the U.S. Botanic Garden (USBG), the CVC Training Office conducted three eight-hour sessions of the Interpretive Host Program for employees of the USBG. The program is based on the premise that all employees have the opportunity to engage with visitors and emphasizes excellent customer service and the essentials of informal interpretation to provide a world-class visitor experience.

- **Collaboration on Theatrical Pieces and Exhibits:** The USBG collaborated with the Kennedy Center to produce two original educational theater pieces that were performed in October 2015 for over 4,700 visitors. One of the plays, *Flowers Stink*, was nominated for two D.C. theater awards. In addition, in collaboration with the Smithsonian Institution, the USBG created a "Morning at the Museum" program for families with children on the autism spectrum. The USBG also worked with the National Park Service to host an art exhibit showcasing some of the plant species found throughout the more than 400 national park sites.

- **Records Management Improvements:** The AOC implemented The Museum System database for the management of heritage assets, allowing the Curator Division to more effectively track every object under its care and permitting the efficient planning of heritage assets maintenance.

- **Revised Personal Property Manual:** The AOC revised and reissued the Personal Property Manual to streamline excess property disposal processes, increase property accountability throughout its life cycle and facilitate the sharing of excess property with other potential users across the agency.

FIGURE 12: Net Cost by Strategic Goal 1: One Team, One Mission



	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Net Cost ($ in thousands)	$6,687	$14,918	$9,573	$8,238	$12,705
Percentage of Total	1.1%	2.7%	1.8%	1.6%	2.1%

- **Self-Governance Audits:** The AOC's Acquisition and Material Management Division conducted 18 self-governance audits and facilitated the transfer of 51 assets to other business units within the AOC, as well as state and federal government agencies — saving over $555,000 by avoiding the procurement of redundant inventory.

- **Review of Contracting Function:** The Government Accountability Office (GAO) completed a review (GAO-16-348) of the AOC's acquisition and contracting practices. The report concluded that the AOC's policies and procedures follow key practices, with two recommendations (addressing the issues of competition and the process for suspensions/disbarments) to improve the program.

The AOC uses a cost accounting system to track and summarize costs by work activity and organizational unit. Activities are mapped to the four strategic goals or to an overhead pool, enabling the AOC to evaluate how its spending aligns with its Strategic Vision. **Figure 12** summarizes the AOC's net cost for strategic goal one for the current fiscal year and the four preceding years.

The *Innovative and Empowered Workforce* strategic goal creates an organizational culture to attract, develop and retain exceptional employees. Through this goal, the AOC provides employees with the tools, training and environment to excel in their crafts and fields.

GOAL 2: Innovative and Empowered Workforce

The AOC's strategic 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 accomplish its mission. This goal encourages the organization to embrace change through outstanding leadership and continuous improvement. Under this goal, the AOC has defined three strategic objectives: people are the cornerstone of the AOC's success; increase employee involvement and engagement; and build a culture of transparency, ownership and accountability.

As an aspirational goal to change the AOC's work culture, anecdotal descriptions of progress tend to be easier to identify than quantifiable measures. The AOC's efforts to recognize employees exemplifying the agency's values and whose contribution to the organization represents service excellence are quantifiable and are presented as the key indicator for this goal. **Table 8** provides the number of AOC Honor Awards presented to employees in FY 2015 and FY 2016. The AOC intentionally does not set a target for this indicator, as awards are presented when appropriate.

In FY 2016, the AOC recognized 944 employees for achievements including the development of innovative ways to enhance productivity, increase client satisfaction and reduce operational costs. Additional performance results are provided in *Section II: Performance Information*.

In addition to this key performance indicator, in FY 2016, the AOC continued to realize major accomplishments for the programs aligned with the strategic goal *Innovative and Empowered Workforce*. These include:

- **Architect's Mobility Program:** The AOC's Architect's Mobility Program (AMP) offers career opportunities for employees who occupy career-limiting positions and lack qualifying experience to enter other career fields. In FY 2016, 12 AMP positions were advertised and filled across six jurisdictions, the highest number of positions advertised since the program's creation.

TABLE 8: Innovative and Empowered Workforce — Results for Key Performance Indicator

Key Performance Indicator	FY 2015 Target	FY 2015 Actual	FY 2015 Results	FY 2016 Target	FY 2016 Actual	FY 2016 Results
Volume of Honor Awards: The AOC recognizes employees who have gone above and beyond the call of duty, who have demonstrated service excellence, extraordinary teamwork or ingenuity in solving challenges.	N/A	689	Target Not Established	N/A	944	Target Not Established

- **Supervisory Academy Program:** The AOC continued hosting the Supervisory Academy, a week-long training program helping agency executives empower employees and ensure the achievement of AOC's mission and vision. To reinforce these skills, the AOC launched "Keeping it REAL" in FY 2016, a voluntary, multi-phase follow-on course to bolster key supervisory and leadership concepts.

- **New Training Opportunities:** In FY 2016, the AOC launched CareerPath to empower agency employees to develop their careers by providing guidance on understanding and navigating the recruitment process and preparing for job interviews. The AOC also expanded AOCLearn, a customized online training portal, with newly available mobile platforms and more than 2,000 courses. AOCLearn provides training opportunities anytime, anywhere to interested AOC employees.

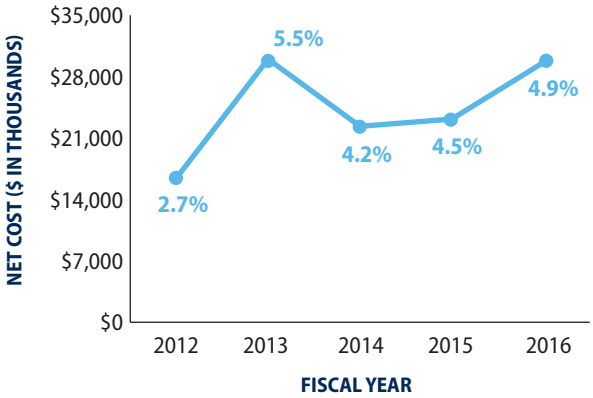
- **Core Introductory Craft Skills Training (CORE) program:** The AOC's CORE program provides college-level courses, in partnership with Prince Georges Community College, focusing on foundational content and basic topics related to various trades. The Capitol Building jurisdiction piloted this program in 2015 and enhanced it in 2016. In phase two, employees build on their skills and select a specific field of technical study.

- **Masonry Training Program:** At the AOC's Supreme Court Building and Grounds jurisdiction, two night shift masons completed a four-week brick laying training course at The John J. Flynn International Training Center in Bowie, Maryland. This was a rare partnering opportunity with the training facility made possible by the AOC's Training and Employee Development Branch. This training prepared these masons for the Center Drive Brick Paver Replacement project in 2016. In addition, the skills learned will allow the jurisdiction to maintain and repair the Court's brickwork through in-house resources.

- **CVC New-Hire Mentoring Program:** Each spring, the CVC hires an additional 40 Visitor Guides and Visitor Assistants to accommodate their peak tourism season. In FY 2016, the CVC implemented a mentoring program to ease the transition of new employees into their roles and better prepare them for the challenge of handling visitor flows of up to 15,000 daily guests. The program involved the selection of 24 Visitor Assistants and Visitor Guides to serve as mentors, with one Visitor Assistant and one Visitor Guide serving as training assistants.

- **Phelps Program:** The AOC employees serve as ambassadors in the D.C. community through participation in a partnership with the Phelps Architecture, Construction, and Engineering High School. Employees from various jurisdictions throughout the AOC have taught classes at the school on engineering, architecture and many different trades, and have hosted students from Phelps to show them how the lessons they learn in class are applied.

FIGURE 13: Net Cost by Strategic Goal 2: Innovative and Empowered Workforce



	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Net Cost ($ in thousands)	$16,414	$30,001	$22,337	$23,168	$29,644
Percentage of Total	2.7%	5.5%	4.2%	4.5%	4.9%

- **New Mediterranean Room Added:** An employee-driven initiative was brought forward to renovate a room in the USBG Conservatory — the first major renovation of a Conservatory room since its 2001 re-opening. The revamped room now hosts the Mediterranean Collection, a change which has expanded plant collections and resulted in greatly improved experiences for Garden visitors.

- **Professional Credentials:** The AOC helped employees obtain or maintain professional credentials such as the Certified Construction Manager (CCM) designation from the Construction Management Association of America. The CCM designation is the "gold standard" for construction management professionals and, at the close of FY 2016, 17 employees had earned this credential.

The AOC uses a cost accounting system to track and summarize costs by work activity and organizational unit. Activities are mapped to the four strategic goals or to an overhead pool, enabling the AOC to evaluate how its spending aligns with its Strategic Vision. **Figure 13** summarizes the AOC's net cost for strategic goal two for the current fiscal year and the four preceding years.

The *Awe-Inspiring Facilities* strategic goal addresses the AOC's core facilities maintenance, stewardship and sustainability responsibilities. This fiscal year, the AOC won a Craftsmanship Award and a Star Award from the Washington Building Congress for the sprinkler installation in the Thomas Jefferson Building (above).

GOAL 3: Awe-Inspiring Facilities

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

This strategic goal addresses the AOC's core facilities maintenance, stewardship and sustainability responsibilities. Performance is measured with various indicators. The three key indicators in **Table 9** track preventive maintenance completion rates, workplace safety and energy efficiency. An in-depth discussion of these indicators and others is included in *Section II: Performance Information*.

In addition to these key performance indicators, in FY 2016 the AOC continued to attain major accomplishments for the AOC programs aligned with the strategic goal *Awe-Inspiring Facilities*. These include:

- **Capitol Dome and Rotunda Restoration:** The AOC successfully managed the phased restoration of the iconic U.S. Capitol Dome and Rotunda. The newly restored Rotunda was re-opened to Congress and the public in September 2016. The construction work was completed

TABLE 9: Awe-Inspiring Facilities — Results for Key Performance Indicator

Key Performance Indicator	FY 2015 Target	FY 2015 Actual	FY 2015 Results	FY 2016 Target	FY 2016 Actual	FY 2016 Results
Preventive Maintenance Work Order Timeliness: Includes routine, scheduled facility preventive maintenance (PM) work. The AOC's PM is targeted to be 90% completed as scheduled.	≥ 90.0%	89.3%	Target Not Met	≥ 90.0%	91.1%	Target Met
Injuries and Illnesses Rate: Targeted to be less than the previous year's rate.	<2.82%	4.26%*	Target Not Met	<4.26%	3.31%	Target Met
Reduction in Energy Consumption: Utilities are effectively used so that a decrease in total energy consumption of 2% per year is achieved. Annual targets utilize FY 2003 baseline levels for energy consumption.	≤-30.0%	-30.8%	Target Met	≤-32.0%	-32.2%	Target Met

Note: Information adjusted from that reported in the FY 2015 PAR is marked with an asterisk (*).

under budget and to the highest professional standards. The AOC received the 2016 "Project of the Year" award by the District of Columbia Society of Professional Engineers.

- **Capitol Power Plant Infrastructure:** The AOC continued with the Refrigeration Plant Revitalization program. In addition, the AOC's Cogeneration project was awarded to Washington Gas in October 2015. Once completed, these infrastructure projects will help the agency achieve its energy savings target of 50 percent by FY 2025.

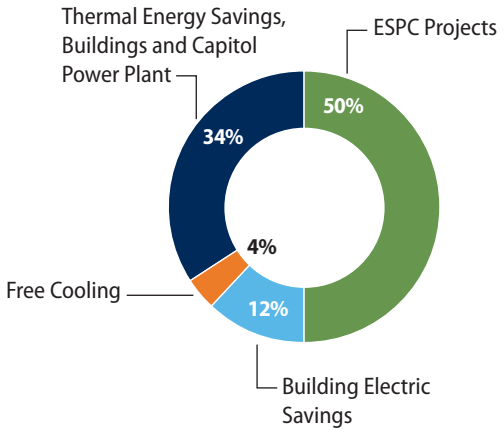
- **Sustained Commitment to Energy Efficiency:** Absent new legislative mandates, the AOC remains committed to sustainability and will continue reducing its energy consumption by an additional two percent annually through the end of FY 2025. In FY 2016, the AOC met its 32 percent energy target and completed several projects that will result in immediate and significant energy savings. These projects include the replacement of the skylight and roof in the Hart Senate Office Building, the replacement of the main air handling units in the Dirksen Senate Office Building, and the replacement of all 228 of the 67-watt traffic bulbs in the Rayburn House Office Building Garage with 6.5 watt LED bulbs. **Figure 14** shows the major sources of energy cost savings as of FY 2015.[5] These energy savings equate to an annual cost avoidance of more than $14 million.

- **Ulysses S. Grant Memorial Restoration:** Progress on the conservation of the Grant Memorial was made in FY 2016. The project encompassed removing the corrosion on bronze surfaces, repatinating, and replacing over 150 bronze components. It also included cleaning and repainting the marble pedestals, returning the memorial to near its original condition and appearance.

- **Heritage Asset Preservation:** As part of the stone repair work on the Capitol's East Front, Thomas Crawford's pedimental sculpture, the *Progress of Civilization* over the Senate entrance was conserved. In addition, the Brumidi Corridor Project continued in FY 2016, providing conservation and restoration of the historic corridors on the Capitol's Senate side.

- **Safety Culture Enhancement:** After a prior year increase in workplace injuries, the AOC established the Safety Observations and Reflections (SOAR) process and program. The SOAR program provides training and facilitates a daily, behavioral-based safety process that creates a partnership between management and employees. At fiscal year-end, the agency's injuries and illness rate was cut by over 22 percent from the previous year.

FIGURE 14: Major Sources of Energy Cost Savings



- **Americans with Disabilities Act Upgrades:** The AOC expanded the Universal Access Program to comply with the Americans with Disabilities Act (ADA). In addition to removing more than 90 barriers between October 2015 and September 2016, the new Universal Access Coordinator developed an implementation plan for accessibility and is providing training for staff to increase awareness and provide tools to facilitate compliance.

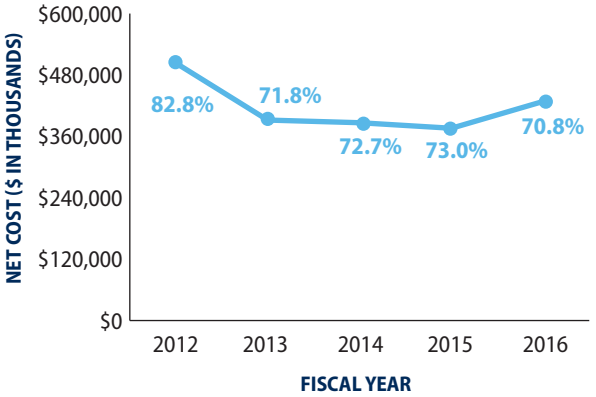
- **Russell Senate Office Building Courtyard Restoration:** The AOC removed the temporary Russell Courtyard building and restored the area to a graceful courtyard garden as intended during original construction in 1906. The Russell Courtyard Project, a joint effort of the Senate Office Buildings jurisdiction, Capitol Grounds jurisdiction and the Office of Planning and Project Management, transformed the enclosed area into a beautifully designed green space and restored the historic courtyard to its original purpose.

- **Craftsmanship Award:** The AOC was selected from 288 entries and won a Craftsmanship Award and a Star Award from the Washington Building Congress for the sprinkler installation in the Thomas Jefferson Building's West Main Pavilion, in the category of "Mechanical: Plumbing." The Star Award recognizes special achievement in visual excellence, technical excellence and excellence in the face of adversity.

[5] The data for FY 2016 was not available at the time of publication.

- **Capitol Exterior Stone and Metal Preservation Project:** Phase 1a was completed on the North Extension of the Capitol in November 2016. The project stabilizes, cleans stains, repairs damage and deterioration of the stone and corrosion of the metals, and preserves the exterior of the U.S. Capitol.
- **Capitol Square Preservation:** Historic Preservation efforts continue on Capitol Square. To be true to the Olmsted Plan, historic trees are replaced and preservation maintenance continues on historic walls and other structures.
- **Recycling and Waste Reduction Improvements:** The AOC made several improvements and participated in several activities to support recycling and waste reduction. For example, in the House Office Buildings jurisdiction, waste audits were conducted with the Sodexo food service provider and a green cleaning taskforce followed a six sigma method to improve the cleaning process.
- **Cannon Renewal Project:** The AOC completed the Cannon House Office Building Renewal swing spaces in FY 2016. These areas were created to accommodate office spaces that will not be available during the closure of the wings of the Cannon Building for phases one through four of the renewal (see **Infographic** for an illustration of the project phases).
- **Facility Asset Management:** The AOC strengthened facility asset planning through the refinement of the Facilities Asset Management Plan (FAMP). In FY 2016, the agency completed a pilot of the House Office Buildings which resulted in the identification of areas to reduce labor hours by prioritizing maintenance efforts.
- **Innovation at the Production Facility:** The AOC addressed an issue with out-of-date ground fault panels at the USBG Production Facility. These two panels, which provide electricity in the greenhouses and tunnels, were beyond their useful life and replacement breakers were no longer available. An employee designed a project to replace these panels, coordinated for materials and executed the replacement project — saving approximately $250,000. In addition, after a loss of heat event damaged some plants at the Production Facility last winter, personnel devised a method to provide emergency heating capabilities using natural gas.

FIGURE 15: Net Cost by Strategic Goal 3: Awe-Inspiring Facilities



	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Net Cost ($ in thousands)	$503,372	$391,831	$386,648	$375,839	$428,322
Percentage of Total	82.8%	71.8%	72.7%	70.8%	70.8%

The AOC uses a cost accounting system to track and summarize costs by work activity and organizational unit. Activities are mapped to the four strategic goals or to an overhead pool, enabling the AOC to evaluate how its spending aligns with its Strategic Vision. **Figure 15** summarizes the AOC's net cost for strategic goal 3 for the current fiscal year and the four preceding years.

INFOGRAPHIC: Cannon House Office Building Renewal Project Phases

PHASE 0: BUILDING UTILITIES JAN 2015 – DEC 2016

PHASE 1: FLOORS B-5 JAN 2017 – NOV 2018

PHASE 2: FLOORS B-5 JAN 2019 – NOV 2020

PHASE 3: FLOORS B-5 JAN 2021 – NOV 2022

PHASE 4: FLOORS B-5 JAN 2023 – NOV 2024

As part of the AOC's *Extraordinary Services* strategic goal, the AOC educates, informs and inspires Capitol Hill visitors. This fiscal year, the AOC began an evaluation of visitors' experiences overall and with different components of the U.S. Capitol Visitor Center's operation.

GOAL 4: Extraordinary Services

The AOC's strategic 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, the AOC has defined two strategic objectives: provide extraordinary client services and educate, inform and inspire the Capitol Hill visitor experience.

DID YOU KNOW?

In 2016, USA Today readers voted the U.S. Botanic Garden in Washington D.C as the 8th best free attraction in the country.

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

In FY 2016, the AOC continued to attain major accomplishments for the AOC programs aligned with the strategic goal *Extraordinary Services*. These include:

- **Special Activities During Rotunda Closure:** The AOC coordinated the efforts of multiple divisions to prepare for the late-July through early-September 2016 closure of the Capitol Rotunda to lessen its impact on the experiences of staff and visitors. The comprehensive effort involved developing new tour routes, increasing specialty tours, creating new interpretive opportunities, distributing information about the Dome and other historic preservation initiatives, and implementing a robust communications plan to alert the congressional community about the tour changes.

- **Capitol Campus Visitation:** In September 2016, the AOC welcomed its 17-millionth visitor to the Capitol Visitor Center (CVC) since its December 2008 opening. During FY 2016, the agency's CVC, USBG and the Library Buildings and Grounds jurisdictions welcomed approximately 2.2 million, 1.1 million and 1.3 million visitors, respectively. See **Figure 16** for the Capitol campus visitation trend from FY 2011 and 2016. In addition, monthly and annual visitation data is contained in *Appendix E*.

- **Exhibitions:** The AOC created and offered a number of extraordinary exhibitions and programs to educate and inspire the public. These included the *Flora of the National Parks* exhibit at the USBG and *Congress and the Progressive Era* at the CVC. See *Appendix E* for an annotated list of major exhibitions held during FY 2016.

- **Educational Theater:** The USBG partnered with the Kennedy Center to produce two original site-specific theatrical pieces that were performed in October 2015 to rave reviews. One of the plays, *Flowers Stink*, a musical performed in the National Garden Amphitheater, was nominated for two D.C. theater awards.

- **Data Collection:** In fall 2015, under a contract with the Smithsonian Institution for data collection and evaluation, the AOC began to assess visitors' experiences with the CVC's operation. The agency is using the data collected

TABLE 10: Awe-Inspiring Facilities — Results for Key Performance Indicators

Key Performance Indicator	FY 2015 Target	FY 2015 Actual	FY 2015 Results	FY 2016 Target	FY 2016 Actual	FY 2016 Results
Service Request Work Orders Timeliness: The AOC building occupants submit service requests for work tasks. Each request generates a work order that is tracked for completion times. The AOC has set its target to close 90% of service requests on time.	≥90.0%	92.8%	Target Met	≥90.0%	92.1%	Target Met

to better understand how visitors use the CVC's programs and services, with particular attention to results that will guide the Exhibition Hall refresh slated for 2018–19.

- **Special Events:** The AOC planned, designed and provided set up and guidance for over 30 special events in the U.S. Capitol during FY 2016. These included Congressional Gold Medal Ceremonies, tree plantings, joint congressional sessions, summer concerts and other events. In addition, the AOC quickly facilitated the unanticipated October 2015 change in congressional leadership by preparing the Speaker's suites and supporting the transition ceremony for the new Speaker of the House.

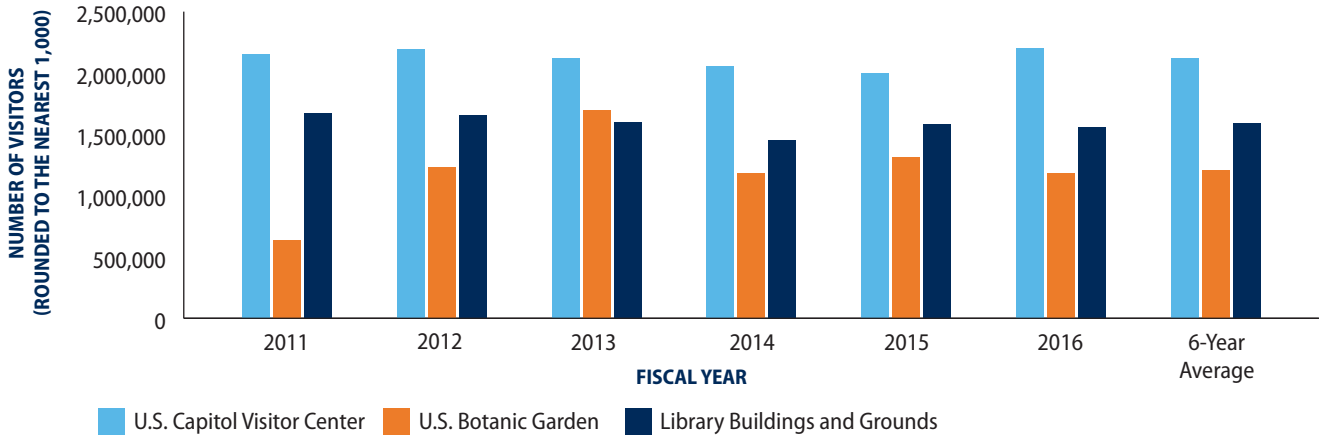
- **Blizzard Response:** The AOC proactively responded to a blizzard along the East Coast which occurred January 22-24, 2016, generating positive comments from clients and campus visitors. Several AOC jurisdictions partnered to prepare for and respond to the Category Four winter storm. While most federal offices remained closed, hundreds of agency staff worked around the clock to monitor building systems; address service issues; keep sidewalks, emergency egress pathways, building driveways and access roads clear; and respond to client concerns.

- **Inauguration Planning:** In preparation for the January 2017 Inaugural, the AOC completed procurement actions for the inaugural stands, sound system, chairs and fencing. The agency also finalized a new Americans with Disabilities Act (ADA) viewing area utilizing the Grant Memorial, which will increase the available ADA seating over past inaugurations. For more information, see the sidebar *Presidential Inauguration Planning Commenced.*

- **Suite Selection Tool:** The AOC updated the Senate online suite selection tool, "Senate Suites," to enhance the highly effective application for senators and staff for the next election move cycle. The web-based tool now features 360-degree photos of offices to allow senators and staff to take virtual tours of office suites, compare suite attributes, make suite selections online and receive email notifications related to various steps in the suite selection process. The tool, which has been enthusiastically received by the Senate community, has greatly increased the efficiency of the suite selection process.

- **New Electric Vehicle Charging Stations:** The AOC completed the installation of six electric vehicle charging stations for the Library of Congress in the James Madison Memorial and John Adams Buildings. All the charging station outlets were tested and are operational. A monthly fee of $27 per user was

FIGURE 16: Capitol Campus Visitation from FY 2011 through FY 2016



PRESIDENTIAL INAUGURATION PLANNING COMMENCED

During FY 2016, the AOC intensified its preparations for the 58th Presidential Inauguration, to be held on January 20, 2017. Every four years, the AOC has the unique responsibility of providing infrastructure and support for this high-profile special event. Among other duties, the AOC will erect the inaugural stands from scratch on the U.S. Capitol's West Front (the 2013 stands are shown below) and coordinate a host of support activities with the Joint Congressional Committee on Inaugural Ceremonies (JCCIC).

Although planning for the 2017 Inauguration began almost immediately after the prior ceremony concluded, it was the First Nail Ceremony — held at the U.S. Capitol on September 21, 2016 — that kicked off the first visible signs of the upcoming Presidential Inauguration. At this milestone event, members of the JCCIC and the Architect of the Capitol, Stephen T. Ayers, drive the first nails into a plank on the site where the inauguration platform will be constructed.

The AOC's involvement with the Presidential Inauguration involves many of its jurisdictions. For instance, the Capitol Building jurisdiction designs and constructs the inaugural stands and procures the sound system, trailers and nearly 30,000 chairs. At the same time, the Capitol Grounds jurisdiction installs the site fencing and positions mulch throughout the West Front to protect the grounds and visitors. Meanwhile, the U.S. Capitol Visitor Center jurisdiction serves multiple functions: checkpoint screening, shuttle service and wayfinding. After this historic event concludes, the inaugural stands will be dismantled and removed and the West Front will be re-opened by mid-February.

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

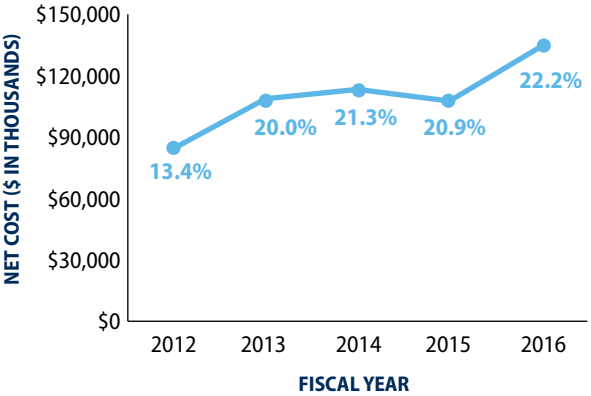
established, with an electronic payment program set up on Pay.gov to facilitate payments and collections. Two stations were also added at the Packard Campus for Audio Visual Conservation with a monthly fee of $14.50.

The AOC uses a cost accounting system to track and summarize costs by work activity and organizational unit. Activities are mapped to the four strategic goals or to an overhead pool, enabling the AOC to evaluate how its spending aligns with its Strategic Vision. **Figure 17** summarizes the AOC's net cost for strategic goal four for the current fiscal year and the four preceding years.

Looking Toward the Future: Our Strategic Vision

In FY 2016, the final year of AOC's 2012-2016 Strategic Vision, the AOC continued to shift 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). The AOC's strategic efforts in FY 2016 focused on developing the next five-year strategic plan — to be implemented at the beginning of FY 2017. In addition, each business unit in the organization began developing its own action plan to align with the goals, objectives and strategies of the AOC's strategic plan. This new level of detailed planning and accountability will strengthen the organization's performance management structure for greater results.

FIGURE 17: Net Cost by Strategic Goal 4: Extraordinary Services



	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Net Cost ($ in thousands)	$84,464	$108,725	$113,282	$107,603	$134,304
Percentage of Total	13.4%	20.0%	21.3%	20.9%	22.2%

Stone preservation continues as one of the AOC's top priorities. As a result, numerous projects are underway, or planned, to restore and preserve the historic buildings on the Capitol campus.

MANAGEMENT CHALLENGES AND LOOKING AHEAD

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

This fiscal year, management added a new challenge ("Retaining and Attracting a Skilled and Engaged Workforce") to address this important issue impacting the entire federal government. In addition, although the stress on budgetary resources continues, it was determined that this issue is connected to all of the AOC's other management challenges and is best addressed within the context of their discussions. The management challenges at the close of FY 2016 include:

- Deteriorating Condition of Grounds and Buildings
- Energy Stewardship and Sustainability
- Physical Security of Facilities
- Workplace Safety and Health
- Managing Concurrent Projects
- Retaining and Attracting a Skilled and Engaged Workforce

In addition to these challenges identified by management, the AOC's Inspector General (IG) has identified management opportunities and performance challenges facing the agency. These issues are discussed in *Section IV: Other Information*. Together, these sections identify the short-term and long-term challenges facing the AOC.

Deteriorating Condition of Grounds and Buildings

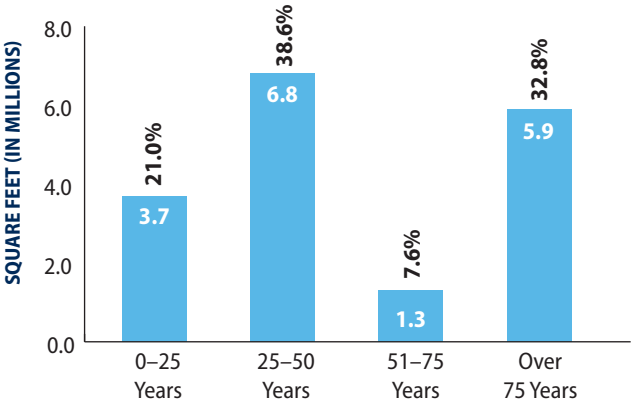
Challenge: Due to the age of the AOC's facilities and continued fiscal constraints, it is increasingly difficult to proactively manage the deferred maintenance and capital renewal projects required to maintain the historic buildings and grounds of the Capitol campus. If required projects continue to be unaddressed, this backlog will worsen — increasing the effort, time and cost required to ultimately resolve the agency's deferred maintenance and capital renewal issues. A study completed by the Building Research Board at the National Research Council recommends a minimum reinvestment of 2 to 4 percent of the current value of a building on an annual basis to maintain public buildings effectively. Unfortunately, less than one-half of a percent of the value of the buildings within the AOC's purview is currently reinvested. Decades of reduced investment have created a deferred maintenance and capital renewal backlog that is estimated to be $1.55 billion[6] at the close of FY 2016.

[6] Of this total, approximately $428 million represents the deferred maintenance and repair amount needed to bring "poor" and "fair" facilities to "good" condition, based on the Facility Condition Index and as disclosed in the Required Supplementary Information (RSI) section. The RSI reports only the amounts needed to bring "poor" and "fair" facilities to "good" condition. It does not represent the entire backlog which equals total deferred maintenance plus capital renewal expected to become deferred maintenance within a five-year window.

AOC Initiatives: The AOC uses best-practice tools and methods to prioritize and manage the deferred maintenance and capital renewal needs of the Capitol campus in both the short and long term. In the short term, the FY 2016 capital construction program enabled the agency to reduce the overall backlog by approximately $43.6 million. In addition, the AOC reviewed the draft Capitol Complex Master Plan (CCMP) with the staff of all jurisdictions and inventoried over 200 plans, projects and studies recommended to assess the agency's progress in the five years since the CCMP was completed. The agency strengthened facility asset planning through the Facility Asset Management Plan pilot, improving the linkage between building condition and the capital project prioritization.

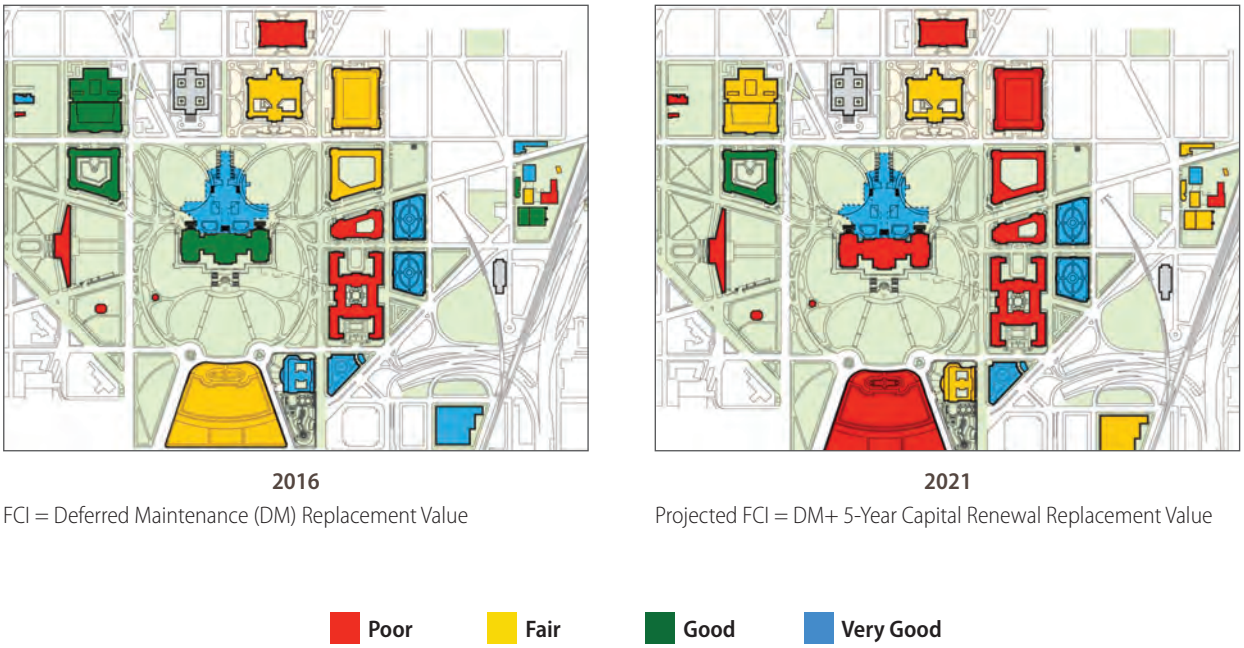
For the long term, the AOC refined the project prioritization process by conducting over 60 risk workshops to ensure the most critical projects are selected and requested for congressional approval and financing. The agency identifies and ranks its deferred maintenance and capital renewal projects using tools such as Facility Condition Assessments (FCAs), the Five-Year Capital Improvements Plan (CIP) and the CCMP. This approach allows the AOC to weigh the risks and costs of deferring projects and address the most pressing facility needs. An illustration of the Facility Condition Index for FY 2016 (along with a projection of the FY 2021 Facility Condition Index), a benchmark of the relative building condition used by the AOC, is contained in **Figure 18.**

FIGURE 19: Age of the AOC Facilities Portfolio



Buildings pass through a number of stages during their life cycle. Most of the AOC's buildings (nearly 80 percent) are more than 25 years old and nearly one-third are in excess

FIGURE 18: Fiscal Year 2016 Facility Condition Index by Facility and Projected Fiscal Year 2021 Facility Condition Index by Facility



of 75 years old (**Figure 19**). With an aging facility portfolio to manage, the AOC's rigorous maintenance project prioritization process considers phasing opportunities, project risk, classification, importance, sequencing and other factors to facilitate the timing of its major construction projects. The AOC also applies a criticality and risk decision model to the list, resulting in an ordered list of projects.

Looking ahead, the AOC continues to aggressively manage the deferred maintenance and capital renewal backlog. For instance, the AOC will evaluate the results of the Reliability Centered Maintenance pilot at the Capitol Police Headquarters Building to prioritize facility maintenance efforts. The AOC will also leverage the Capital Planning module of its facility management software to identify backlog reduction opportunities. The Thurgood Marshall Federal Judiciary Building Exterior Stone Evaluation report was recently completed and submitted to the AOC. This report quantified the extent and severity of the façade deterioration and will form the basis for the design of permanent façade remediation. The AOC continues to survey the exterior masonry envelopes of buildings on the Capitol campus and is developing a capital program to aggressively repair and rehabilitate the buildings. These surveys help to detect signs of envelope failure and determine the building's safety. The AOC will continue to explore ways to mitigate its deferred maintenance and capital renewal backlog in an innovative, strategic and cost-effective manner.

Energy Stewardship and Sustainability

Challenge: The AOC has a long-standing commitment to energy savings and sustainability. Since 2005, the AOC has invested more than $90 million in urgent infrastructure upgrades to improve energy savings. As a result, in FY 2015, the AOC exceeded the legislatively-mandated, 10-year target of a 30 percent reduction in energy use across the Capitol campus. Efforts to further reduce energy consumption remain an agency priority, and the AOC has established a new 10-year goal of achieving an additional 20 percent reduction in energy consumption by the end of FY 2025 (two percent annually). Making the buildings and grounds of the Congress and the Supreme Court as energy- and water-efficient as possible is smart business — the improved efficiencies reduce environmental impacts and decrease future operating costs. The challenge that the AOC faces in meeting its new energy target is that further energy reduction opportunities are less abundant, and more costly. Moreover, any future sustainability improvements must compete for limited fiscal resources with other agency programs and requirements.

The AOC is committed to a more energy-efficient and sustainable future. The AOC's ability to meet its ambitious energy savings targets will depend on the completion of prioritized key infrastructure projects and the monitoring of its buildings' energy usage.

AOC Initiatives: The AOC's ability to meet its ambitious energy goals will depend on the completion of prioritized key infrastructure projects. Recently completed projects include the replacement of the roof and skylight in the Hart Senate Office Building and the upgrade of the main air handling units in the Dirksen Senate Office Building. In addition, the Refrigeration Plant Revitalization (RPR) program at the Capitol Power Plant, currently under construction, will generate significant efficiencies. By revitalizing the refrigeration plant and installing new chillers, the RPR will increase chilled water efficiency with new chillers that are 20 percent more efficient.

The implementation of cogeneration at the Capitol Power Plant (see sidebar on page 28) is another key element of the AOC's Strategic Long-Term Energy Plan. Cogeneration is designed to replace outdated coal boilers with a new, efficient natural gas-fueled turbine that will generate steam to heat congressional buildings, with electrical generation as a byproduct of that process. The Government Accountability Office released a September 2015 report (GAO-15-436) that reviewed the AOC's planned transition to cogeneration. The AOC acknowledged the recommendations contained in the GAO report.

To meet its initial 30 percent energy reduction target, the AOC utilized three Energy Savings Performance Contracts (ESPCs) to help fund energy projects in the U.S. Capitol and the House and Senate office buildings. An ESPC

COGENERATION PROJECT INITIATED AT THE CAPITOL POWER PLANT

At the Capitol Power Plant, the AOC is planning for the future. After a rigorous analysis of potential energy technologies, the AOC will replace the failing coal-fired boilers that date back to the 1950s with a cogeneration system. Cogeneration was determined to be the best way to achieve future energy savings, reduce environmental impacts and maintain a reliable source of steam for the 23 facilities on Capitol Hill that it serves. In October 2015, the AOC awarded a Utility Energy Service Contract (UESC) to Washington Gas to design-build a cogeneration facility at the Capitol Power Plant.

Cogeneration (sometimes referred to as "cogen"), is a proven technology with more than 4,400 facilities throughout the United States. Using a single fuel source, cogeneration simultaneously produces electricity and steam. The Capitol Power Plant's cogeneration system will use natural gas — increasing system reliability, improving efficiency and saving taxpayer dollars. It is estimated that cogeneration will reduce emissions of greenhouse gases by 6.5 percent and reduce emissions of hazardous air pollutants by 18 percent.

The cogeneration project is critical to reducing the AOC's reliance on the aging infrastructure at the Capitol Power Plant and it is proceeding according to plan. The design is 90 percent complete and all major equipment has been ordered. The old East Plant has been prepared for a spring 2017 delivery of the new equipment for installation. The cogeneration plant is expected to be complete and operational by the close of FY 2018.

More information is available at: **www.aoc.gov/cogeneration**.

uses private funding to accelerate investment in energy conservation measures. These projects are being paid off through the energy savings generated from the upgrades. To address the recent energy savings requirements, the AOC is considering a new ESPC to make significant infrastructure upgrades at the Library of Congress' facilities.

A major contributor to the AOC's success is its energy management program. To gain the maximum benefit from its new energy infrastructure, the program integrates sustainable practices into business operations. The agency will continue to focus on energy audits, retro-commissioning, technical design guidance and training to ensure persistent energy savings. Specific examples of business tools developed include:

- Sustainability guidelines for design, construction and purchasing
- Management plans to incorporate sustainability into daily operations
- Execution of a new construction waste management specification
- Execution of demand response plans on peak electricity grid consumption days
- Project scorecards to ensure energy best practices are evaluated throughout the planning, design and construction process

The AOC will strengthen its culture of sustainability by working with stakeholders and external organizations. The AOC will involve the entire Capitol Hill community in understanding and working toward environmental stewardship through programs such as the Energy Management Working Group, the Recycling Working Group and the Bicycle Advisory Committee. In addition, the AOC will partner with external professional organizations such as the Association of Energy Engineers for ongoing education and certification programs.

For additional information, the AOC publishes an annual *Sustainability, Energy and Water Conservation Report* to inform Congress and the American people about the AOC's energy stewardship efforts. This report may be found online at: **www.aoc.gov/sustainability-energy-and-water-conservation-report.**

The AOC is dedicated to ensuring the security of its facilities and providing a safe and secure environment for Congress, the Supreme Court, staff and visitors to the Capitol campus. The AOC provides support to the U.S. Capitol Police and House and Senate Sergeants at Arms for minor construction projects across the Capitol campus, including additional cameras (above) and access point alarms.

Physical Security of Facilities

Challenge: Safeguarding facilities and their perimeter from external threats such as natural disasters, violent acts or terrorist attacks is a formidable task facing all federal agencies. The AOC plays a critical role in providing a secure environment for lawmakers, their staffs, employees and visitors to the Capitol campus. A March 28, 2016, shooting incident at the U.S. Capitol Visitor Center demonstrates the security risks for high-profile government facilities. In addition, aging mission critical facilities can pose a security challenge, if unaddressed. For example, campus security infrastructure enhancements put in place after the September 11, 2001, attacks in the United States are nearing the end of their useful life and will soon need to be replaced. Keeping the campus' physical environment safe, secure and accessible within a constrained budget environment, while also minimizing the impact of security measures and screening protocols on both visitors and those who work on Capitol Hill, remains a primary challenge for the AOC.

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

In FY 2016, the AOC took several steps to enhance the security of its facilities and grounds, and infrastructure projects were continually assessed to ensure the best possible integration of security measures, in the least intrusive manner. Examples include the window replacement project at the Russell Senate Office Building and the Cannon House Office Building and the installation of full body scanners at the U.S. Capitol Visitor Center ahead of the January 2016 State of the Union address. In addition, the AOC's Office of Security Programs has assessed the electrical issues within the Alternate Computer Facility and designed an upgraded system to ensure no data center downtime during regularly scheduled preventive maintenance activities at the Capitol campus.

Looking ahead, the AOC has determined that a number of post-September 11 security enhancements are nearing the end of their useful life. The January 19, 2015 Perimeter Security Elements Facility Condition Assessment noted that the perimeter security kiosks, which protect the Capitol campus, are approaching the end of their design life. To address this issue in a financially responsible manner, the AOC plans to implement maintenance and security upgrades for approximately 11 percent of the kiosks each year, until the funding for their replacement is approved. While these upgrades will keep the kiosks operational for the short term, it will not prevent their long-term deterioration — potentially causing a vulnerability if they are not replaced.

The 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. During FY 2016, the James Madison Memorial Building's fall protection replacement effort (above) required the close coordination from several teams within the AOC.

Another challenge that the AOC is working to address is the increased security requirements for special events. The cost to support events on Capitol Hill has increased due to a change in USCP perimeter security requirements, especially for the summer concerts on the West Front. The additional items (e.g., jersey barriers and bike racks) needed to meet these requirements will require additional funding.

To address resilience issues, such as external emergency management and congressional continuity programs, the AOC is embarking on a concerted effort to identify and assess the critical infrastructure (e.g., the Alternate Computer Facility's uninterruptible power supply and electrical infrastructure) supporting congressional-essential functions. This will ensure future campus and building upgrades meet their operational requirements. The CCMP's Security Framework Plan provides strategies and recommendations to guide the agency. At the same time, the AOC coordinates closely with the USCP, the Capitol Police Board and other partners to keep the buildings and grounds of the Capitol campus accessible and secure.

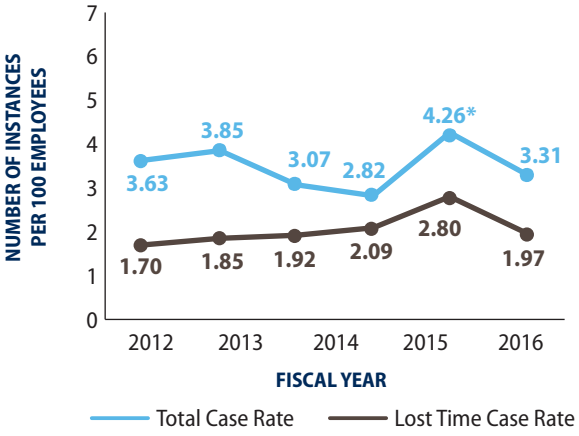
Workplace Safety and Health

Challenge: The AOC is responsible for providing a safe and healthy environment for all who work at or visit the Capitol campus, as well as for those residents in the community surrounding the U.S. Capitol. Meeting this responsibility while also ensuring access to these public buildings, creating a functional work environment, complying with applicable safety regulations, preserving the facilities' historic and architectural integrity and meeting the unique security requirements of the Capitol campus is a significant management challenge. The AOC must integrate safety, fire protection, environmental compliance and emergency preparedness into building operations and the management of construction projects. In addition, Office of Compliance (OOC) reports have identified shortcomings in the facilities under the AOC's care — particularly concerning barriers to access for people with disabilities. The AOC's challenge is to build a culture of safety and health which balances these risks with other high-priority requirements and available funds.

AOC Initiatives: Last fiscal year, after years of steady decline, the AOC's injuries and illnesses rate rose to 4.26 per 100 employees, a 51 percent increase from the prior year. To counter this sudden increase, the AOC implemented a number of initiatives during FYs 2015-16 to improve the safety culture across the agency.

The Safety Observations and Reflections (SOAR) program, the AOC's capstone safety program, was instituted to provide behavior-based training and shadowing. The program facilitates a daily safety process and creates a safety partnership between management and employees. SOAR focuses on what people do, analyzes why they do it and applies an intervention strategy for continuous improvements. Through June 2016, the AOC trained 608 employees (including 107 managers and 76 supervisors). To supplement this program, the AOC implemented several key safety initiatives including adding Occupational Safety and Health (OSH) expertise to the Fire Inspection Program; refining the Compliance Tracking System and developing a safety

FIGURE 20: Injuries and Illnesses Rate



Note: Information adjusted from that reported in the FY 2015 PAR is marked with an asterisk (*).

dashboard to track metrics for safety, fire and environmental programs; implementing a mandatory General Services Administration (GSA) defensive driving training for all employees who drive AOC vehicles; and revising the Office Emergency Coordinator training program.

As a result of these efforts, the AOC's injuries and illnesses rate decreased to 3.31 per 100 employees in FY 2016, a 22 percent decrease. The lost time injuries and illnesses rate also dropped to 1.97 per 100 employees, a 30 percent decline during this period. The six-year trend for these rates is shown in **Figure 20**. Compared to the same period in the previous fiscal year, the agency avoided workers' compensation costs of over $114,000.

Over the long term, the AOC will support jurisdictions in developing and implementing new management programs, along with systems and procedures for higher risk programs. Improving on and consistently managing programs, such as those for asbestos-containing materials, will reduce employee risks and tenant disruptions. To ensure a continued focus on safety, the AOC also established an Executive Safety Management working group. This group will monitor safety initiative progress, identify new safety leadership opportunities, and share and implement leading practices. In FY 2016, the AOC expanded the Universal Access Program to help comply with the Americans with Disabilities Act (ADA). In addition to removing more than 90 barriers between October 2015 and September 2016, the new Universal Access Coordinator developed an implementation plan for accessibility and is providing staff training to facilitate compliance.

The AOC will continue to improve its safety culture enhancement programs to provide continuous engagement by management, first-line supervisors and employees. The agency also plans to develop and implement a five-year OSH Program Plan to align with the new agency Strategic Plan and improve the cohesion of safety and health initiatives in agency operations and business processes.

Additional priorities will focus on implementing new stormwater regulations and performing periodic inspections and fire protection system testing for the Cannon House Office Building renovation. Further, the agency will continue implementing emergency preparedness and SOAR training for the entire AOC workforce, helping to socialize a culture of safety and health at all levels that places people first.

This fiscal year, the AOC faced a number of incidents that disrupted congressional facilities, including suspected/confirmed hazardous building materials (i.e., asbestos or lead) releases. Following standard procedures, and out of an abundance of caution, at separate times the AOC closed the Cannon House Office Building, the Longworth cafeteria and portions of the U.S. Capitol while the agency investigated. Each incident was found to be localized and the areas were reopened when acceptable air test results were received. As a result, the AOC's procedures were enhanced to provide greater oversight and control to operations involving hazardous building materials. In addition, in June 2016, the AOC identified elevated levels of lead in the drinking water in five fountains in the Cannon Building. Out of an abundance of caution, the AOC suspended the drinking water service, communicated with House staff, provided bottled water and accelerated lead-in-drinking water testing in other AOC-managed facilities — which were found to be acceptable. The AOC hired an independent team to investigate the cause of the elevated results and will continue to provide bottled water until their investigation report is received (mid–FY 2017), its recommendations are implemented and retesting confirms the water meets acceptable EPA standards.

Managing Concurrent Projects

Challenge: Due to the age of the AOC's infrastructure, the Capitol campus has developed many critical, long-term infrastructure needs. To address these issues, multiple major restoration projects are being performed at the same time. These include the Cannon House Office Building Renewal, West Refrigeration Plant Revitalization, the Cogeneration Plant Design and Construction, and the just-completed U.S. Capitol Dome Restoration. In addition to these projects, a number of other critical projects — such as the exterior stone repair work — are also underway across the campus. To fulfill its unique mission, the AOC must successfully manage a range of large-scale, phased projects that are taking place at the same time. Management must make sure that these projects continue moving forward, on schedule and on budget, while also guaranteeing that the agency's day-to-day operations continue without interruption.

AOC Initiatives: With the support of Congress and the American people, the AOC received the resources to make the critical investments needed to preserve and maintain the national treasures entrusted to its care. The FY 2016 legislative branch appropriations bill allocated $612.9 million to AOC, an increase of $12.6 million (2.1 percent) from FY 2015 enacted levels. This amount included investments of $62 million for the restoration and renovation of the Cannon Building and $10 million for the House Historic Buildings Revitalization Trust Fund.

The AOC concurrently manages several major preservation and construction projects, including the Cannon House Office Building Renewal Project and the Capitol Power Plant's West Refrigeration Plant Revitalization. In FY 2016, the AOC completed the multi-phased Capitol Dome and Rotunda Restoration along with treatment of Constantino Brumidi's *Frieze of American History* (above).

The AOC's leadership uses the best tools available to manage its portfolio of diverse projects. The agency incorporates effective planning, risk assessment and mitigation, and quality control techniques into its disciplined approach to project management. The AOC constantly monitors the status of key projects and ensures that clear and consistent communication among all parties takes place. In addition to regular updates to its congressional oversight, the AOC reports its key projects' progress on its website and social media to keep the public informed about what is completed, ongoing and planned.

In FY 2016, the AOC began implementing significant improvements to its project management process. In particular, the agency is developing new tools to visualize the impact of current and future projects that will raise awareness and improve communication of large-scale projects across campus to Congress and their oversight committees. The impacts identified include the proposed laydown areas for the temporary storage of equipment and supplies, as well as the proposed work schedules to promote coordination and minimize the risk of construction fatigue across campus. In addition, planning was improved through the use of better tools that anticipate construction management staffing requirements and estimate the resources needed on major projects earlier in the process.

The AOC continued to employ formal project partnering on major restoration projects to ensure open communications between the government and contractor project teams, confirm shared project goal development and utilize timely issue resolution processes to solve problems, and identify effective and innovative solutions.

The AOC collects lessons learned from major projects, including change modifications during construction. Sustained attention to outstanding change orders and potential claims reduces uncertainty about each project's final cost. In addition, the AOC's leadership is engaged with the industry and professional associations to search for best practices and techniques. As a result, the AOC is determined to continue to be an industry leader in the use of effective project management to ensure that the agency directs its finite resources in the most efficient and effective manner.

Retaining and Attracting a Skilled and Engaged Workforce

Challenge: The AOC requires a high-performing and engaged workforce to achieve its mission and deliver services to stakeholders. As a result, its highly skilled staff of more than 2,100 employees is its most precious resource. Staff retention is a challenge because the agency's talented employees are highly sought by other organizations for their expertise and knowledge. Further, attrition due to an aging workforce (the median age of the agency's employees is 48 years) will inevitably lead to retirements and staff turnover in the years ahead. Therefore, attracting and retaining talented new staff, especially millennials, is a significant element of the agency's human capital strategy. The landscape for attracting, sourcing, recruiting and acquiring talent is evolving, and the AOC must evolve with it.

AOC Initiatives: At the AOC, personnel costs account for 35.5 percent of the agency's spending, a significant amount. To retain and attract a skilled and engaged workforce, the AOC looks to build an agile and effective human capital program that is supported by technology. During FY 2016, the AOC developed a strategy to adopt a talent acquisition model and re-engineer the agency's recruitment process. Once developed, the agency socialized the talent acquisition strategy with the AOC's recruitment staff and hiring officials.

For the long term, the anticipated retirements and reduction in employees possessing the trade skills and institutional knowledge within the agency will be particularly daunting. Thus, the AOC's human capital strategy begins with the implementation of new recruiting methods to target the millennial generation. An aggressive communications campaign will re-brand the AOC as an employer of choice. Further, in recognition that millennials seek jobs through social media, the AOC will leverage social media tools such as Facebook and Glassdoor, rather than rely solely on USAJobs (where most federal agencies post their vacancies). The AOC will build a network of talent resources through targeted professional organizations. Lean Six Sigma methods will also be used to analyze and improve the current hiring process.

Once on board, if talented new hires are to be retained, they must be engaged in their work and given opportunities to grow. The AOC's unique mission does much to promote employee engagement. In addition, the AOC's Supervisory Academy is training leaders to reinforce engagement and create a supportive workplace. The AOC is also committed to offering a variety programs that will provide opportunities for personal growth. For instance, the CareerPath course teaches employees the practical skills to apply for jobs within the AOC, the Architect's Mobility Program provides training in skilled trades and AOCLearn offers employees over 2,000 online courses in a variety of topics.

To maximize the effectiveness and efficiency of the business processes that support talent acquisition and retention, the AOC's Human Capital Management Division will also enhance its data analytic capabilities. The agency will seek automated solutions that enables data collection and analysis for key programs, services and processes — helping to inform key decisions in hiring, succession planning, diversity and inclusion, and operational excellence.

Faced with continued budgetary pressure, expected and unplanned attrition, and the need to appeal to a new generation workforce, the agency aims to remain competitive in the retention and attraction of employees by becoming an employer of choice. As a result, the AOC's human capital strategy is taking a conscious, strategic approach to attracting, identifying and acquiring high-quality, high-performing talent.

The AOC's organization-wide Internal Control Program follows the principles of OMB Circular No. A-123. After the July 2016 issuance of the revised Circular A-123, retitled *Management's Responsibility for Enterprise Risk Management and Internal Control,* the agency began evaluating its policy and procedures to build risk identification into its processes.

MANAGEMENT ASSURANCES AND OTHER FINANCIAL COMPLIANCES

Implementation of the Federal Managers' Financial Integrity Act

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

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

Within the AOC, the Internal Control Program is jointly managed by the Chief Administrative Officer and Chief Financial Officer. An Internal Control Program Manager has the responsibility to manage the ongoing elements of the organization-wide program that follows the principles of OMB Circular A-123, Appendix A. The elements include the performance/assessment of the following: the AOC's control environment, risk assessments, control activities, information and communication, and monitoring.

The AOC has also provided a Summary of Financial Statement Audits and Management Assurances as required by OMB Circular A-136, *Financial Reporting Requirements*, revised, in this report's *Section IV: Other Information*.

The AOC's organizational structure for internal control includes two oversight committees. The Senior Management Council (SMC) is long-term oriented and forward-thinking about internal control, risk management and strategic opportunities. This body is primarily concerned with agency-level exposure to external risks arising from changes in legislation, security concerns and acts of nature. At the same time, the Senior Advisory Team (SAT) assists the SMC in fulfilling the AOC's management responsibilities by overseeing the daily operations of internal controls over financial reporting (ICOFR) and operations.

Financial Reporting

The SAT's management plan addresses risk concerns that are assigned by the SMC and is responsible for ensuring compliance with legal and regulatory matters that may have an operational or financial impact. In turn, the SAT provides advisory recommendations to the SMC toward improving the AOC's business, financial and operations processes. Accordingly, the Accounting and Finance Operations Division ensures the integrity of the AOC's financial statements while the Internal Control Program Manager oversees the testing and monitoring of controls in the major business processes and tracking corrective action plans to their conclusion.

Risk Management

During FY 2016, the AOC began an update to its Internal Control Program policy and procedures to include provisions for enterprise risk management (ERM) processes, in accordance with the newly revised OMB Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control.* The ERM will establish a coordinated effort to build risk identification communication and corrective measures into the AOC's strategic planning, strategic review process established by the GPRA Modernization Act (GPRAMA), and the internal control process required by FMFIA and the Government Accountability Office's Green Book.

Financial Systems

As discussed in the *Federal Financial Management Improvement Act* section, the Federal Financial Management Improvement Act of 1996 (FFMIA) requires federal agencies' financial management systems to provide reliable financial data that complies with federal financial system requirements, applicable federal accounting standards and the U.S. Government Standard General Ledger at the transaction level. To assess conformance with FFMIA, the agency uses internal control assessments based on FFMIA implementation guidance from OMB, results of OIG reports and reports from the annual independent financial statement audit. The overall assessment relies upon the evaluations made under the OMB Circular A-123, Appendix A, Internal Control over Financial Reporting (ICOFR). When applicable, particular importance is given to any material weakness or significant deficiency identified during the internal control assessments.

Overall Assessment

Based on the procedures performed, the AOC does not consider any identified deficiencies to be material weaknesses in internal controls that would warrant a less than unqualified assertion on ICOFR or significant deficiency reporting for FMFIA systems purposes. However, as part of the FY 2016 independent audit of the AOC's financial statements, a material weakness was identified concerning improvements to project cost capitalization analysis (see also *Summary of Material Weaknesses and Significant Deficiencies* below). Management concurs and has adopted this material weakness. Management shall prepare and monitor corrective action plans to address the open deficiencies identified in its testing, plus the material weakness identified in the independent audit, and will continue to periodically review the plans until they are fully implemented.

Other Information

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

SUMMARY OF MATERIAL WEAKNESSES AND SIGNIFICANT DEFICIENCIES

At the close of FY 2016, the AOC had one material weakness and one significant deficiency in internal control over financial reporting. Material weaknesses and significant deficiencies are determined by management. Using a variety of information sources, the AOC managers and staff continuously assess and improve the effectiveness of internal control for program operations. These information sources include, but are not limited to, management knowledge gained from the daily operation of programs and systems, management reviews, program evaluations, as well as the annual independent financial statement audit.

Material Weaknesses Summary

A material weakness is defined as a reportable condition that the agency head determines to be significant enough to be reported outside the agency. At the close of FY 2016, the AOC had one material weakness identified in its financial statement audit. This weakness pertains to the project cost capitalization analysis. Management concurs with and adopts this finding. To address this material weakness, the AOC plans to develop corrective action plans to assist with the classification of project costs, particularly for multi-year, large-dollar projects. Based on management's testing performed during FY 2016, the AOC did not identify any additional deficiencies that it considers to be a material weakness. The prior year material weakness, ineffective controls over estimate of asbestos cleanup, was successfully closed in FY 2016.

Significant Deficiencies Summary

A significant deficiency is defined as a control deficiency, or combination of control deficiencies, that in management's judgment is less severe than a material weakness yet important enough to merit attention by those charged with governance. This year, the AOC had one reportable condition related to the holdback of contract amounts (i.e., retainage). Management concurs with and adopts this finding and, to address this significant deficiency, the AOC plans to develop corrective action plans to aid in the reconciliation of retainage amounts on a periodic basis. Based on the testing performed during FY 2016, the AOC management did not identify any additional control deficiencies that it considers to be a significant deficiency.

FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT ACT

The Federal Financial Management Improvement Act of 1996 (FFMIA) requires that federal agencies' financial management systems comply with federal accounting standards, federal system requirements and the U.S. Standard General Ledger (USSGL) at the transaction level. Substantial compliance is achieved when an agency's financial management systems routinely provide reliable and timely financial information for managing day-to-day operations, as well as producing reliable financial statements. The AOC substantially complied with the FFMIA for FY 2016. More information about the AOC's financial management systems is provided below.

FINANCIAL MANAGEMENT SYSTEMS SUMMARY

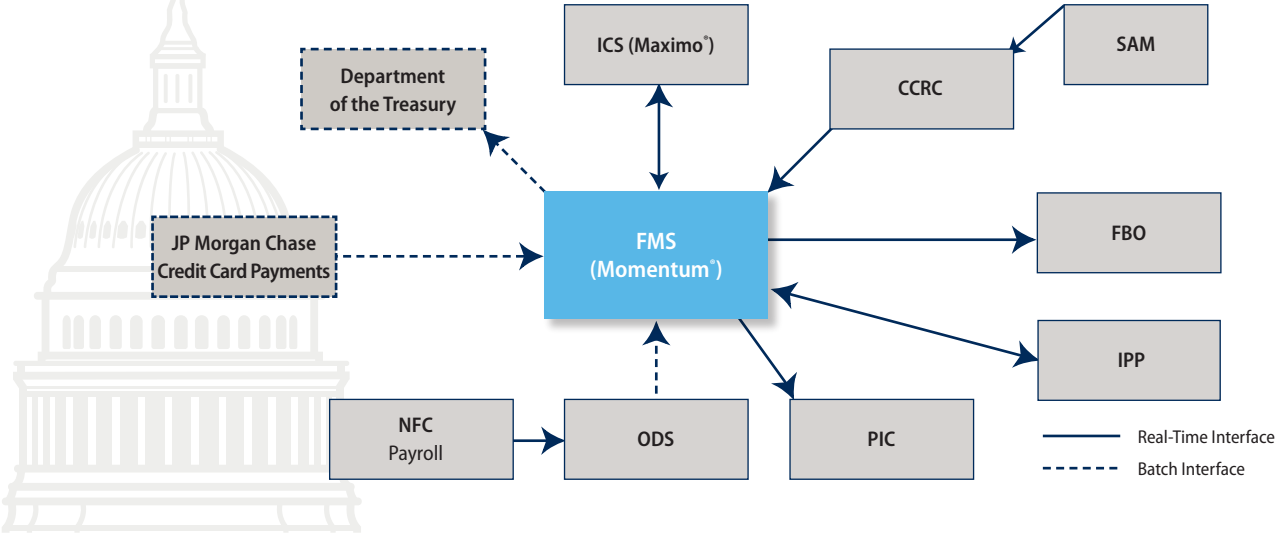
The AOC's core financial management system centrally accounts for over $500 million through the processing of approximately 240,000 transactions annually by 300 users. **Figure 21** depicts the current system architecture.

Key Financial Reporting Systems

The AOC's core Financial Management System (FMS) conforms to the requirements of the Federal Financial Management Improvement Act (FFMIA). FMS, utilizes commercial-off-the-shelf (COTS) software (Momentum®) designed for the federal government and the AOC's Financial Systems Division (FSD) manages the system. FMS provides core financial system functionality to the AOC that includes the following Momentum® modules: Budget Execution, Acquisitions, Purchasing, Receiving, Accounts Payable, Automated Disbursements, General Ledger, Credit Card, Fixed Assets, Workload and Contract Closeout. In addition to FMS, the AOC's key financial and reporting systems include:

- **Capitol Visitor Center Point of Sale System (CVC POS)** is a standalone back office retail inventory management system used to record CVC gift shop sales and inventory transactions.
- **Central Contractor Registration Connector (CCRC)** is a part of Momentum® that downloads the latest vendor information from the System for Award Management (SAM) and updates FMS vendor records.

FIGURE 21: Financial Management Systems Framework



ARCHITECT'S FMFIA STATEMENT OF ASSURANCE

ARCHITECT'S FMFIA STATEMENT OF ASSURANCE

The Architect of the Capitol's (AOC's) management is responsible for establishing and maintaining effective internal control and financial management systems that meet the objectives of the Federal Managers' Financial Integrity Act of 1982 (FMFIA). The FMFIA requires federal agencies to establish controls that reasonably ensure obligations and costs are in compliance with applicable laws; funds, property and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation; and revenues and expenditures are properly recorded and accounted for to permit the preparation of accounts and reports and to maintain accountability. The FMFIA also requires agencies to annually assess and report on the controls that protect the integrity of federal programs and whether financial systems conform to its requirements.

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

The AOC conducted its assessment of the effectiveness of internal control over the effectiveness and efficiency of operations and compliance with applicable laws and regulations in accordance with OMB Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*. Based on the results of this evaluation, the AOC can provide reasonable assurance that its internal control over the effectiveness and efficiency of operations and compliance with applicable laws and regulations as of September 30, 2016 was operating effectively, except for one material weakness related to the project cost capitalization analysis process and one significant deficiency regarding the reconciliation of contract holdback amounts. No other material weaknesses or significant deficiencies were found in the design or operation of the internal controls.

The AOC also conducted its assessment of the effectiveness of internal control over financial reporting, which includes the safeguarding of assets and compliance with applicable laws and regulations, in accordance with the requirements of Appendix A of OMB Circular A-123. Based on the results of this assessment, the AOC can provide reasonable assurance that its internal control over financial reporting as of June 30, 2016 was operating effectively and no material weaknesses were found in the design or operation of the internal control over financial reporting.

Sincerely,

Stephen T. Ayers, FAIA, LEED AP
Architect of the Capitol
November 14, 2016

Doc. No. 161031-04-02

- **Federal Business Opportunities (FBO or FedBizOpps)** 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 and 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 COTS software (Maximo®) used to track AOC's inventory of materials, supplies and accountable property. With 134 users, ICS uses a lifecycle and asset management system and is managed by FSD. FMS obligations, the receipt of transactions and inventory draw-downs are integrated via batch interfaces.

- **Invoice Processing Platform (IPP)** is a secure web-based electronic invoicing system provided by the Department of Treasury. IPP allows federal agencies to simplify the management of vendor invoices and intra-governmental transactions. IPP is interfaced with FMS in real-time; the IPP interface with FMS is managed by FSD while IPP system administration is managed by both the Accounting Division and FSD.

- **JP Morgan Chase** credit card interface is used to transmit credit card payment data to FMS via a batch file.

- **National Finance Center (NFC)**, as part of a cross-servicing agreement with the Department of Agriculture, provides payroll and personnel services to the AOC. Managed by the AOC's Human Capital Management Division, payroll transactions are interfaced via a batch file through the Operational Data Store (ODS) to FMS.

- **Operational Data Store (ODS)**, maintained by AOC's Information Technology Division, is the AOC's payroll and personnel database and is used as a warehouse for detailed employee payroll information. The ODS receives a batch file of NFC payroll data and creates a batch file of payroll transactions for interfacing to FMS.

- **Project Information Center (PIC)** is an AOC-developed system used to track the status of projects. Budget and obligation data is interfaced from FMS to PIC.

- **System for Award Management (SAM)** was created by the 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, Federal Agency Registration and others. CCR, the only system within SAM used by the AOC, provides information on vendors that do business with the federal government.

Financial Systems Division Strategies

During FY 2016, the AOC continued working with the Library of Congress (LOC) to migrate the server hosting of both AOC's instances of FMS and ICS to the Legislative Branch Financial Management System (LBFMS). The congressionally-mandated migration was successfully completed to the FedRamp compliant IaaS cloud, and was performed, on time, within budget and with transparency to system users in December 2015. Using a common platform will reduce the legislative branch's overall operating costs related to software purchase, technical support, licensing fees, security and other potentially duplicative contractual costs. Also in FY 2016, the LBFMS community began discussions to upgrade Momentum.™ The version in use was released in 2011 and is nearing the end of its vendor support life. Further, subsequent vendor software releases contain enhancements that improve Momentum's multi-tenant functionality and business process functionality for an improved user experience. The upgrade is planned with a go-live date either in late 2017 or early 2018.

In addition, a recent GAO audit of the AOC's business practices discovered that the use of corrections to perform administrative modifications was not always appropriate. To remedy the issue, the AOC created a dual numbering scheme to improve auditability: A* (e.g. A001), for administrative modifications which are not sent to the vendor, and M* (e.g. M001), for all modifications which will be sent to the vendor. The AOC also removed the ability of specified staff to perform administrative changes to processed contracts.

The AOC is also developing a SharePoint site to enable access to contract information that must be communicated to vendors in the event of an appropriations lapse. In the prior version of the site, data was hand-entered based on information received from the Contracting Officer's Representative. For the new site, the AOC is identifying the data fields where the important contract data is stored in order to enable FMS to auto-populate SharePoint with updated and comprehensive data on a continual basis.

Last, the AOC is in the initial planning stages to host a multi-site Maximo environment within the LBFMS. The AOC and the U.S. Capitol Police (USCP), both members of LBFMS, currently use different versions of Maximo.

Merging the AOC-USCP Maximo environments in the LBFMS will reduce the overall application costs. Future funding for application support, fix pack updates and system upgrades will be incorporated into an annualized cost structure with predictable upgrade schedules, lower fixed costs and improved system management.

DIGITAL ACCOUNTABILITY AND TRANSPARENCY ACT

The *Digital Accountability and Transparency Act* of 2014 (DATA Act) was implemented to set data standards for federal financial data and, ultimately, make federal spending data more accessible, searchable and reliable. The legislation applies to all executive branch agencies and has an implementation date of May 2017. As a legislative branch agency, the AOC is not required to comply with the DATA Act and, as of September 30, 2016, is not participating in this effort.

FEDERAL INFORMATION SECURITY MODERNIZATION ACT OF 2014

The *Federal Information Security Management Act* of 2002 (FISMA) required each executive branch agency to develop, document and implement an agency-wide program to provide information security for the information and information systems that support the agency's operations and assets. The AOC, as a legislative branch agency, is not required to comply with FISMA. Nonetheless, the AOC strives to comply with FISMA principles, as amended by the *Federal Information Security Modernization Act* of 2014 (also using the acronym FISMA). The 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. The AOC uses this guidance to create and maintain a risk-based Information Security program.

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

In FY 2016, the AOC improved its information systems security posture by regularly testing controls and procedures; improving computer security awareness training; enforcing procedures and processes for detecting, reporting and responding to security incidents; vulnerability scanning and remediation; patch compliance and continuous monitoring. Also, the AOC monitored the incident response program utilizing internal procedures in conjunction with managed security monitoring and management of its enterprise infrastructure provided by the managed Security Event and Information Management (SEIM) enterprise security services. Independent tests verify that the managed SEIM helps protect the AOC against external and internal threats, provides immediate assessment and response to security incidents and adheres to regulatory requirements for log auditing, security and compliance reporting. The AOC also enhanced its security by adding selected controls relating to Industrial Security Controls to its security standard.

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

The Chief Financial Officer is responsible for ensuring sound financial stewardship as well as maintaining seamless financial systems and processes, generating reliable cost and performance information and undertaking other value-added activities that support effective internal control, strategic decision making and efficient mission performance.

FINANCIAL HIGHLIGHTS

Introduction

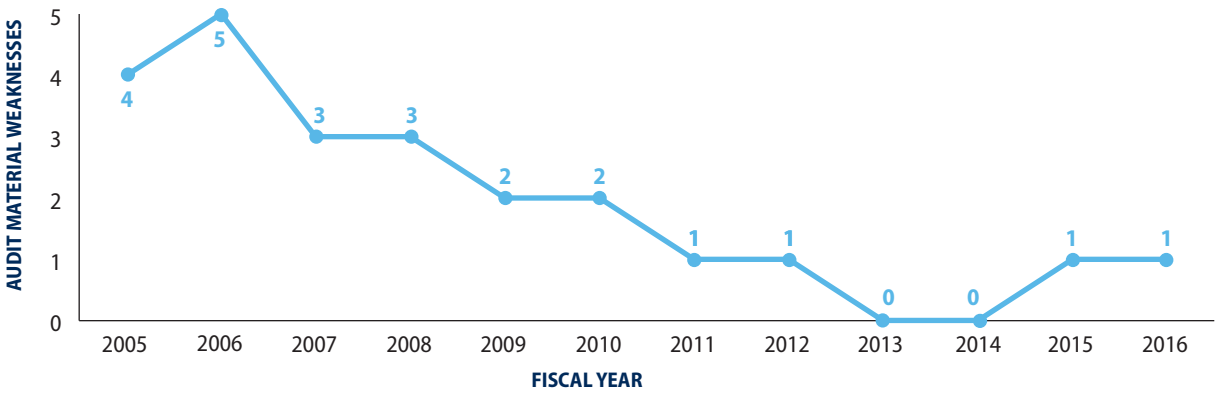
This Financial Highlights section provides an overview and general analysis of the principal financial statements of the Architect of the Capitol (AOC) for FY 2016. The financial statements were audited by the independent auditor, Kearney & Company. The principal financial statements include the AOC's Balance Sheet for the fiscal year ending September 30, 2016, along with the accompanying Statement of Net Cost, Changes in Net Position and Budgetary Resources. The AOC received an unmodified (clean) financial statement audit opinion for FY 2016 — the 12th consecutive year. In addition, the audit resulted in one material weakness and one significant deficiency. **Figure 22** shows the number of audit material weaknesses for each year that the AOC has submitted its principal financial statements for audit.

The AOC considers the annual independent audit an integral part of its financial management and oversight. An unmodified opinion provides reasonable assurance that the financial statements are free of material misstatement. Reasonable assurance, while not absolute, is nonetheless a high level of assurance[7]. The 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, the AOC is working to maintain seamless financial systems and processes, generate reliable cost and performance information and undertake other value-added activities that support effective internal control, strategic decision making and efficient mission performance.

A summary of key financial data from the AOC's Balance Sheet and Statements of Net Cost and Budgetary Resources is

[7] 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.

FIGURE 22: Audit Material Weaknesses



INFOGRAPHIC: Capitol Dome Restoration

TABLE 11: Financial Statement Summary Data (dollars in thousands)

BALANCE SHEET: SUMMARY DATA	FY 2016	FY 2015	Percent Change
Fund Balance with Treasury	$886,248	$792,185	12%
Investments	$28,761	36,897	(22%)
General Property Plant & Equipment, Net	1,860,824	1,865,078	-%
Other Assets	3,616	4,061	(11%)
Total Assets	**$2,779,449**	**$2,698,221**	**3%**
Debt Held by the Public	$98,445	$106,666	(8%)
Contingent and Environmental Liabilities	75,929	62,890	21%
Federal Employee Benefits	84,841	83,075	2%
Advances from Others	47,793	19,962	139%
Contract Holdbacks and Other Liabilities	52,241	56,251	(7%)
Total Liabilities	**$359,249**	**$328,844**	**9%**
Unexpended Appropriations	$704,276	$647,915	9%
Cumulative Result of Operations	1,715,924	1,721,462	-%
Total Net Position	**$2,420,200**	**$2,369,377**	**2%**
Total Liabilities and Net Position	**$2,779,449**	**$2,698,221**	**3%**

STATEMENT OF NET COST: SUMMARY DATA	FY 2016	FY 2015	Percent Change
Gross Cost	$653,836	$570,963	15%
Less: Earned Revenue	(48,861)	(56,115)	(13%)
Net Cost of Operations	**$604,975**	**$514,848**	**18%**

STATEMENT OF BUDGETARY RESOURCES : SUMMARY DATA	FY 2016	FY 2015	Percent Change
Unobligated Balance Brought Forward	$528,229	$515,921	2%
Appropriations*	597,023	594,671	-%
Spending Authority from Offsetting Collections	107,205	88,240	21%
Other Resources (Adjustments)	21,957	3,484	530%
Total Budgetary Resources	**$1,254,414**	**$1,202,316**	4%

* Appropriations, as reported in the Statement of Budgetary Resources (SBR), will not agree with the total enacted appropriations. Differences between the enacted spending levels and the SBR are due to activity from expired funds and offsetting collections. In addition, while the AOC is responsible for the Supreme Court Building and Grounds jurisdiction, appropriations for their expenses are not contained in the legislative branch appropriations (rather, they are included in the appropriations for the judicial branch). Such items are included in the AOC's SBR, but not the enacted spending levels for the agency.

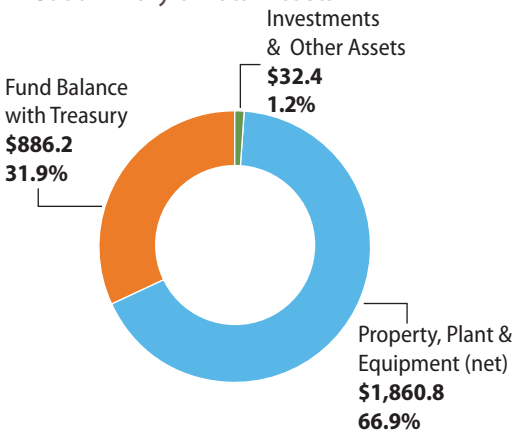
presented in **Table 11**. The complete financial statements and audit reports are presented in *Section III: Financial Information*.

Guide to the Financial Statements

Federal government efforts to improve financial transparency and accountability led to the enactment of mandatory uniform accounting and reporting standards for its executive branch agencies, along with the tools to manage financial resources. Although the AOC is a legislative branch agency, it has voluntarily implemented policies that comply with the spirit of the executive branch requirements as a best business practice. The financial statements and the financial data presented herein have been prepared from the 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). To facilitate analysis, the AOC presents its financial highlights as follows:

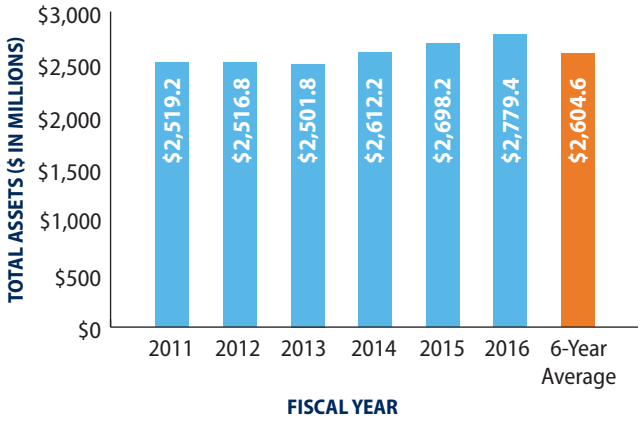
- Overview of Financial Position: Balance Sheet
- Results of Operations: Statement of Net Cost

FIGURE 23: Summary of Total Assets



Total Assets: **$2,779.4** ($ in millions)

FIGURE 24: Trend in Total Assets



- Cumulative Overview: Statement of Changes in Net Position
- Investments to Preserve Our National Treasures: Statement of Budgetary Resources
- Other Information: Schedule of Spending
- Limitation of Financial Statements

A brief description of the four principal financial statements (Balance Sheet, Statement of Net Cost, Statement of Changes in Net Position and Statement of Budgetary Resources) appears in *Section III: Financial Information*.

Overview of Financial Position: Balance Sheet

The Balance Sheet provides a snapshot of the 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

The AOC reported total assets of $2.78 billion at the end of FY 2016 on its Balance Sheet. This represents an increase of $81 million (3.0 percent) over FY 2015 total assets of $2.70 billion. This change is primarily due to the $94 million increase in Fund Balance with Treasury (FBWT). The AOC is authorized to use FBWT to pay liabilities resulting from operational activity and consists of funds received from direct appropriations, transfers, offsetting receipts and recoveries. This increase in FBWT is due to additional multi-year project funding received for major campus restoration projects.

Figure 23 summarizes FY 2016 total assets by component. The AOC's distribution of assets remains largely unchanged from FY 2015. Property, Plant and Equipment (PP&E) remains the AOC's largest asset class, representing 66.9 percent of total assets. PP&E, net of accumulated depreciation, equaled $1.86 billion at fiscal year end and decreased decreased by less than $5,000 from FY 2015. The second largest asset class is FBWT, at $886 million as of September 30, 2016, or 31.9 percent of the AOC's total assets. Grouped together, PP&E and FBWT comprise 98.8 and 98.5 percent of the AOC's total assets for FY 2016 and FY 2015, respectively.

The remainder of the AOC's assets is comprised of investments, accounts receivable, inventory held for sale in the CVC gift shops and other asset categories. Investments are composed of two primary instruments: the Capitol Visitor Center Revolving Fund held with the U.S. Treasury ($18 million) and an escrow balance held with the public related to the Thurgood Marshall Federal Judiciary Building[8] ($10 million). Total investments equaled $28 million, representing a net decline of $8 million, or 22.2 percent from FY 2015. This overall decrease is a result of a $3 million increase in the CVC Revolving Fund combined

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

with an $11 million withdrawal from the Thurgood Marshall Federal Judiciary Building investment fund for needed facility maintenance projects.

The annual trend in AOC's total assets for FY 2011 through FY 2016 is presented in **Figure 24**. The AOC's total assets have increased by $214 million, or 8.5 percent, since FY 2011. This increase is principally the result of a $260 million increase (41.4 percent) in the Fund Balance with Treasury. This largest single component of this increase is related to the appropriations designated for the AOC's House Historic Buildings Revitalization Trust Fund. Since FY 2011, $258.3 million in appropriations were enacted to support the revitalization of major historic buildings and assets of the House of Representatives, which the AOC is responsible for maintaining and preserving (such as the multi-phased Cannon House Office Building renewal). In addition, multi-year/no-year appropriations to the AOC's jurisdictions makes up the remaining component of this increase in the Fund Balance with Treasury. The AOC uses multi-year/no-year appropriations to fund many of its long-term construction projects, and its FY 2016 budget included an additional $62 million in direct appropriations to the AOC's House Office Buildings jurisdiction for the restoration and renovation of the Cannon Building.

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 and stewardship land have either historic or natural significance, are of cultural, educational or artistic importance or have significant architectural characteristics. The 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 reporting standard is for multi-use heritage assets (i.e., those heritage assets which are primarily used for general government operations). See **Table 12** for a list of the AOC's multi-use heritage assets. These assets are included in the AOC's Balance Sheet and assigned a cost as PP&E. See also the *Required Supplementary Information* in *Section III* for further detail.

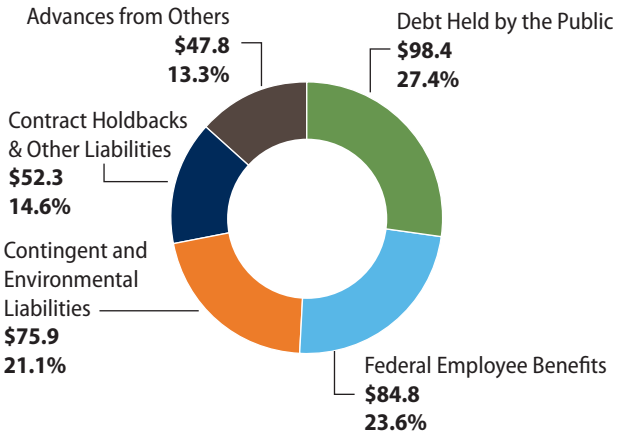
Liabilities

As of September 30, 2016, the AOC's total liabilities amounted to $359 million, a $30 million increase (9 percent) from last year. Major changes in liabilities were composed of increases in Advances from Others of $28 million and Contingent Liabilities of $13 million. The increase

TABLE 12: Multi-Use Heritage Assets at the AOC

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

FIGURE 25: Summary of Total Liabilities



Total Liabilities: **$359.2** ($ in millions)

FIGURE 26: Trend in Total Liabilities

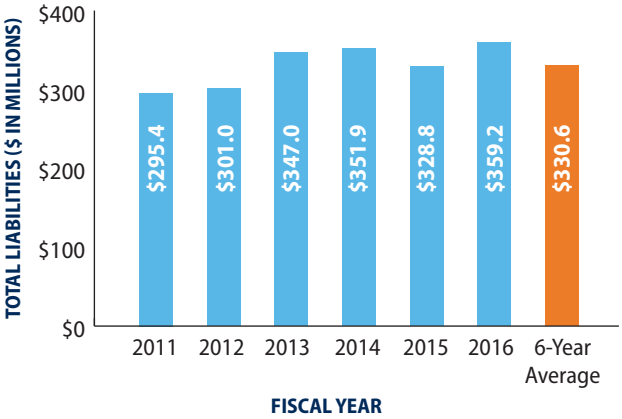
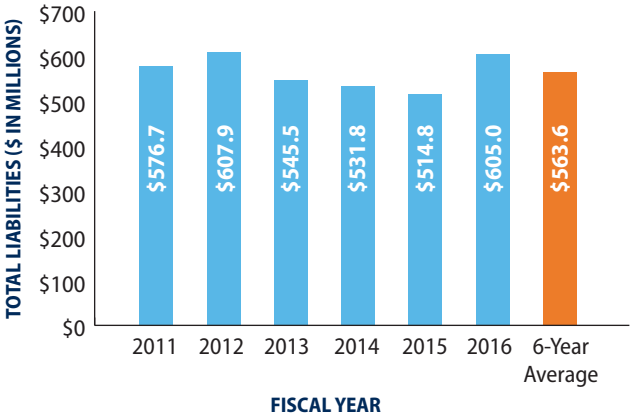


FIGURE 27: Trend in Net Cost of Operations



in Advances from Others was mainly due to additional funding received from the judiciary branch for the Thurgood Marshall Federal Judiciary Building (TMFJB) and advance collections from the Library of Congress. The increase in Contingent Liabilities was mainly due to changes in the AOC's estimate of its asbestos cleanup cost liability. Offsetting these increases was a decline in Debt Held by the Public of $8 million and Other Liabilities of $5 million. The decrease in Debt Held by the Public was a result of payments on the 30-year Certificates of Participation which were sold to finance the cost of the TMFJB construction in 1989. The decline in Other Liabilities was mainly due to the payment of the accrued liability to GSA for tenant improvements to space occupied in the Thomas P. O'Neill, Jr. Federal Building.

Figure 25 provides the FY 2016 total liabilities by component. Debt Held by the Public remains the AOC's largest single component of total liabilities ($98 million or 27.4 percent). Other major liabilities included Contingent and Environmental Liabilities ($76 million or 21.1 percent), Liabilities for Federal Employee Benefits ($85 million or 23.6 percent) — which includes the liabilities associated with the Federal Employees' Compensation Act (FECA) ($65 million) and Accrued Payroll and Annual Leave ($20 million).

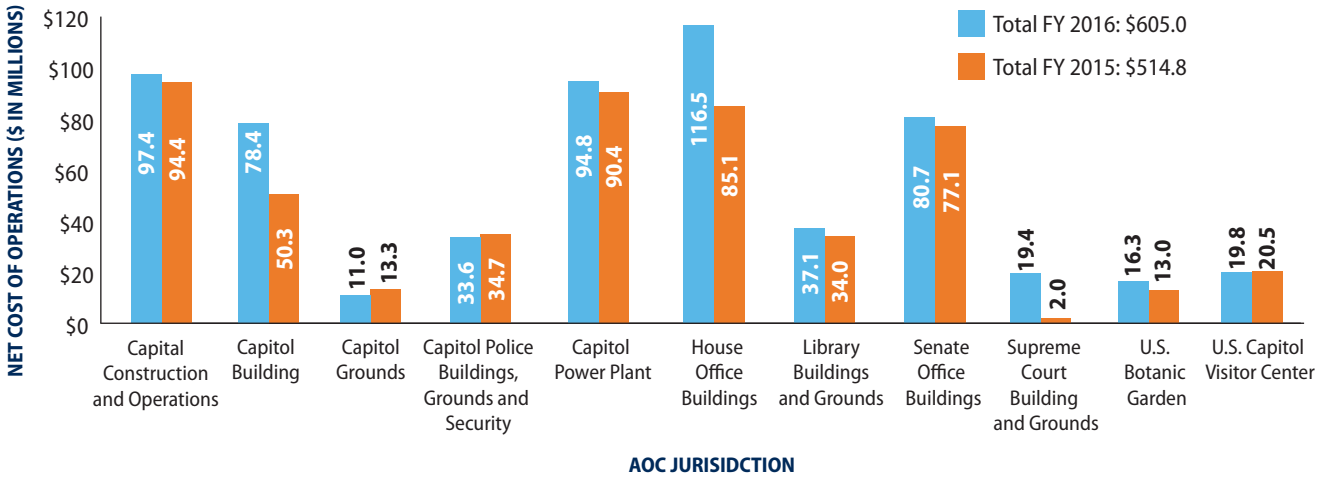
The annual trend in total liabilities for FY 2011 through FY 2016 is presented in **Figure 26**. Since FY 2011, the AOC's total liabilities have increased by $64 million or 21.6 percent. This change was primarily driven by a $75 million increase in Contingent and Environmental Liabilities to record the environmental liability related to asbestos cleanup, a $44 million increase in Advances from Others, mainly due to funding advanced for the TMFJB. These increases were offset by a $35 million decrease in Debt Held by the Public to record payments on the bonds used to finance the TMFJB construction, along with a $12 million decline in Capital Lease Liability, a $4 million decrease in Other Liabilities, a $3 million decline in Accounts Payable and a $4 million decrease in Contract Holdbacks.

Results of Operations: Statement of Net Cost

The Statement of Net Cost presents the AOC's net cost of operations by reporting segment (jurisdiction) for the Fiscal Years 2016 and 2015. Net cost includes total costs less all revenues attributed to and permitted to be offset against those costs. The AOC's main revenue sources are from providing steam and chilled water to non-legislative branch entities near the Capitol complex, 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 and restaurant sales commissions. The net cost of operations in FY 2016 for the AOC totaled $605.0 million, an increase of $90 million or 17.5 percent from FY 2015. This increase in net costs corresponds to higher operating and program costs, including the ongoing repairs and renovations for campus projects. Asbestos cleanup costs of $6 million was also included in the FY 2016 net costs for the House Office Buildings jurisdiction.

The six-year trend in the AOC's net cost of operations from FY 2011 through FY 2016 is presented in **Figure 27**. The $28 million, or 4.9 percent, increase since FY 2011 is partially reflective of the flat appropriations issued for the AOC's operations over this time period. In addition, the AOC is currently involved in multiple large projects where the funds spent have been recorded as an asset (construction work in progress). Once these construction projects are complete and the asset has been placed in service, the associated costs will be recognized over its estimated useful life as depreciation.

FIGURE 28: Summary of Net Cost of Operations by AOC Responsibility Segment



A comparison of AOC's total net cost by jurisdiction for FY 2016 and FY 2015 is displayed in **Figure 28**. Material increases, year over year, were seen in the following jurisdictions:

- **Capitol Building:** net costs increased by $28 million (55.9 percent) due to increased operating costs, $17.5 million in non-capitalizable costs associated with the Capitol Dome preservation and restoration, and the construction of the 2017 Presidential Inaugural stands and support facilities.
- **House Office Buildings:** net costs increased by $31 million (36.9 percent) due to over $6 million in increased operating and program costs for the Cannon House Office Building Renewal Project, asbestos cleanup costs of $6 million, as well as another $20 million in ongoing renovation cost.
- **Supreme Court Buildings and Grounds:** net costs increased by $17 million (over 800 percent) due to a $5 million increase in gross costs due to renovation efforts at the U.S. Supreme Court Building, combined with a $12 million decrease in reimbursements from the judiciary branch.
- **Capitol Power Plant:** net costs increased by $4 million (4.8 percent) due to increased operating and program costs, particularly the cost for repairs to the AOC's utility infrastructure.
- **Senate Office Buildings:** net costs increased by more than $4 million (4.7 percent) due to increases in operating and program costs, most especially for ongoing repairs.

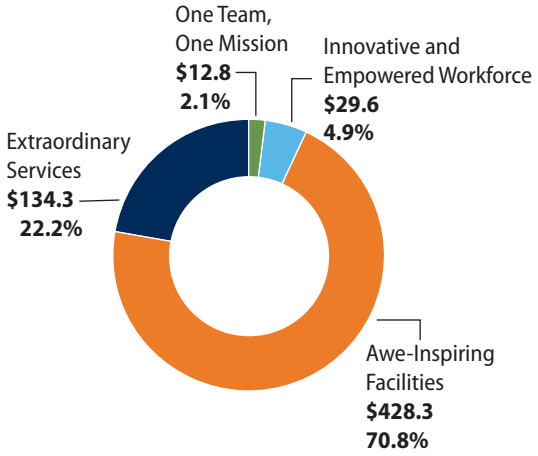
At the same time, major decreases in the net cost of operations were seen in the following jurisdictions:

- **Capitol Grounds:** net costs declined by $2 million (16.8 percent) due to decreased operating costs, particularly the costs incurred in the prior year for repairs to the Capitol Dome.
- **Capitol Police Buildings, Grounds and Security:** net cost of operations decreased by $1 million (3.4 percent), primarily due to a reduction in imputed costs for the Capitol campus infrastructure project.

Resources Used to Achieve Strategic Goals

To accomplish its mission, the AOC's Strategic Vision identifies four strategic goals. **Figure 29** displays the breakdown of the agency's cost expenditures by strategic goal for FY 2016. The AOC utilizes an activity-based cost framework to obtain the cost per goal. Under this framework, a series of cost accounting codes are used to record direct labor, material and contract costs. All direct

FIGURE 29: Net Cost of Operations by Strategic Goal



Total Net Cost Operations: **$605.0** ($ in millions)

costs are mapped to its respective goal. Indirect costs are assigned to an overhead pool and allocated among the four goals to arrive at the total cost per strategic goal.

The significant majority of the AOC's expenditures (93.0 percent) were attributed to achieving Strategic Goal 3 — Awe-Inspiring Facilities (70.8 percent) and toward Strategic Goal 4 — Extraordinary Services (22.2 percent). These areas form the core of the AOC's mission to serve the Congress and the Supreme Court, preserve America's Capitol and inspire memorable experiences for its visitors. For comparison, 93.9 percent of the AOC's FY 2015 expenditures were attributed to Strategic Goals 3 and 4. The remainder of the agency's resources was devoted to achieving Strategic Goals 1 and 2 (One Team, One Mission and Innovative and Empowered Workforce) — support goals that help the AOC implement the business framework necessary to accomplish its mission effectively and efficiently. Though only a small portion of its resources are committed to Strategic Goals 1 and 2, the AOC management believes these expenditures are critical to forming a culture of teamwork and innovation.

In its FY 2016 budget cycle, the AOC continued to refine a zero-based budget philosophy, strategy and process to develop its budget requirements. In efforts to anticipate future funding challenges, the AOC significantly changed how it prioritized spending requirements, and developed payroll tools, analyzed efficiencies, and strategies to prepare for impending budget impacts such as a year-long continuing resolution. The AOC also used effective costing methodologies and project justifications to focus on investing limited resources and prioritizing projects and programs to address its most pressing obligations. In conjunction with judiciously requesting funding for those projects that were most urgent, the AOC continued to capitalize on cost avoidance measures implemented in recent years.

Earned Revenues by Source

Two of the AOC's major sources of revenue for the fiscal year ending September 30, 2016 are intra-governmental reimbursements from the judiciary branch for facility operations in the Supreme Court and Thurgood Marshall Federal Judiciary Building ($29.3 million) and reimbursements paid to the Capitol Power Plant for steam and chilled water ($8.5 million). These two categories account for over 77 percent of AOC's total earned revenues, down from 90.0 percent in FY 2015. The primary cause of this decline was a $12 million reduction in judiciary branch reimbursements, as the AOC funded a portion of the TMFJB repairs via funds withdrawn from the corresponding investment with the Bank of New York Mellon. The remainder of earned revenues is comprised of sources that are earned year-to-year and are

PRESERVATION AND RESTORATION OF HERITAGE ASSETS

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

This fiscal year, the multi-year conservation and restoration of the Brumidi Corridors in the U.S. Capitol's Senate wing continued. In May 2016, the conservation of the West Corridor ceiling was completed and, during the second half of the fiscal year, work began on the North Corridor ceiling. For this restoration, layers of overpaint were removed and Brumidi's original vibrant colors and designs are being restored by a team of fine art conservators and decorative painters.

Art protection, monitoring of conditions and conservation maintenance are especially important on major construction projects. During the Capitol Dome restoration, the AOC was careful to protect the art inside the Rotunda, especially the panoramic *Frieze of American History*. In addition, extensive paint analysis and the determination of the accurate historic color for the cast-iron Dome interior was completed. Further, as part of the stone repair work on the Capitol's East Front, the conservation of Thomas Crawford's pedimental sculpture, *Progress of Civilization*, required treatment including removal of a damaging bird deterrent system, consolidation, general cleaning and stain removal.

In furtherance of its preservation role, the AOC implemented The Museum System database to effectively track objects under its care. This software is used by several major museums, including the Smithsonian, and will allow for the efficient planning of ongoing maintenance of heritage assets.

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

depicted in **Figure 30**. These include the Capitol Visitor Center's gift shop sales and food service commissions, as well as rent, recycling proceeds, project cost reimbursements and other miscellaneous revenues.

Cumulative Overview: Statement of Changes in Net Position

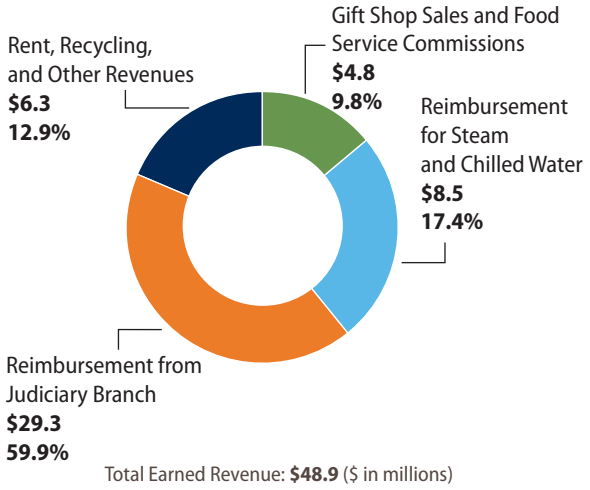
The Statement of Changes in Net Position identifies all financing sources available to, or used by, the AOC to support its net cost of operations and also identifies the net change in its financial position. Net position is the sum of two components: Cumulative Results of Operations and Unexpended Appropriations. Each component is displayed separately to facilitate more detailed understanding of the changes to Net Position as a whole. The AOC's Net Position at the end of FY 2016 on the Balance Sheet and the Statement of Changes in Net Position was $2.4 billion, a level nearly identical to the prior fiscal year.

Investments to Preserve Our National Treasures: Statement of Budgetary Resources

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

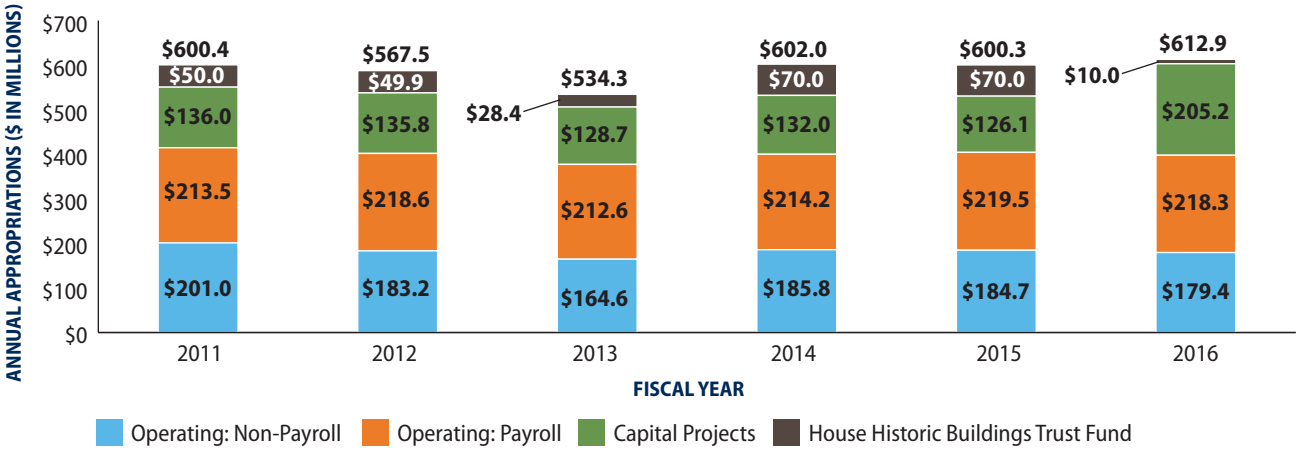
With Congress' support, and that of the American people, the AOC is making the long-term investments necessary to preserve and maintain the national treasures entrusted to its care. The AOC develops its budget request by prioritizing projects that will allow it to be good stewards of the buildings and grounds under its care, as well as taxpayer dollars. The AOC's appropriations consist of two

FIGURE 30: Earned Revenue by Source



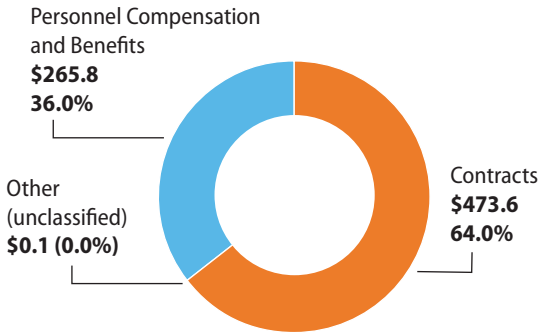
components: an operating budget component and a capital projects budget component. Separate appropriations are enacted for each of the AOC's jurisdictions. Operating budgets fund the day-to-day operations of all the AOC jurisdictions. Payroll, at $218.3 million, is the largest single component of the AOC's operating budget, representing 35.6 percent of the AOC's total FY 2016 budget (down from $219.5 million and 36.6 percent in FY 2015). 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 the AOC's stewardship. **Figure 31** shows the breakout of the AOC's enacted appropriations over the last six years. The AOC's FY 2016 appropriations level reflects a $12.6 million increase from FY 2015. The enacted spending levels reflects Congress' goal to hold the line on operational spending, while allowing the AOC to prioritize some of the critical deferred maintenance and life-safety projects, such as the repairs to the exterior

FIGURE 31: Trend in Total Enacted Appropriations



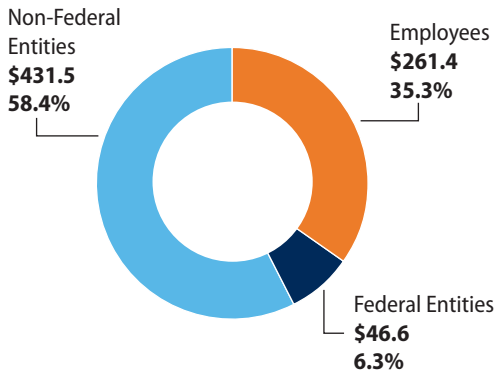
Note: Excludes Supreme Court Building and Grounds (included in the Judiciary Branch appropriation).

FIGURE 32: How Was the Money Spent/Issued?



Total Amounts Agreed to be Spent: **$739.5** ($ in millions)

FIGURE 33: Who Did the Money Go To?



Total Amounts Agreed to be Spent: **$739.5** ($ in millions)

envelope of the Russell Senate Office Building. Differences between the enacted spending levels and the Statement of Budgetary Resources (SBR) are due to activity from expired funds and offsetting collections. In addition, while the AOC is responsible for the Supreme Court Building and Grounds jurisdiction, appropriations for their expenses are not contained in the legislative branch appropriations (rather, they are included in the appropriations for the judicial branch). Such items are included in the AOC's SBR, but not the enacted spending levels for the agency.

Congress created the House Historic Buildings Revitalization Trust Fund[9] in FY 2010 to help fund the cost of the revitalization projects on the AOC's major historic buildings and assets (the Cannon House Office Building, among others). Despite the 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. For more information on this daunting challenge, please refer to Management Challenges and Looking Ahead in the MD&A section of this report.

Other Information: Combined Schedule of Spending

Unlike the Balance Sheet and the related financial statements, the Combined Schedule of Spending is not a required financial statement and, therefore, was not subject to independent audit. Instead, this combined schedule was created to provide an easy-to-understand illustration of the AOC's available funds and how the 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 the AOC's SBR. Similarly, the *How was the Money Spent/Issued?* section equals Obligations Incurred in the SBR. The Combined Schedule of Spending is in *Section IV: Other Information* of this report.

Figure 32 shows how the AOC's appropriations were spent in FY 2016, by category. As illustrated, contractual services (64.0 percent) and personnel compensation (36.0 percent) represent 100.0 percent of the AOC's spending. For comparison, 100.0 percent of the agency's spending went toward contractual services and personnel compensation in FY 2015 also. At the same time, **Figure 33** breaks out the AOC's available resources into the federal entities, non-federal entities and employees. As shown, the majority of the AOC's available resources (58.4 percent) went to non-federal entities. A comparable amount, 56.0 percent, of the AOC's spending went to non-federal entities in FY 2015.

Limitation of Financial Statements

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

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

The AOC continued its long-term conservation efforts to restore the Brumidi Corridors on the first floor of the U.S. Capitol's Senate wing. The ornately decorated walls and ceilings were painted under the direction of Constantino Brumidi in the 1850s and 1860s. The multi-year conservation work is being completed in phases and first began in the area called the Patent Corridor.

SECTION II

Performance Information

INTRODUCTION

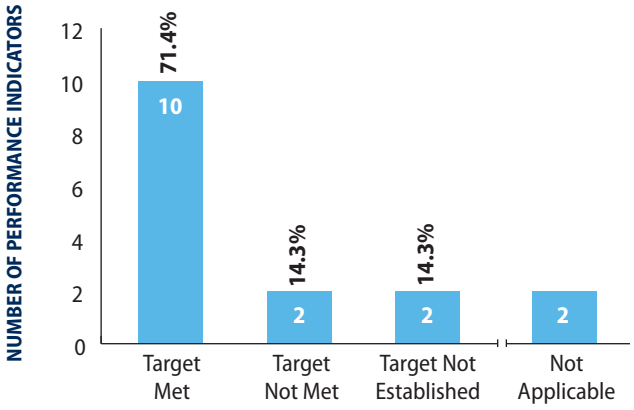
This section presents the Architect of the Capitol's (AOC's) Fiscal Year (FY) 2016 performance toward strategic goals identified in the *Strategic Vision and Five Year Focus* (covering FY 2012 through FY 2016). It discusses the AOC's FY 2016 indicators, strategies and performance results. The Strategic Vision identifies four strategic goals that support the AOC's mission.[10] Each strategic goal contains performance objectives and supporting strategies. The first two goals — *1. One Team, One Mission* and *2. Innovative and Empowered Workforce* — promote an organizational culture of professionalism, teamwork and accountability. The final two goals — *3. Awe-Inspiring Facilities* and *4. Extraordinary Services* — guide programs in the areas of operational support, project delivery, preservation of heritage assets and historic structures, and both client and visitor services. The AOC uses performance indicators to monitor progress toward its strategic objectives. Performance indicators include specific targets that measure the AOC's progress toward achieving a strategic objective. The AOC's Strategic Vision is available online at: **www.aoc.gov/strategic-vision-and-five-year-focus.**

In this section, the AOC reports FY 2016 results for 16 performance indicators aligned with 12 strategic objectives. As shown in **Figure 34**, the AOC met performance targets for 10 of the indicators and did not meet performance targets for two indicators. The four remaining indicators either did not have quantifiable targets (classified as "Target Not Established") or the performance data was not collected for FY 2016 — such as biennial performance indicators (classified as "Not Applicable").

AOC Strategic Vision and Five Year Focus

FY 2016 was the AOC's fifth and final year of operating under its *Strategic Vision and Five-Year Focus*. This document aligns the agency's work to fulfill its mission. The four strategic goals established by the Strategic Vision represent the AOC's essential elements of success and provide the long-term focus of the organization, whereas the objectives and the strategies form the near-term focus. The Strategic Vision identified 35 strategies to achieve the strategic goals. Soon after its publication, however, it became clear that the AOC would not be able to tackle all of these strategies within the five-year lifespan of the plan. To achieve better focus, the AOC re-prioritized its efforts to the strategies discussed in this section.

FIGURE 34: Performance Indicator Results



TOTAL NUMBER OF PERFORMANCE INDICATORS: 16

In FY 2016, the AOC initiated a rigorous process to develop a new Strategic Plan for FY 2017–FY 2021. The AOC's senior leadership decided that the four strategic goals will remain the same, as these continue to embody the essential elements of success in delivering its mission, pursuing its vision and living its values. However, learning from its experience with the FY 2012–2016 Strategic Vision, the AOC will limit its focus to a manageable number of high-priority strategies.

[10] The agency's mission, vision and values, as well as an organization chart that displays the agency's components, are contained in Section 1: Management's Discussion and Analysis.

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

Performance Management

The AOC uses objective data to drive performance management decisions and voluntarily refers to the guidelines set for executive branch agencies under the Chief Financial Officers Act of 1990, the GPRA Modernization Act of 2010 and other federal financial management regulations. Since FY 2004, the AOC has maintained a web-based Executive Dashboard (e-Dashboard) that enables leaders to use near real-time data to monitor results and manage performance. The e-Dashboard has evolved since its inception to better reflect the AOC's mission and the Strategic Vision. The AOC continuously reviews the e-Dashboard and aligns it with the most relevant strategies and targets. As part of this effort, the AOC may add indicators to track changing priorities, refine existing indicators due to the availability of new or improved data, or sunset obsolete indicators.

To drive effective performance management, the AOC establishes long-term targets through the Strategic Vision. Strategy owners and teams work with process owners to develop performance targets. In two instances, the goals, objectives and strategies do not lend themselves to target-setting. In these cases, the report describes accomplishments from throughout the fiscal year that reflect the AOC's efforts to meet its goals and objectives. While these accomplishments often are not quantifiable, they are still important indicators of the AOC's alignment with its strategic goals. While some indicators have enough precision to allow the AOC to monitor alignment with long-term goals, they do not lend themselves to the establishment of quantifiable targets and are labeled "Target Not Established." Indicators for which FY 2016 data was not available are reported as "Not Applicable."

TABLE 13: Strategic Objectives and Performance Indicators by Strategic Goal

Strategic Goal	Strategic Objectives	Performance Indicators
Goal 1: One Team, One Mission	3	4
Goal 2: Innovative and Empowered Workforce	3	3
Goal 3: Awe-Inspiring Facilities	4	7
Goal 4: Extraordinary Services	2	2
Total	**12**	**16**

In this section, the performance indicators used to monitor progress toward strategic objectives are presented along with definitions, targets, FY 2016 results and five prior years of data (when available), and data sources. Figures illustrating data trends accompany each performance table. **Table 13** identifies the number of strategic objectives and performance indicators, by strategic goal, for FY 2016.

In addition, the AOC receives recognition through numerous awards and certifications. This recognition is a lagging indicator of performance. Select awards and certifications are identified.

FY 2016 AWARDS AND CERTIFICATIONS

District of Columbia Society of Professional Engineers 2016 project of the year for the Capitol Dome Restoration Project

Construction Management Association of America (CMAA) National Capital Chapter's "Project of the Year" award in the "under $25 million" category for the Hart Senate Office Building Skylight and Roof Replacement Project

CMAA's "Top Regional Project" in the Mid-Size Project category for Hart Senate Office Building Roof and Skylight Project

Washington Building Congress Craftsmanship Award and Star Awards for Jefferson First Floor Sprinkler Project in the "Mechanical: Plumbing" category

TripAdvisor Certificate of Excellence (2016) — "signifying that the CVC has consistently earned outstanding feedback from TripAdvisor travelers"

Nomination for Helen Hayes awards for Outstanding Costume Design and Outstanding Theater for Young Audience for the musical, *Flowers Stink*, which was co-commissioned by the U.S. Botanic Garden and Kennedy Center and performed at the U.S. Botanic Garden (USBG)

Program Excellence Award from the American Public Garden Association for the USBG's and Lady Bird Johnson Wild Flower Center's Landscape for Life program

Association of Government Accountants' *Certificate of Excellence in Accountability Reporting* for the AOC's FY 2015 Performance and Accountability Report

FIGURE 35: Executive Dashboard

The web-based Executive Dashboard (or e-Dashboard), is the AOC's primary tool to monitor results and measure performance. The AOC continuously reviews the e-Dashboard and aligns it with the most relevant strategies and targets.

DATA VALIDATION AND VERIFICATION

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

The AOC's data validation and verification efforts include the following key mechanisms and processes:

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

The AOC continually refines the operational definition of every performance indicator included in the Executive Dashboard (see **Figure 35**). Documentation packages are

maintained for each performance indicator. These packages include a description of the indicator's relevance, data source and providers, the calculations used to build the measure, data validation steps, definitions of relevant terms, and a summary of data limitations and risks that might impair accuracy. By identifying data limitations and risks, the AOC develops better, more complete data validation procedures. The AOC uses this information to continually improve the validity, accuracy and depth of the data it uses to measure performance. In FY 2016, the AOC was not required to have, nor did it conduct, research or program evaluations related to the agency's understanding of program performance, problems the programs are trying to tackle, or external factors that might influence performance. As a result, no evaluation findings are included in this report.

A summary of the performance indicators added or no longer used, as well as a performance indicator assessment table, is contained in *Appendices G and H* of this report, respectively.

In the Performance Section, a handful of performance indicator tables include prior year data noted with an asterisk (*). The asterisk is used to indicate that results reported in this year's PAR differ from those reported in FY 2015. These differences are primarily due to data updates received after the FY 2015 PAR was published or to minor differences in the level of precision reported.

The AOC's *One Team, One Mission* strategic goal fosters a culture of learning, sharing, cooperation and teamwork. This fiscal year, the AOC's Bicycle Advisory Committee held 19 coordination meetings and 15 events, published numerous informative articles and accepted the Bronze Level Bicycle Friendly Business award at the League of American Bicyclists National Bike Summit.

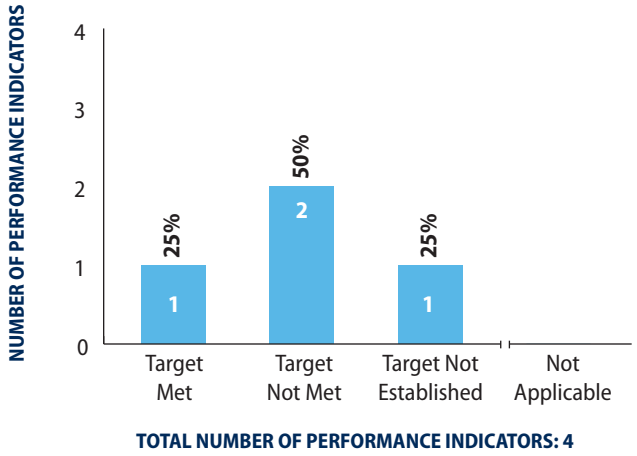
STRATEGIC GOAL 1: One Team, One Mission

United in Excellence

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

FIGURE 36: Performance Indicator Results Achieved for One Team, One Mission



ONE TEAM, ONE MISSION STRATEGIC OBJECTIVES

1.1: Cultivate an organizational culture of learning, sharing and support

1.2: Utilize AOC resources efficiently

1.3: Collaboratively develop and implement standardized processes, policies and programs

The goal's three strategic objectives (listed in the call-out box) express how the agency will make progress toward achieving One Team, One Mission (OTOM). These objectives guide the AOC to improve processes by learning from colleagues and external partners, fostering collaboration within and outside of the organization, and implementing projects with the greatest agency impact. The AOC's ability to leverage technology for better learning and sharing through the use of cross-jurisdictional teams led to many successful events and projects. Operating as one team dedicated to one mission can be challenging for the AOC, which serves two separate branches of government and is funded under 11 separate appropriations. While the appropriation structure complicates resource sharing across jurisdictions, the AOC uses collaboration and knowledge sharing to overcome these challenges.

The AOC monitors four performance indicators for this goal. **Figure 36** summarizes the performance results achieved in FY 2016 for this strategic goal.

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

The AOC meets this objective by sharing knowledge and skills, formal training, collaborative activities and internal knowledge sharing. The agency gauges progress toward this objective by tracking per capita spending on training. While this indicator is used to track the AOC's continued commitment to developing and investing in its workforce, no target is set because per capita training expenditures are greatly affected by external factors.

Analysis of FY 2016 Results

The alignment indicator, Sustained Investment in Learning, is measured by the average amount spent on training per employee. This measure is calculated by taking the AOC training expenditures and dividing this figure by the average number of employees. **Table 14** and **Figure 37** provide trend data on the AOC's investment in learning.

The AOC spent less money per employee for training in FY 2016. This was due, in part, to budget limitations that led to reduced funding for training. The AOC also filled more vacant positions in FY 2016, which spread available training resources across a larger pool of employees. The AOC used non-traditional development opportunities such as the Architect's Mobility Program (AMP) and Exchange of Critical Expertise and Learning (ExCEL) program to offset the funding limitations. The agency also expanded in-house led and online training options. These programs increased learning opportunities at a reduced cost, resulting in lower per capita spending. These programs are described in more detail under strategic goal two.

In addition to supporting this objective through training and development programs, the AOC employs the four strategies (1.1.1–1.1.4) to promote a culture dedicated to learning and sharing. A discussion of the results achieved under each strategy follows.

1.1.1: Enhancing the foundation on which AOC develops and delivers results and strengthen the agency's reputation for excellence

The AOC executes this strategy through effective management of the highly visible capital improvement projects highlighted under the Awe-Inspiring Facilities goal and through collaboration to overcome the challenges of unplanned, short notice events or conditions. For example, when Speaker Ryan assumed office in early FY 2016, the AOC worked with the U.S. House of Representatives' Office of the Chief Administrative Officer service team to update finishes in the Speaker's office. To facilitate an efficient response to short notice events, the AOC put into place five multiple award/job order contracts (MAC/JOC) and three Indefinite Delivery Indefinite Quantity construction management contracts.

1.1.2: Increasing the use of cross functional teams drawn from across the agency to develop and share solutions to common challenges

By leveraging employee knowledge and skills, the AOC is better able to overcome operational challenges. Much of this is accomplished through informal networks of AOC

FIGURE 37: Sustain Investment in Learning

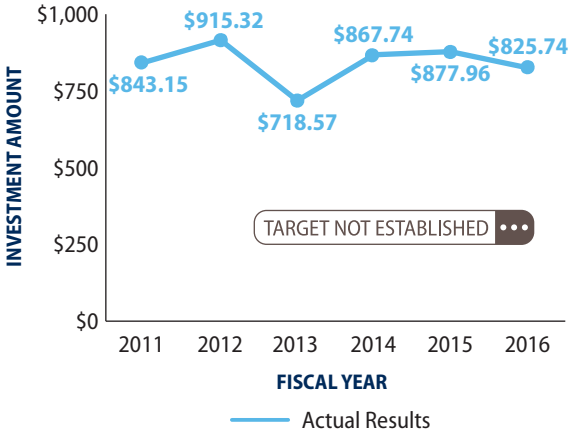


TABLE 14: Sustain Investment in Learning

Fiscal Year	2011	2012	2013	2014	2015	2016
Target	Not Established	Not Established	Not Established	Not Established	Not Established	Not Established
Performance	$843.15	$915.32	$718.57	$867.74	$877.96	$825.74
Target Met	Not Established	Not Established	Not Established	Not Established	Not Established	Not Established

Definition: Total expenditures on training activities divided by average number of employees for the fiscal year
Source: AOC Financial Management System for amounts spent in training activities, National Finance Center bi-monthly information data file for number of employees

employees working in similar lines of business across multiple jurisdictions who share their expertise. For example, the AOC continues to leverage collaboration among subject matter experts across jurisdictions to enhance the historic landscape and gardens throughout the campus. At the same time, strong collaboration characterizes much of the AOC's emergency maintenance efforts. A notable example of cross functional teams solving a common challenge occurred in December 2015 when the Library of Congress' Packard Campus experienced a failure of the Variable Frequency Drive (VFD) that serves the hot water system. While making a temporary bypass in order to continue hot water service, the Library Buildings and Grounds (LBG) jurisdiction borrowed a VFD from the House Office Buildings jurisdiction in order to make a quick repair. This collaboration allowed a speedy resolution and prevented a more significant impact.

1.1.3: Expand external collaboration to enhance innovation, deliver better value and exceed expectations

In FY 2016, the AOC continued to expand and enhance its external partnerships. For example, the U.S. Botanic Garden (USBG) partnered with the Kennedy Center to produce two original site-specific theatrical pieces that received rave reviews from critics and audiences. *Flowers Stink*, a musical performed in the National Garden Amphitheater, was viewed by 4,700 visitors and nominated for two Helen Hayes Awards. The USBG also collaborated with the Smithsonian Institution to create a "Morning at the Museum" which offered an opportunity for families with children on the autism spectrum to enjoy a visit to the Garden before normal public hours. Representatives from the CVC and Congressional Accessibility Office attended these programs to determine if such a service might be offered in the Capitol. In addition, through a partnership with the U.S. National Park Service, the USBG presented *Flora of the National Parks*, an engaging exhibit celebrating the National Park Service's 100th anniversary and showcasing some of the plant species and communities found throughout the over 400 National Parks.

1.1.4: Participate and actively engage in professional associations and partnerships

The AOC has a history of partnering with a broad range of nationally recognized leaders to craft and adopt best practices for the effective stewardship of the nation's Capitol.[11] The AOC's unique portfolio of responsibilities creates models that other organizations seek to emulate. The AOC is committed to professionalism and leadership in continuing, establishing and evolving techniques and processes in the crafts that support the AOC's mission.

Future Strategy

Looking ahead, the AOC's new strategic plan will retain the One Team, One Mission goal in order to continue to improve collaboration, communication and alignment of purpose across the organization. The strategic objectives and strategies will be refined to incorporate lessons learned and exploit new opportunities. To support a refined OTOM Objective 1, to "ensure the success of others by prioritizing AOC's mission, values, vision and goals ahead of the interests of any individual, work group, or business unit," the agency has identified the following strategies:

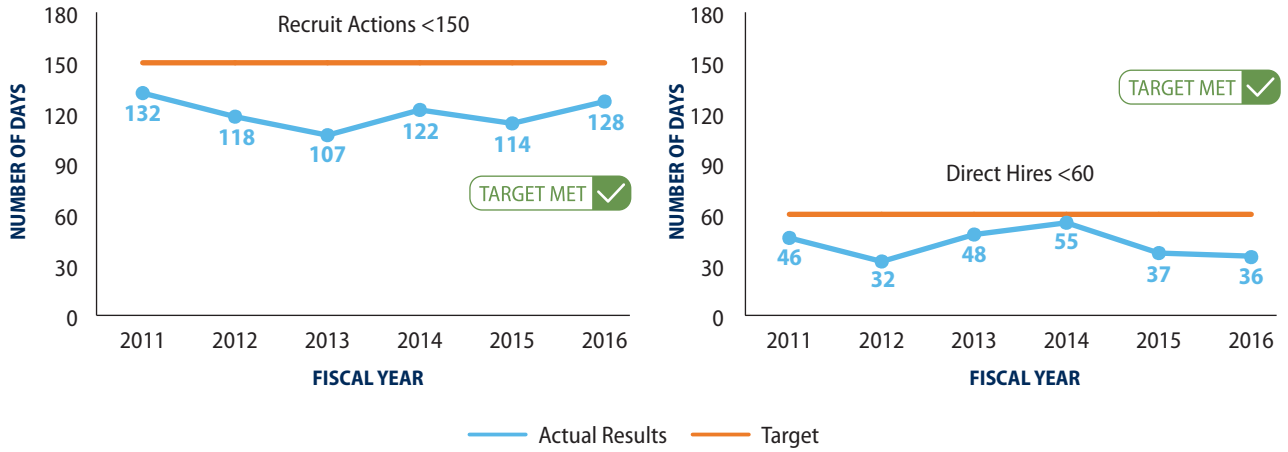
- Strengthen collaboration and alignment to a shared purpose, with partners within and across business units by improving communication, and/or clarifying roles and responsibilities, and/or improving processes of each business unit.
- Establish opportunities for employees to work in, or closely with the employees of, other business units.

STRATEGIC OBJECTIVE 1.2: Utilize AOC Resources Efficiently

In FY 2016, the AOC continued to improve operational efficiency, expand best practices and leverage collaboration as a means of using in-house expertise to reduce costs and conserve resources.

[11] The AOC's external partners include the Advisory Council on Historic Preservation, National Building Museum, Capitol Police Board, Capitol Accessibility Services Board, D.C. Zoning Commission, National Capital Memorial Commission, the American Institute of Architects, the Construction Users Roundtable, Construction Industry Institute, Heritage Preservation, International Association of Museum Facility Administrators, International Code Council, International Facility Management Association, the National Council for Public-Private Partnerships, National Institute of Building Sciences, Federal Real Property Advisory Group, U.S. Green Building Council, Construction Management Association of America and the Washington Building Congress, among others.

FIGURE 38: Adherence to Hiring Cycle Time



Performance success is defined as completion of the hiring action in less than the targeted number of days.

Analysis of FY 2016 Results

The AOC measures progress against this objective through two indicators that monitor operational processes and labor inputs. Improved effectiveness and collaboration should be reflected in reduced processing time for new hires (see **Table 15** and **Figure 38**) and in fewer overtime hours utilized agency wide (see **Table 16** and **Figure 39**).

The AOC's Human Capital Management Division continued to meet its target for hiring in FY 2016. For the third straight year, the number of days to fill direct hire vacancies decreased. While recruit actions didn't meet the previous year's level, the AOC team processed a higher volume of recruits and the target was still met. The maturation of the Monster Hiring Management System and human resource specialists heightened collaboration with jurisdiction hiring managers and reduced redundant processing and communication gaps.

Overtime is calculated by the sum of hours of overtime recorded in AOC's time and attendance system and extracted from the payroll system. In FY 2016, the AOC's use of overtime increased by approximately 33,000 hours — a rise of nearly 24 percent from the previous year. This increase of overtime is due in large part to the blizzard that paralyzed Washington D.C. in January 2016. That single month accounted for nearly 30,000 hours of overtime — almost twice the number of hours used in a typical month. Overtime was also higher in subsequent months to address the backlog of work created from snow removal efforts, employee shortages and planning for the Presidential Inaugural.

The AOC employs three strategies (1.2.1–1.2.3) to ensure efficient resource prioritization and utilization. A discussion of the results achieved follows.

1.2.1: Expanding the adoption of best practices where beneficial

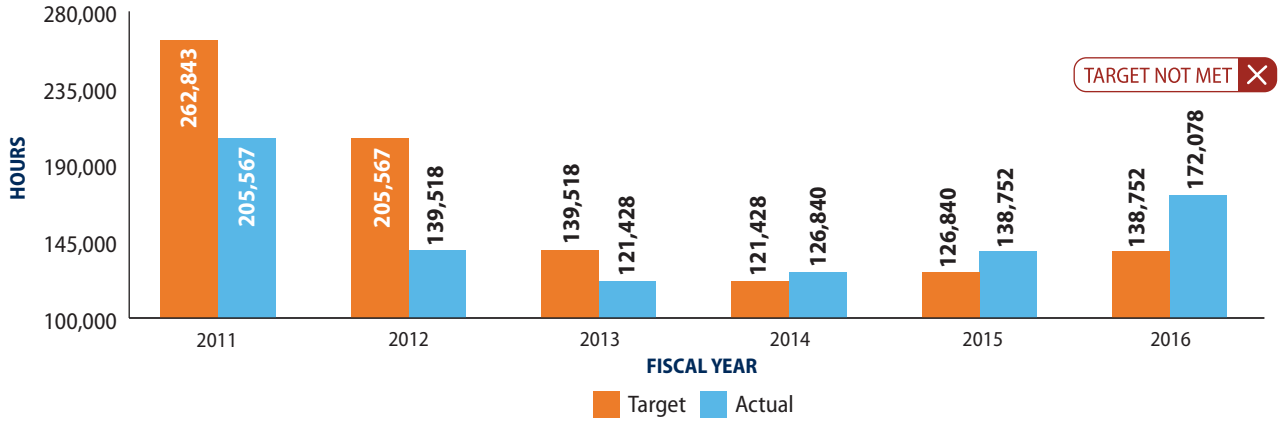
The AOC continues to research and implement best practices to fulfill its mission, raise operational standards and conserve resources. In FY 2016, the Curator Division implemented the proven The Museum System database for the management of collectible heritage assets. This database is used by major museums all over the world, including

TABLE 15: Adherence to Hiring Cycle Time

Fiscal Year	2011	2012	2013	2014	2015	2016
Target (Recruiting Action/Direct Hires)	150/60	150/60	150/60	150/60	150/60	150/60
Performance (Recruiting Action/ Direct Hires)	132/46	118/32	107/48	122/55	114/37	128/36
Target Met	Met	Met	Met	Met	Met	Met

Target: Recruiting actions are completed within 150 days and direct hire actions are completed within 60 days
Definition: Total number of days from request to fill a vacancy to the date the employee is on board divided by the total number of positions filled
Source: HCMD, Employment and Classification Branch statistics

FIGURE 39: Overtime Usage Hours



Performance success is defined as incurring less overtime hours than in the previous year.

the Metropolitan Museum of Art and the Smithsonian. It will allow the AOC to more effectively track data on every object under its care and will allow for more efficient planning for ongoing maintenance of heritage assets. In addition, the Curator's Records Management and Archives Branch (RMAB) began implementation of SharePoint for managing and preserving permanent electronic records throughout the AOC. This initiative leveraged the basic records management functionality within SharePoint to provide electronic recordkeeping. After a successful pilot, RMAB began a phased launch to incorporate records management controls into this electronic tool.

1.2.2: Streamlining AOC internal operations for enhanced efficiency and effectiveness

In FY 2016, the AOC executed a number of initiatives to enhance efficiency and effectiveness. For example, the AOC revised and reissued the Personal Property Manual to streamline excess property disposal processes, increase accountability and facilitate the sharing of excess property with other potential users across the agency. The agency also conducted 18 self-governance audits and facilitated the transfer of 51 assets within the AOC and to other state and federal government agencies. This saved the AOC over $550,000 by avoiding the procurement of redundant inventory. The AOC also took steps to improve the management of its substantial vehicle fleet. The Capitol Grounds jurisdiction implemented a five-year fleet management and replacement plan supported by an annual fleet assessment. At the heart of this plan is the matching of vehicle characteristics with the requirements for successful mission support.

1.2.3 Maximizing the effectiveness of financial information in the decision making process

In FY 2016, the AOC began re-assessing the cost accounting code structure and developing a strategy to simplify the current framework. In addition, the AOC jurisdictions evaluated their use of cost reporting and identified information gaps. This evaluation will provide a baseline for the next stage (continuing through FY 2018) that will evaluate activity code mappings to devise a new cost accounting code taxonomy and data dictionary. When complete, this effort will create a more efficient process for obtaining financial data and will enable improved financial analysis.

TABLE 16: Overtime Usage Hours

Fiscal Year	2011	2012	2013	2014	2015	2016
Target	<262,843	<205,567	<139,518	<121,428	<126,840	<138,752
Performance	205,567	139,518	121,428	126,840	138,752*	172,078
Target Met	Met	Met	Met	Not Met	Not Met	Not Met

Definition: Total expenditures on training activities divided by average number of employees for the fiscal year
Source: AOC Financial Management System for amounts spent in training activities, National Finance Center bi-monthly information data file for number of employees
Information adjusted from that reported in the FY 2015 PAR is marked with an asterisk (*)

Future Strategy

Looking ahead, the AOC has identified several strategies to support the ongoing goal to operate as one team, dedicated to one mission. In the next Strategic Plan, the AOC is aligning all efforts to support the goal of One Team, One Mission under the revised OTOM strategic objective 1.1.

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

In FY 2016, the AOC continued integrating risk management into operations, project planning and the strategic planning process. All jurisdictions and several divisions initiated action planning as a means of driving quality improvement in support of the AOC's next Strategic Plan. To support the action planning process, the AOC is expanding its Executive Dashboard to drive productivity by monitoring action plan progress.

Analysis of FY 2016 Results

The AOC measures progress toward this objective by tracking Procurement Acquisition Lead Time (PALT) against an established target, as the procurement process touches many agency functions and requires an OTOM mentality to ensure that delays are not caused at any step in the process. **Table 17** and **Figure 40** provide an overview of this performance indicator.

The PALT performance indicator shows whether the award status is on time or late. There are conditions that may impact the status of the award that are outside of the agency's purview. A late award can often occur with no negative impact. By assessing, documenting and charting the timelines, managers can pinpoint process areas that need focus and make appropriate adjustments. In FY 2016, the AOC responded to a report by GAO by expanding the number of competition categories on the Executive Dashboard to better monitor distinctions between award categories, types and where management attention may be needed to maximize competition to the fullest extent. The AOC will increase accountability by refining the Executive Dashboard to monitor detailed steps within the PALT process.

In FY 2016 there were 1,265 documents in the PALT, the most since FY 2013. Of those, 291 were late. Performance improved by one-half of a percent from FY 2015 and delivery and task award performance increased by almost 10 percent during the same period. Although the on time target for the PALT was not met for FY 2016, the AOC executed 99.1 percent of annual funds — its second best performance in eight years. The agency's performance was impeded in FY 2016 by an increase in workload, the departure of seasoned staff and the loss of one position. The AOC is conducting a procurement summit in November 2016 with the agency's CFO, CAO and AMMD leadership to assess workforce shortages and strategize mechanisms to mitigate current challenges.

FIGURE 40: Adherence to Procurement Acquisition Lead Times

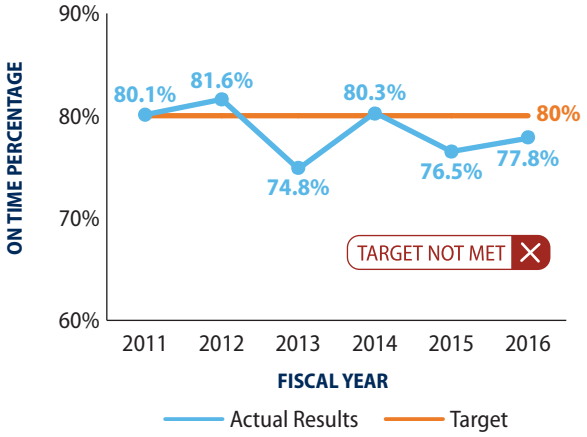


TABLE 17: Adherence to Procurement Acquisition Lead Times

Fiscal Year	2011	2012	2013	2014	2015	2016
Target	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
Awards (Combined)	80.1%	81.6%	74.8%	80.3%	76.5%	77.0%
Contracts	76.5%	100.0%	80.0%	76.2%	76.9%	68.0%
Orders	82.0%	86.0%	74.3%	77.6%	67.9%	77.5%
Small Purchases	79.9%	81.2%	74.8%	80.6%	78.5%	78.0%
Target Met	Met	Met	Not Met	Met	Not Met	Not Met

Definition: Number of requisitions awarded within Procurement Acquisition Lead Times divided by total requisitions awarded (excludes interagency agreements)
Source: AOC Financial Management System

The AOC continued collaboratively developing and implementing standardized process, policies and programs by employing the three strategies (1.3.1–1.3.3). A discussion of the results achieved follows.

1.3.1: Create and engage in proactive risk management processes

In FY 2016, the Planning and Project Management (PPM) office incorporated risk scoring into the Facilities Condition Assessment process and expanded the risk scoring to the Line Item Construction Program (LICP) process. In the past, the AOC prioritized LICP projects by urgency, resulting in projects being assigned action years based upon the urgency identified. To better align with a risk mitigation mindset, projects are now prioritized based upon risk resulting in an assigned criticality. This comprehensive process empowers AOC leaders to prioritize projects based on standardized criteria that includes such factors as current condition, impact of failure, probability of failure and frequency of failure.

The AOC also developed a coordinated snow-management plan in FY 2016 to improve its response to snow emergencies. The plan included the first-time use of a virtual emergency operations center to coordinate resources and reporting. The plan and system were successfully implemented during the January 2016 blizzard.

1.3.2: Establish and implement a program that drives quality improvement throughout the agency

In FY 2016, management teams across the AOC created rolling two-year action plans (FY 2017–18), which will be revised annually in support of AOC's next Strategic Plan. These action plans help management prioritize work and resources to ensure alignment with the Strategic Plan and help business units drive quality improvement through the establishment of metrics and outcomes for their action plans. Following the Government Performance and Results Modernization Act, the AOC also deployed a process of action planning to drive performance management throughout the agency. This process empowers jurisdictions to manage quality and performance in ways that are meaningful to their individual priorities while supporting the agency-wide goals. Highlights include: aligning existing activities to new initiatives; evaluating and increasing opportunities for collaboration; reviewing performance measures, targets and trends; and adding new metrics to the Executive Dashboard (while removing others where initiatives have been accomplished).

1.3.3: Build a consistent data framework to manage knowledge as an agency asset and drive productivity

The AOC e-Dashboard continues to leverage business intelligence software to consistently assess corporate data to manage productivity. Data originates from a variety of sources ranging from complex enterprise accounting and reporting modules to simple tracking spreadsheets. The data framework ensures consistent data that is easily linked and interoperable. Each month the Executive Leadership Team conducts a corporate performance meeting to assess performance measures, targets, trends and progress. Trend analysis enables management to be predictive in operational areas like work order surges and use of overtime. At these meetings, the AOC leaders recognize good performance, share best practices and discuss options for improvement.

DID YOU KNOW?

Today, the approximately 2,100 employees of the Architect of the Capitol serve in diverse roles applying both modern techniques and historical tradecrafts in the care and preservation of the Capitol campus.

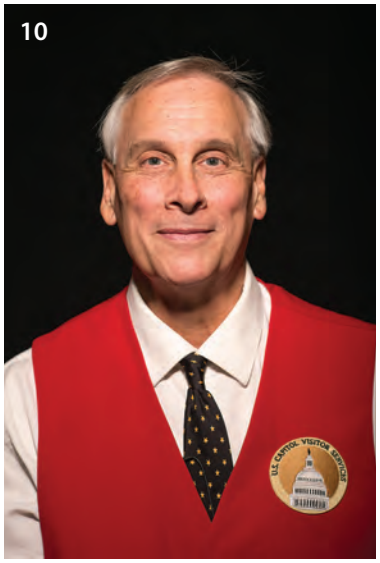
Future Strategy

In the AOC's next Strategic Plan, the agency will update and refine the goal objectives and create a new OTOM 1.1 objective to ensure the success of others by prioritizing AOC's mission, values, vision and goals ahead of the interests of any individual, work group or business unit. The AOC is incorporating current process and quality improvement strategies under the new OTOM 1.1.1 strategy.

In response to a Category 4 winter storm which occurred in January 2016, the AOC jurisdictions partnered to clear sidewalks, driveways and access roads and keep the Capitol campus open for emergency operations.

One Team, One Mission

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



1. **Lamenthia Davis**
2. **Joshua Butcher**
3. **Edward Kessie**
4. **Peggy Hernandez**
5. **Gregory Meyer**
6. **Kathleen Stisted**
7. **Donald Wood**
8. **James Lowe**
9. **Al Kaminsky**
10. **Harvey Mackey**
11. **Jocelyn Travers**
12. **Betsy Johnson**
13. **Paul Miller**
14. **Richard Dykes**
15. **Laura Anthony**
16. **Andy Gayne**
17. **Daryl Ann Hartung**
18. **Shane Gallagher**
19. **Priestly Williams**

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

The AOC's *Innovative and Empowered Workforce* strategic goal empowers the agency's workforce to excel in service delivery and preserve the national treasures in its care. This fiscal year, the AOC completed the abatement, priming and painting of the U.S. Capitol Dome exterior.

STRATEGIC GOAL 2:
Innovative and Empowered Workforce Leading Change Together

The 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, the AOC will attract, develop and retain exceptional employees. The AOC's vision is embodied in dynamic individuals who are empowered to better serve Congress, the Supreme Court and the American public. The Innovative and Empowered Workforce goal includes three strategic objectives that are listed in the accompanying call-out box. These objectives express the direction the agency will take toward achieving its mission and meeting this goal. Work under this goal focuses on fostering AOC employees' growth and development to achieve a well-prepared and engaged workforce, while also improving responsibility, accountability and creativity in solving problems.

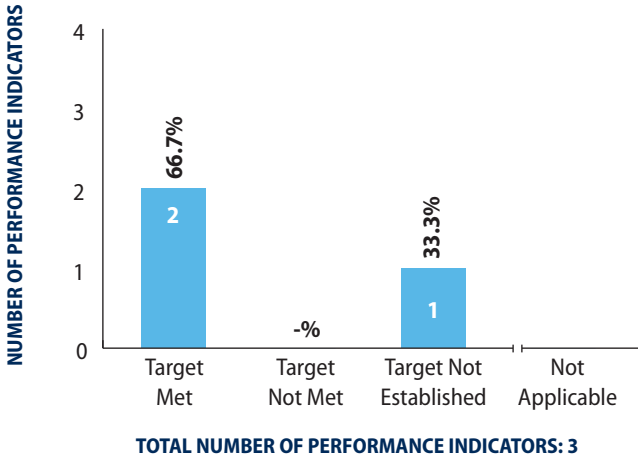
INNOVATIVE AND EMPOWERED WORKFORCE
STRATEGIC OBJECTIVES

2.1: Treat people as the cornerstone of our success

2.2: Increase employee involvement and engagement

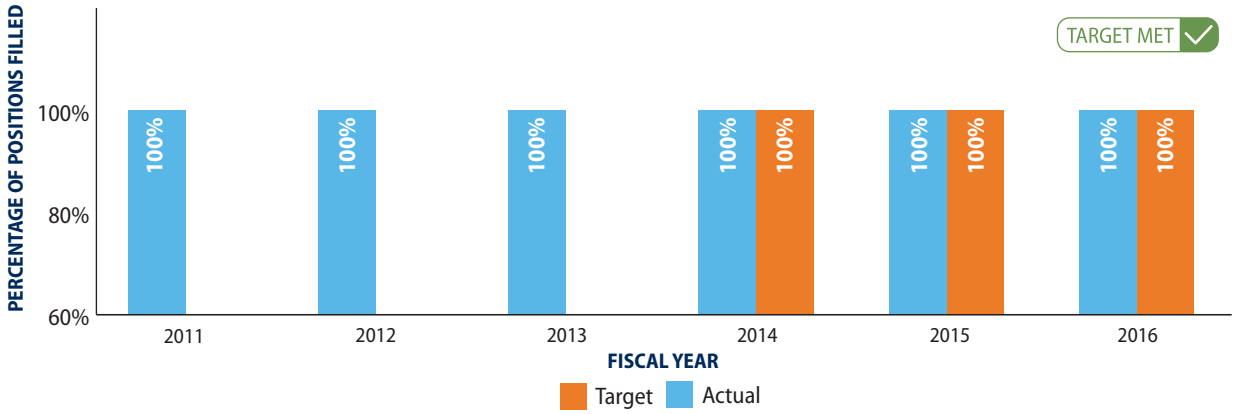
2.3: Build a culture of transparency, ownership and accountability

FIGURE 41: Performance Indicator Results Achieved for Innovative and Empowered Workforce



The AOC monitors three performance indicators for this goal: filling all Architect's Mobility Program vacancies, tracking the number of awards bestowed through the Architect's Honor Award Program and the results of a biennial employee feedback survey which assesses employee satisfaction. In FY 2016, the AOC switched the survey tool used for the third indicator — discontinuing the Organizational Assessment Survey (OAS) and replacing it with the Federal Employee Viewpoints Survey (FEVS).

FIGURE 42: Participation in the Architect's Mobility Program



Targets Not Established FY 2011–2013

Since both surveys are administered by the Office of Personnel Management (OPM), the AOC was able to retain many of the prior survey's questions in order to compare the FY 2016 survey results with those from FY 2012 and FY 2014. Switching to the FEVS allows the AOC to better compare results with other government agencies. **Figure 41** shows the performance results achieved in FY 2016 for this strategic goal.

STRATEGIC OBJECTIVE 2.1:
Treat People as the Cornerstone of our Success

In FY 2016, the AOC made progress toward this objective by focusing on employee development through formal training and informal experiential programs, streamlining the hiring process in order to attract highly talented individuals, and refining rewards programs to recognize outstanding employees. In addition, the AOC champions the two strategies (2.1.1–2.1.2) to demonstrate its commitment to its employees.

Analysis of FY 2016 Results

The AOC measures progress against this objective by tracking participation in the Architect's Mobility Program (AMP), which offers career opportunities for employees who occupy career limiting positions and lack qualifying experience to enter other career fields. Through the program, the AOC identifies vacancies that are filled through a competitive process, allowing AMP employees to gain skills in trades outside their areas of expertise in new AMP career-ladder positions. The AOC has met its goal to fill 100 percent of available AMP positions every year since the target was set in FY 2014. In FY 2016, 12 AMP positions were advertised and filled across six jurisdictions, the highest number of AMP positions advertised since the program's inception. Since then, 30 AOC employees have been placed in permanent AMP positions where they are thriving and supporting the AOC's mission. **Table 18** and **Figure 42** provides an overview of this performance indicator.

TABLE 18: Participation in the Architect's Mobility Program

Fiscal Year	2011	2012	2013	2014	2015	2016
Target		No Target Assigned		100%	100%	100%
% Positions Filled	100%	100%	100%	100%	100%	100%
Positions Available	1	3	6	5	3	12
Number of Applicants	7	45	148	42	46	174
Enrollments	0	4	6	5	3	12
Target Met	Target Not Established	Target Not Established	Target Not Established	Met	Met	Met

Definition: Percent of available positions in the Architect's Mobility Program that are filled
Source: Training and Employee Development Branch, Human Capital Management Division
Note: The FY 2011 position was filled in FY 2012 in order to take advantage of the newly re-designed program. The four FY 2012 enrollments filled the one FY 2011 position available and the three available FY 2012 positions.

A discussion of the results achieved under each strategy follows.

Strategy 2.1.1: Enhancing opportunities for personal and professional growth

The AMP program is a major ongoing initiative in support of this strategy. AMP enhancements are currently being evaluated, including the possible inclusion of the Core Introductory Craft Skills Training (CORE) program into AMP. CORE provides college-level courses focusing on foundational content and basic topics related to various trades. In partnership with Prince George's Community College, the AOC's Capitol Building (CB) jurisdiction piloted this program in FY 2015. In FY 2016, CB enhanced the program to allow employees to select a specific field of technical study to continue their education (either air conditioning maintenance or electric).

In addition, during FY 2016, the AOC launched CareerPath to empower AOC employees to develop their careers by providing guidance on understanding and navigating the recruitment process, resume writing and preparing for job interviews. This multi-series program reached 44 employees in its first year. HCMD also enhanced online learning opportunities in FY 2016 with the expansion of AOCLearn, a customized online training portal, with newly available mobile platforms and a larger selection of courses. AOCLearn provides training opportunities anytime, anywhere to interested AOC employees.

At the jurisdiction level, the House Office Buildings jurisdiction developed a system to use individual development plans and on-the-job training sessions for employees in the mechanical, electrical and elevator sections to assess skills, plan training and introduce experiences — empowering employees to take control of their professional development. The employees work with their supervisors to identify the criteria and training necessary to meet the AOC's needs and to develop their careers.

Strategy 2.1.2: Strengthening our programs and strategies to attract and retain outstanding employees

In FY 2016, the AOC implemented a number of initiatives to improve recruiting and retention. The Human Capital Management Division (HCMD) began incorporating a talent acquisition model into a re-engineered recruitment process. HCMD also rolled out a new Human Resources Information System (HRIS) to allow the automation of many AOC personnel transactions, and provide a more agile process at an estimated cost savings of $1.5 million dollars per fiscal year. By dedicating resources toward attracting and retaining outstanding employees, and providing growth opportunities for current employees, these initiatives exemplify AOC's commitment to fairness in hiring and advancement and treating its employees as the cornerstone of the agency's success.

Future Strategy

Looking ahead, the AOC is developing objectives and strategies for inclusion in the next Strategic Plan to continue fostering an Innovative and Empowered Workforce (IEW). While this strategic goal will remain in the next Strategic Plan, the objectives are being refined to capture progress and priorities for the agency. In addition, IEW Objective 1 is being refined to focus on strengthening employee performance through development and accountability. The strategic outcome is that all employees regularly receive development — resulting in stronger technical competency and desired workplace behaviors.

STRATEGIC OBJECTIVE 2.2: Increase Employee Involvement and Engagement

The AOC champions this strategic objective by focusing on the collection and analysis of employee feedback through several survey tools. This feedback is incorporated into action plans with the aim of increasing employee engagement in the workplace, and employee involvement in shaping the AOC's strategic direction. In addition, the AOC employs three strategies (2.2.1–2.2.3) to increase employee involvement and engagement.

Analysis of FY 2016 Results

The AOC measures progress toward this objective by tracking the Architect's Honor Award Program as an indicator of employee involvement and engagement. This measure shows the dedication of the AOC's workforce in going above and beyond their prescribed jobs. **Table 19** and **Figure 43** provide the number of Honor Awards bestowed through this program.

The AOC honored 944 recipients in FY 2016. While there is no target set for this measure, it does show an increase in the number of awards given from the previous five years. This increase reflects the exemplary effort of a dedicated workforce to make many of the AOC's high-profile projects exceptional, including the restoration of the Capitol Dome and Rotunda. Highlights from FY 2016's awards include: 31 service excellence awards, 113 product/process excellence awards, six community service awards, 19 safety awards, five leadership awards, six small business awards, five commendation awards, 66 awards for business units with no recordable injuries and one Citation Award — the highest honor bestowed on an AOC employee.

The following examples illustrate work that directly supports this objective's strategies.

Strategy 2.2.1: Empowering employees to serve as AOC ambassadors

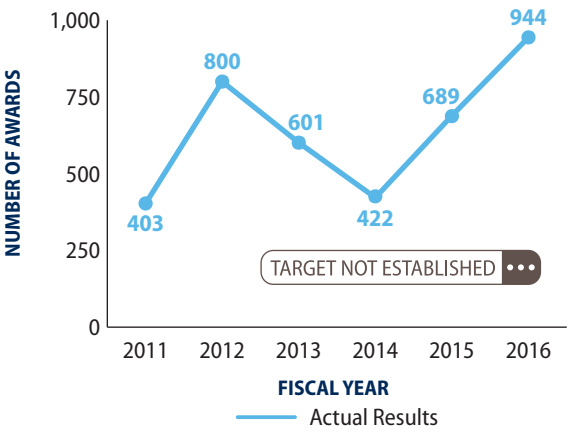
In FY 2016, the AOC rebranded and refocused the employee newsletter in an effort to highlight important topical information, events or employee achievements in a more accessible format — thereby giving its employees the information to better serve as ambassadors for the agency to members of Congress and to the public. Agency employees also served as ambassadors in the community through participation in the partnership with the Phelps Architecture, Construction and Engineering High School. Employees from various jurisdictions throughout the AOC have taught classes on engineering, architecture and many different trades, and have hosted students to show them how the lessons they learn in class are applied in the Capitol. The AOC's customer service philosophy also aims to build awareness and skills among employees, giving them the tools needed to effectively serve as ambassadors.

Strategy 2.2.2: Cultivating a work environment of trust and employee engagement

The AOC is committed to improving workplace culture by cultivating a work environment of trust and engagement at all levels in the organization. Through the analysis of survey data from the FY 2014 Organizational Assessment Survey (OAS), the AOC made improvements in the following areas:

- To promote a greater sense of fairness with respect to rewards, recognition and accountability, the Honor Awards nomination process was restructured to strengthen the emphasis on accomplishments that truly go "above and beyond." In addition, Emergency Response Awards were created to recognize employees' exemplary efforts in responding to major snow events or similar incidents.
- To reduce bureaucracy and promote flexibility and innovation, the AOC streamlined the disciplinary process and simplified sick leave administration by reducing requirements for doctors' notes.

FIGURE 43: Volume of Honor Awards



- To promote a greater sense of fairness in hiring and promotions, the AOC took steps to strengthen employee development and promote good hiring practices.

Strategy 2.2.3: Encouraging workplace innovation, new ideas and solutions

This strategy empowers an innovative workforce. It enables employees to creatively solve unexpected maintenance problems and has synergistic effects that support other AOC goals, such as maintaining Awe-Inspiring Facilities. For example, USBG staff devised a method to provide supplemental/emergency heat during an unexpected loss of heat event at their Production Facility. Their innovative solution involved installing natural gas lines throughout the greenhouses to enable the use of standalone heaters to protect the living collections. A secondary benefit of this solution is energy savings, as use of the natural gas heaters allowed for the delayed reliance on more energy-intensive steam heat.

Future Strategy

Looking ahead to the agency's next Strategic Plan, AOC is retaining IEW Objective 2.2, cultivate high employee engagement in the workplace, and has identified several strategies by which to focus efforts toward meeting this objective, including: reduce bureaucracy by enabling decision making in support of service delivery at the lowest practical levels and/or streamlining processes to simplify

TABLE 19: Volume of Honor Awards

Fiscal Year	2011	2012	2013	2014	2015	2016
Target	Target Not Established	Target Not Established	Target Not Established	Target Not Established	Target Not Established	Target Not Established
Honor Awards	403	800	601	422	689	944
Target Met	Target Not Established	Target Not Established	Target Not Established	Target Not Established	Target Not Established	Target Not Established

Definition: Number of awards bestowed through the Architect's Honor Awards program
Source: Human Capital Management Division (Honor Awards Ceremony Programs)

NEW HUMAN RESOURCES INFORMATION SYSTEM IMPLEMENTED

This fiscal year, after a thorough research, analysis and planning process, the AOC implemented a new human capital management system called EmpowHR. The system is a shared service system hosted by the U.S. Department of Agriculture's National Finance Center (NFC), which has also served as the agency's payroll provider for over a decade. EmpowHR is an integrated suite of commercial and government applications that support the agency's human resources components within a single enterprise system.

By selecting a shared service, the AOC gains the benefits of centralized common support services, resulting in reduced costs and new efficiencies to human capital management operations. This investment is projected to save the AOC approximately $1.5 million annually. Operationally, the system will improve service response times, reduce cycle times and improve reporting. Furthermore, the EmpowHR data management functionality allows for the easy exchange of information involving human resources, payroll and financial management, which will assist managers in making informed, data-based human capital decisions.

As part of the implementation plan, the Human Capital Management Division developed an EmpowHR core training program. This program will permit the training of staff and supervisors across various AOC jurisdictions.

More information is available at: **www.empowhr.gov**.

and expedite service delivery; promote fairness in rewards and recognition by refining the system for tracking awards and recognition to inform analysis and improvement of the awards and recognition systems AOC-wide; and promote fairness in hiring and promotions by providing supervisor and employee training in hiring processes and providing feedback to all internal applicants not selected in standard recruiting processes.

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

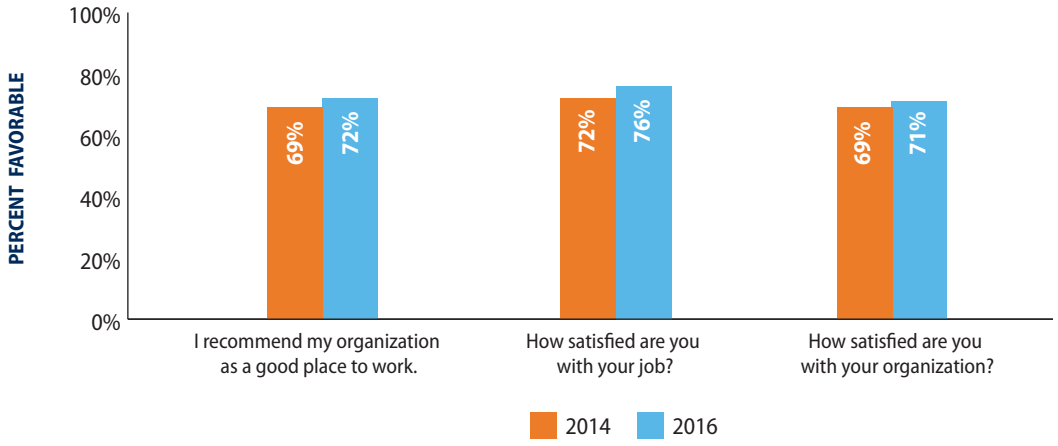
The purpose of this strategic objective is to cultivate a workplace environment where AOC employees are empowered through the establishment of clear roles and responsibilities, and where the clear communication of expectations allows every employee to excel in their support of the AOC mission to serve, preserve and inspire. Much of the work under this objective focuses on improving corporate communication and communication among the members of working groups. Support for this strategic objective is also evident in the AOC's commitment to obtain, analyze and act on feedback for the betterment of the AOC's organizational culture and mission fulfillment; the AOC employs two strategies (2.3.1–2.3.2) to promote a culture of transparency, ownership and accountability.

Analysis of FY 2016 Results

The AOC measures progress against this objective through the performance indicator: Improved Organizational Assessment Position. The AOC met this goal in FY 2016 by participating in an agency-wide survey administered by OPM and committing to addressing challenges and opportunities for improvement identified through analysis of employee feedback. This year, AOC switched from the Organizational Assessment Survey (OAS) to the Federal Employee Viewpoint Survey (FEVS) in order improve its ability to benchmark results against other federal agencies, because all executive branch agencies participate in the FEVS.

In order to retain its ability to look at trend data, the AOC customized the FEVS by including non-standard agency-specific questions from the prior survey. This customization allows the AOC to compare results with other agencies while also measuring progress made since the last OAS was administered in FY 2014. Survey participation was very high, with a 91 percent employee participation rate. While the Partnership for Public Service's annual The Best Places to Work in the Federal Government rankings were not available at the time of publishing, the AOC increased its favorability scores in all questions used by the Partnership

FIGURE 44: FEVS Focus Area Benchmarks for Best Places to Work



to produce the ranking. The AOC will use this survey data to assess employee satisfaction and management practices that directly contribute to the agency's performance. Results will be analyzed to identify strengths and challenges so the agency can develop appropriate change strategies to continue empowering an innovative workforce. **Figure 44** shows the results of the three questions used by the Partnership for Public Service to calculate the Best Places to Work in the Federal Government ranking. As shown, the AOC improved its scoring in all three items over 2014. The AOC will analyze all FEVS items, reaffirm areas of focus and incorporate associated efforts into action plans.

The following examples illustrate work that directly supports this objective's strategies.

Strategy 2.3.1: Instill and foster accountability and responsibility

The training of supervisors in effective leadership techniques is the key to this strategy. The AOC continued to support the Supervisory Academy, training supervisors to better engage and empower employees, to lead and manage the performance of their staff while ensuring the efficient and effective achievement of the AOC's mission and vision. Since the inception of the Supervisory Academy in FY 2015, 92 percent of current AOC supervisors have received this crucial training. To reinforce the skills developed in the Academy, the AOC also launched Keeping it REAL, a multi-phase follow-on to the Supervisory Academy. REAL (Reinforcing, Enriching, Applying and Learning) includes many facets such as a supervisor-only SharePoint site to facilitate discussions, mentoring for new supervisors and access to supervisor training materials. The program also hosts quarterly events and radiocasts using Skype, covering topics such as emotional intelligence, personality types, personal assessments and other topics.

Strategy 2.3.2: Promote transparency through effective, tailored and clear communications

In FY 2016, the AOC launched a We Hear You campaign that utilized multiple communication channels to report to employees on the progress made in response to their feedback provided in the prior (FY 2014) employee survey. Specifically, the campaign summarized improvements made in response to recommendations from the OAS itself and three employee-led committees. The communication campaign utilized web and print, and leveraged infographics and statistics in a visually accessible format, in order to reach as many employees as possible. This cycle of feedback, implementation of improvements and communication has been an important component of efforts to cultivate trust and engagement among the AOC employees. As part of the campaign, agency leadership restated its commitment to analyzing and communicating the results of the FY 2016 survey to the workforce, and to using this feedback to improve organization culture in service to an innovative and empowered workforce.

Future Strategy

In the next Strategic Plan, the AOC is refining IEW Objective 2.3 to provide for the security and safety of every AOC employee. The current objective to build a culture of transparency, ownership and accountability will be represented by a new IEW Objective 2.1 to strengthen employee performance through improved development and accountability practices.

The AOC's mission includes the stewardship of the Capitol campus. The *Awe-Inspiring Facilities* strategic goal fosters approaches that honor the unique and historic nature of the AOC's work environment. At the Library of Congress' Thomas Jefferson Building, the AOC performs ongoing decorative paint and preservation work (above).

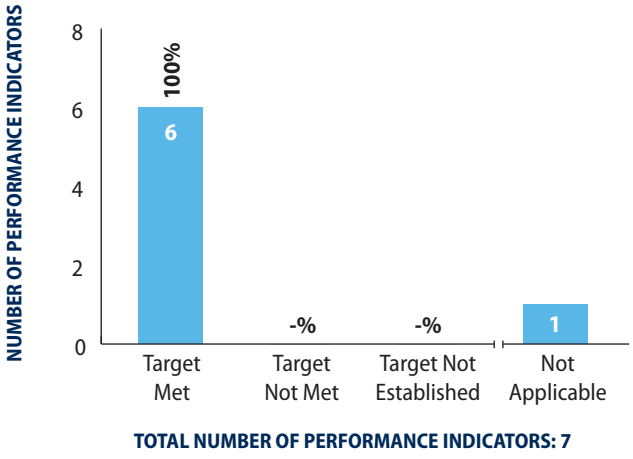
STRATEGIC GOAL 3:
Awe-Inspiring Facilities

Unsurpassed Craftsmanship and Stewardship

The 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.

This goal focuses on the AOC's mission to maintain the national treasures, historic buildings and grounds entrusted to its 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. The Awe-Inspiring Facilities goal includes four strategic objectives, which are described in the accompanying call-out box.

FIGURE 45: Performance Indicator Results Achieved for Awe-Inspiring Facilities



AWE-INSPIRING FACILITIES
STRATEGIC OBJECTIVES

3.1: Preserve, enhance and protect AOC facilities and landscapes

3.2: Strengthen AOC facilities through asset lifecycle management

3.3: Promote a culture of resource conservation

3.4: Provide superior project delivery

The AOC monitors seven performance indicators for this goal. **Figure 45** shows the performance results achieved in FY 2016 for this strategic goal. In FY 2016, the AOC met performance targets for the six performance indicators for which data was available. Target data for the remaining indicator, Customer Satisfaction with Cleanliness, is unavailable for FY 2016 due to the biennial nature of the survey tool employed.

The Cannon Renewal Project is an example of a major capital project that supports this goal. This project will upgrade the infrastructure systems of the oldest congressional office building (outside of the Capitol Building) to correct serious safety, health, environmental and operational issues. The project is scheduled to take approximately 10 years to complete, with each of the five phases aligned to fall between congressional move cycles.

STRATEGIC OBJECTIVE 3.1:
Preserve, Enhance and Protect our Facilities and Landscapes

The purpose of this strategic objective is to cultivate an environment that establishes best-in-class facility management, cleaning, landscapes and garden, and safety and security programs.

Analysis of FY 2016 Results

The AOC measures progress toward this objective by tracking four performance indicators that are aligned with three strategies.

- Preventative Maintenance Work Orders Timeliness **(Table 20** and **Figure 46)**
- Adherence to Cleaning Standards **(Table 21** and **Figure 47)**
- Injuries and Illnesses Rates **(Table 22** and **Figure 48)**.

In addition, data for Customer Satisfaction with Cleanliness **(Table 23** and **Figure 49)** is gathered through the Building Services Client Satisfaction Survey (BSCSS) which was not scheduled to be administered in FY 2016, but is planned for FY 2017.

In addition to monitoring large capital improvement projects, the AOC employs three strategies (3.1.1–3.1.3) to achieve this objective. A discussion of the results for each strategy achieved follows.

3.1.1: Leverage technologies to improve facility management and increase operational efficiency

The AOC continues to leverage technology in pursuit of operational excellence. One example is the AOC's enhancement of the Computer Assisted Facility Management software, WebTMA, by adopting the Capital Planning Module (CPM) for Facility Condition Assessment data. This module, along with the incorporation of asbestos inventory into the database, allows the AOC to better use WebTMA as a single authoritative source of facility data. These additions eliminated two information stovepipes and will allow leaders to make better, data-driven facility management decisions.

Table 20 and **Figure 46** show that the AOC has met its FY 2016 target for work order performance, despite the resources redirected for snow removal operations to battle the blizzard that paralyzed Washington D.C. in January 2016. Following the storm, the AOC reprioritized open work orders to ensure timely completion.

Preventative maintenance (PM) work order timeliness rates are calculated using data for work orders closed as planned divided by the total PM work orders completed as planned. This data is depicted on the AOC's Executive Dashboard and refreshed daily. This measure is important because it demonstrates the AOC's commitment to providing the best facility stewardship. In FY 2016, the AOC closed approximately 210,000 preventative maintenance work orders on time out of almost 231,000 scheduled for the year. An additional 17,000 work orders were closed in FY 2017, albeit late, bringing the total close rate to 98.5 percent.

3.1.2: Establish a world-class facility cleaning program

The peer inspection program for facility cleaning brings together inspectors from the Senate Office Buildings, House Office Buildings, Capitol Building and Capitol Visitor

FIGURE 46: Preventive Maintenance Work Order Timeliness

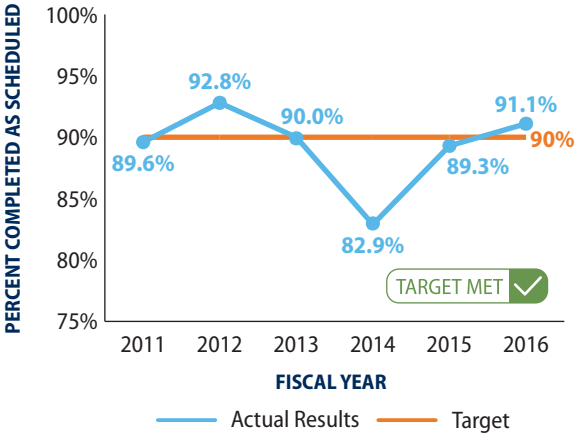


TABLE 20: Preventive Maintenance Work Order Timeliness

Fiscal Year	2011	2012	2013	2014	2015	2016
Target	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Percent Completed as Planned	89.6%	92.8%	90.0%	82.9%	89.3%	91.1%
Target Met	Not Met	Met	Met	Not Met	Not Met	Met

Definition: Preventive maintenance work orders closed as planned divided by total preventive maintenance work orders scheduled
Source: WebTMA, AOC's Work Order Management System

The AOC measures the success of its cleaning program through formal team inspections that validate proper cleaning procedures. In the photo above, an AOC employee power washes a large skylight on the Capitol's East Front Plaza.

Center jurisdictions to perform cleanliness inspections as independent assessors. The performance indicator data in **Table 21** and **Figure 47** shows that AOC met its goal of adhering to agreed-upon cleaning standards for the sixth consecutive year, as verified through the peer inspection program. The adherence rate is calculated by dividing the number of items successfully cleaned, as reported from peer inspections, by the total number of items inspected. Over 22,400 surfaces are inspected each month across the Capitol campus.

The AOC uses a lagging indicator to confirm customer satisfaction with its cleaning program. The indicator is built on the biennial Building Services Customer Satisfaction Survey (BSCSS). The AOC conducted the customer satisfaction survey annually through FY 2010, at which point it was temporarily suspended — results were rather consistent and building occupants were starting to show signs of survey fatigue. Starting in FY 2011, the AOC began to redesign the survey — shifting to a biennial cycle, simplifying the questions and designing a new and innovative delivery mechanism. The revised survey was re-instituted in FY 2015 and will be deployed biennially in non-election years, thus increasing the convenience of the survey for customers. As there was no survey in FY 2016, the performance results were labeled "Not Applicable." **Table 23** and **Figure 49** summarize this performance indicator.

The AOC continued to integrate sustainable practices into cleaning operations without jeopardizing quality. For example, in the House Office Buildings jurisdiction, a green cleaning taskforce used six sigma methods to improve the cleaning process, the products used and the training provided. The taskforce streamlined the use of current chemicals and products (i.e., plastic waste bags), saving $8,000 in FY 2016 in the third quarter. The taskforce identified best practices from local institutions such as the University of Maryland, Georgetown University Hospital and Ronald Reagan Washington National Airport, and will finalize recommendations to management in FY 2017.

FIGURE 47: Adherence to Cleaning Standards

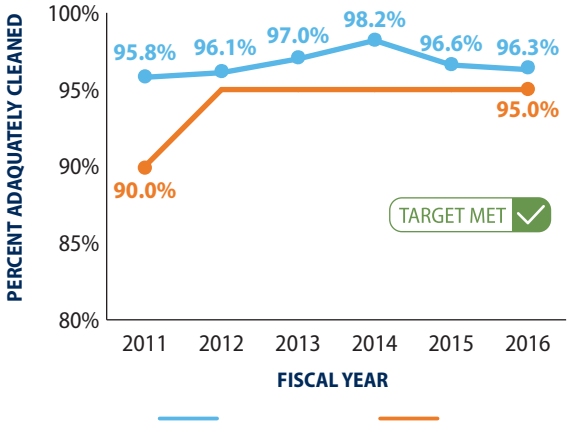
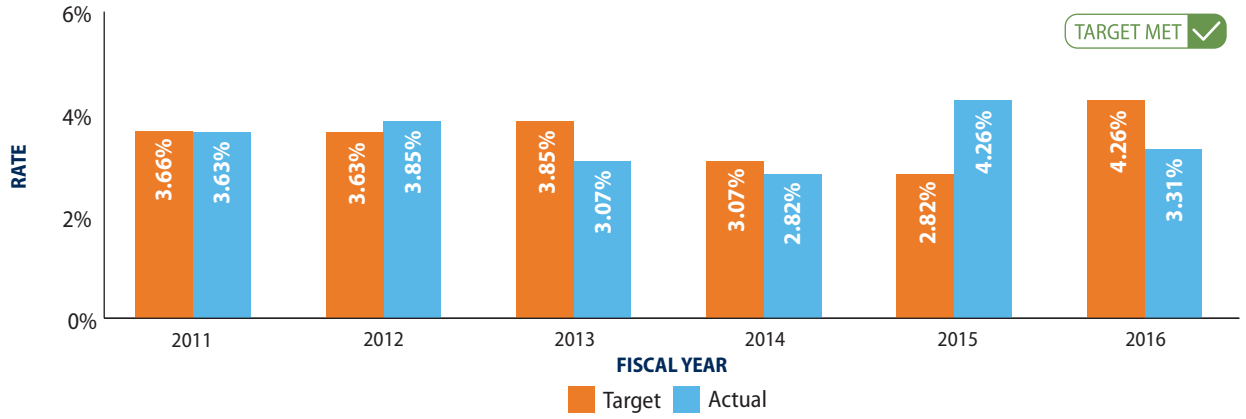


TABLE 21: Adherence to Cleaning Standards

Fiscal Year	2011	2012	2013	2014	2015	2016
Target	90.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Percent Adequately Cleaned	95.8%	96.1%	97.0%	98.2%	96.6%	96.3%
Target Met	Met	Met	Met	Met	Met	Met

Definition: Items cleaned successfully divided by total number of items inspected
Source: Formal Team Inspections

FIGURE 48: Injuries and Illnesses Rate



3.1.3: Integrate safety, security and preservation principles into business operations

The AOC made positive progress in the area of safety, meeting the FY 2016 target. One major initiative that drove this strategy in FY 2016 was the implementation of the Safety Observations and Reflections (SOAR) program. SOAR creates a safety partnership between management and employees on a daily basis through training and shadowing. This program targets behavioral change by focusing people's attention and daily actions on intervention strategies that generate continuous safety improvements. It also recognizes good work practices and safe behaviors. In FY 2016 (through June 2016), the AOC trained 1,233 employees (including 130 managers and 309 supervisors). Employees' lost time hours decreased by almost 2,700 hours from the prior year. Compared to the same period last fiscal year, the agency avoided workers' compensation costs of over $35,000.

Table 22 and **Figure 48** show the results for the Injuries and Illnesses (I&I) rate. This rate is calculated by dividing the number of injury claims sent to the Department of Labor by the average number of employees in the fiscal year.

The AOC increased efforts to maintain a positive safety culture and ensure the injuries and illnesses rate stays low.

TABLE 22: Injuries and Illnesses Rate

Fiscal Year	2011	2012	2013	2014	2015	2016
Target	3.66%	<3.63%	<3.85%	<3.07%	<2.82%	<4.26%
Injury and Illness Rate	3.63%	3.85%	3.07%	2.82%	4.26%*	3.31%
Target Met	Met	Not Met	Met	Met	Not Met	Met

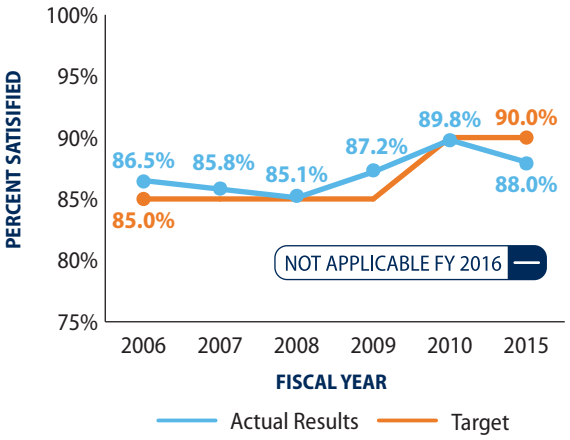
Definition: Number of injury claims sent to DOL in the fiscal year divided by average number of employees in the fiscal year
Source: Number of injuries sent to DOL: HCMD, Employee Relations Branch
National Finance Center bi-monthly information data file via ODS for number of employees
Note: Performance success is defined as incurring less overtime hours than in the previous year.
Information adjusted from that reported in the FY 2015 PAR is marked with an asterisk (*)

TABLE 23: Customer Satisfaction with Cleanliness

Fiscal Year	2011	2012	2013	2014	2015	2016
Target	N/A	90.0%	N/A	N/A	90.0%	N/A
Survey Results	N/A	N/A	N/A	N/A	88.0%	N/A
Target Met	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Met	Not Applicable

Definition: Number of satisfied responses divided by number of significant responses (excludes "N/A" and null responses). The results are the non-weighted average of all five questions for AOC.
Source: Building Services Customer Satisfaction Survey, 2015 cycle
Note: The survey was not conducted between FY 2011 and FY 2014. The survey was restarted in FY 2015.

FIGURE 49: Customer Satisfaction with Cleanliness



Actions such as safety stand-downs and the introduction of safety minutes at leadership meetings contributed to 23 fewer recordable injuries and a near-25 percent reduction to the I&I rate from the FY 2015 level. Five jurisdictions reported one or fewer injuries and one of those, Capitol Grounds, had ten reportable injuries the previous fiscal year. The AOC also worked to improve the accessibility of Capitol campus pathways and meet the standards set by the Americans with Disabilities Act (ADA) by removing over 90 access barriers in FY 2016.

Future Strategy

In the next Strategic Plan, the agency will retain the goal to Maintain Awe-Inspiring Facilities, but is refining several underlying strategic objectives. AIF Objective 1 will become "Reliably deliver high-quality capital projects," to better focus on the agency's prioritization and attention to high-profile, multi-year projects. To measure progress toward this objective, the AOC plans to enhance how we measure the extent to which capital projects are on time and on budget, with high-quality results and minimum client disruptions. Specific performance indicators that support specific outcomes will be developed for the FY 2017–FY 2021 Strategic Plan.

STRATEGIC OBJECTIVE 3.2: Strengthen our Facilities through Asset Lifecycle Management

The purpose of this strategic objective is to cultivate an environment that establishes best-in-class facilities asset management practices.

Analysis of FY 2016 Results

In FY 2016, the AOC focused on integrating risk management into project planning and prioritization and continued to capitalize on Computer Assisted Facilities Maintenance systems like WebTMA that streamline asset management processes for preventive and corrective maintenance. The AOC measures progress toward this objective by tracking the timeliness of Corrective Maintenance (CM) Work Order completion, which measures the AOC's ability to address unscheduled repairs and maintenance. This measure is calculated from WebTMA data by dividing corrective maintenance and reoccurring work orders closed within the cycle time by the total corrective maintenance and recurring work orders due. **Table 24** and **Figure 50** illustrate this performance indicator.

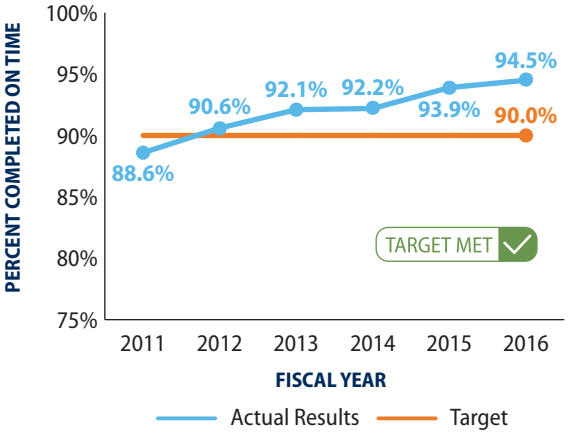
The AOC has met this target for the last five years and exceeded the previous year's completion rate each year. In FY 2016, the AOC closed over 105,000 CM work orders on time out of approximately 110,000 scheduled for the entire year. An additional 5,800 work orders were closed, albeit late, bringing the total close rate to 99.7 percent — slightly higher than the previous fiscal year. This exceptional performance was accomplished while managing a 15 percent increase in workload or an additional 5,000 corrective maintenance work orders. In addition, a mobile version of WebTMA may reduce the time it takes to assign and close work orders. In FY 2016, some jurisdictions began to pilot the mobile system to assess gains in work order efficiency and are evaluating resource needs for training and mobile devices.

TABLE 24: Corrective Maintenance Work Orders Timeliness

Fiscal Year	2011	2012	2013	2014	2015	2016
Target	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Timeliness	88.6%	90.6%	92.1%	92.2%	93.9%	94.5%
Target Met	Not Met	Met	Met	Met	Met	Met

Definition: Number of corrective maintenance and reoccurring work orders closed within cycle time divided by number of corrective maintenance and reoccurring work orders received.
Source: WebTMA, AOC's Work Order Management System, as extracted from the Executive Dashboard

FIGURE 50: Corrective Maintenance Work Orders Timeliness



In addition to the areas of focus discussed above, the AOC employs four strategies (3.2.1–3.2.4) to achieve this objective. A discussion of the results achieved follows.

3.2.1: Establish a world-class maintenance program

In FY 2016, the AOC consolidated and leveraged facility data to improve its maintenance program. The AOC continued to develop WebTMA as the authoritative source of facility data. The effective use of Geographic Information System technology, through the roll-out of AOC Explorer and the integration of WebTMA data, allows staff to visualize and verify project and facility data to efficiently manage maintenance. Project and facility data is used to create story maps — illustrating potential impacts for projects and events. This approach was piloted during the Pope's visit in late FY 2015, and it is currently being adopted to help inform employees and minimize project impacts on operations and maintenance activities.

3.2.2: Integrate facilities asset management processes and practices

The AOC integrated risk management into project planning and prioritization to efficiently use agency resources and inform facility management decisions. This approach was used to identify imminent risks of cladding failure at the Supreme Court's Thurgood Marshall Building and develop a plan to mitigate the potential failures. The incorporation of risk assessment helps the AOC identify potential mechanical failures before operations are impacted. For example, the agency identified 46 HVAC single points of failure at U.S. Capitol Police headquarters, of which only two were a high risk requiring extra attention. The remaining 44 underwent streamlined preventive maintenance procedures, resulting in significant time and cost savings.

3.2.3: Establish an integrated enterprise information model for facilities management

The AOC uses an integrated approach to assess and prioritize its facilities' needs, management and long range planning. The AOC has developed and deployed effective tools to assist in this effort, including the Capitol Complex Master Plan (CCMP) and the project prioritization process. The AOC reviewed the CCMP with all major jurisdictions and inventoried over 200 plans, projects and studies to assess its five-year progress since its publication in FY 2011. The AOC incorporated risk scoring guidelines into the project prioritization process for Line Item Construction Program projects. This approach is imperative in an environment where limited funding necessitates difficult project prioritization decisions.

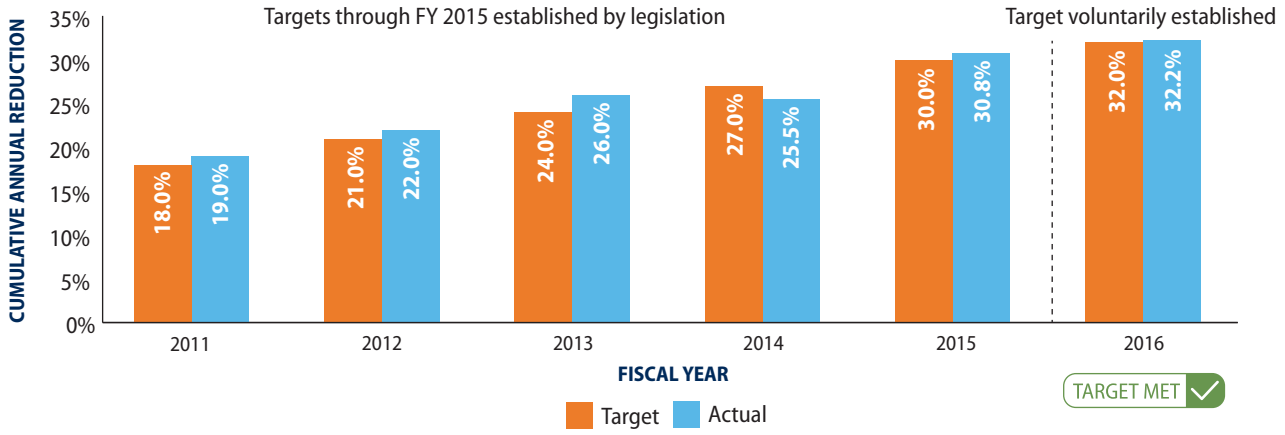
3.2.4: Prepare AOC's facilities to be a model workplace of the future

In FY 2016, the AOC worked toward this goal by focusing on improved performance monitoring of facility assets. The Energy Management Control Systems branch used the Building Automation System (BAS) to maintain occupant comfort, improve building performance, prolong equipment life-cycle and conserve resources. BAS allows the AOC's buildings to be interconnected via a secure digital building control platform that integrates and operates more than 550,000 control points reporting to a central platform. These points monitor and control parts of the heating, ventilation and air conditioning, lighting and vertical transportation systems, as well as utility meters and the Legislative Clock System. The BAS continues to experience extensive growth, aided by the AOC's accomplishment of building renovations and conversion of energy systems to electronic controls (each new building or major renovation can generate up to 100,000 new digital control points). As the AOC continues to prepare its facilities to be a model workplace of the future, the use of digital control points could grow to include security-related functions like doors and access control, elevator systems, fire protection systems and energy sub-metering.

Future Strategy

The next Strategic Plan refines Awe-Inspiring Facilities objective 4.2 to drive the agency's priority to "Preserve, maintain and operate facilities, cultural and natural resources at the highest quality levels." The refined objective will leverage elements of current AIF objectives (two, three and four) by increasing the management rigor of the AOC's facility management through the increased application of best practices. Under this new strategic objective, the AOC will include strategies to direct the agency's commitment to attain best-in-class levels of performance in accordance with industry standards, with minimal client disruption across

FIGURE 51: Reduction in Energy Consumption



the key operational areas: facility management, gardens and grounds, cultural preservation, safety and compliance, and sustainability and security/resilience.

STRATEGIC OBJECTIVE 3.3: Promote a Culture of Resource Conservation

The purpose of this strategic objective is to integrate sustainable business practices into the AOC's business operations and strengthen a culture of energy savings and sustainability.

Analysis of FY 2016 Results

Last fiscal year, the AOC exceeded its goal and achieved energy reductions across the Capitol campus in excess of 30 percent, as mandated under the Energy Independence and Security Act of 2007. This accomplishment capped 10 years of energy reductions by the AOC, saving the agency over $94 million. This progress continued during FY 2016. In order to continue the agency's progress in energy reduction, the AOC has set a new goal of an additional two percent reduction per year over the next ten years. The AOC met its energy reduction target of 32 percent for FY 2016 in July 2016 — two months ahead of schedule, with a final reduction of 32.2 percent achieved. **Table 25** and **Figure 51** provides the FY 2016 overview of this indicator.

The AOC monitors this data regularly through the Executive Dashboard and reviews monthly reports that offer perspectives on variables that impact consumption. The dashboard highlights the monthly trends and illustrates each building's consumption target, ideal consumption and actual consumption as Energy Usage Intensity. Buildings that deviate from the target in excess of five percent for the month are charted for leadership awareness.

The AOC employs three strategies (3.3.1–3.3.3) to promote a culture of resource conservation. A discussion of the results achieved under each strategy follows.

3.3.1: Improve facilities asset performance

Major initiatives undertaken by the Capitol Power Plant in FY 2016 will lead to significant increases in asset performance. The Cogeneration Project was awarded to Washington Gas in FY 2016, and this major infrastructure project will improve facilities performance and strengthen sustainable operations for the Capitol campus. Cogeneration is a proven technology that utilizes natural gas to generate both electricity and steam, thereby increasing system

TABLE 25: Reduction in Energy Consumption

Fiscal Year	2011	2012	2013	2014	2015	2016
Target	≤-18%	≤-21%	≤-24%	≤-27%	≤-30%	≤-32%
Reduction	-19%	-22%	-26%	-25.5%	-30.8%	-32.2%
Target Met	Met	Met	Met	Not Met	Met	Met

Definition: Energy usage intensity per square foot in current year divided by the energy intensity per square foot in FY 2015
Source: Sustainability Division and Capitol Power Plant
Note: Targets through FY 2015 established by legislation. Target for FY 2016 voluntarily established through the Executive Order, "Planning for Federal Sustainability in the Next Decade."

reliability and improving efficiency of utilities used across the Capitol campus. In FY 2016, the design of the Cogeneration project was 90 percent completed and the old East Plant has been prepared to house the cogeneration equipment.

The Capitol Power Plant is also making dramatic performance improvements in the generation and delivery of chilled water and steam throughout AOC facilities through the Refrigeration Plant Revitalization Program. By revitalizing the refrigeration plant and installing new chillers, the Power Plant will increase chilled water efficiency by utilizing new chillers that are 20 percent more efficient.

3.3.2: Integrate sustainable practices into business operations

Operationally, the AOC focused on using maintenance activities as opportunities to make gains in resource reduction. At the Capitol Power Plant, maintenance staff completed modifications and updates to several plant systems which have resulted in improved system operation, reduced maintenance costs and reduced energy usage. The system upgrades included the boiler water blowdown heat recovery, boiler fan control and cooling tower basin heating systems and are estimated to save nearly $100,000 annually. This jurisdiction continued implementing LED lighting technology throughout the plant and tunnel system, surveying applicable locations and installing retrofit kits or new fixtures to both increase lighting levels and reduce energy consumption. The Power Plant also increased the effectiveness of the retrofit by adding occupancy sensors in areas where lighting is not required constantly, such as the tunnels.

Other AOC jurisdictions also made significant progress. In partnership with PPM, the Capitol Grounds jurisdiction developed and rolled out its first-ever Sustainability Plan to align existing directives, internal guidance documents and best practices to prevent redundancy and inspire new ideas for improvement. This plan focuses on several areas of opportunity including design and construction, storm water management, water conservation, vegetation and species selection, soil resources, integrated pest management, waste management and others. In addition, over the past several years, nearly 44,000 lighting fixtures in the Senate office buildings have been retrofitted with high-efficiency lamps, ballast, controls and reflectors — resulting in an estimated savings of nearly $750,000 per year. The House Office Buildings jurisdiction also supported recycling and waste reduction by implementing projects such as food service provider waste audits, the recycling of kitchen equipment and the installation of 30 new water bottle refilling fountains that effectively diverted over 133,000 plastic bottles.

The AOC incorporates energy and resource conservation and sustainability into its daily operations and stewardship of AOC's historic buildings and grounds. The U.S. Capitol's West Front Lawn proudly displays the Capitol Christmas Tree each year. The tree uses LED (light-emitting diode) lights, resulting in an estimated 91 percent reduction in electricity use compared with the standard 7-watt light bulb.

3.3.3: Strengthen a culture of sustainability with stakeholders and external organizations

An important component of the AOC's energy reduction strategy is empowering AOC employees and the congressional community to make individual contributions toward energy reduction. The "Power to Save" program was designed to address questions about sustainability and provide guidance and reminders for individuals across the Capitol campus. Moreover, in FY 2016, the AOC met additional sustainability commitments to recycle 40 percent of occupant waste and 80 percent of construction debris while sending 90 percent of non-recycled waste to a certified waste-to-energy facility and reducing the AOC's scope one

RUSSELL SENATE OFFICE BUILDING RESTORATION PROJECT BEGINS

The Russell Senate Office Building (RSOB) is the oldest of the three Senate buildings and a wonderful example of the Beaux Arts style of architecture. However, over time, weathering and age have diminished many of the fine details of the facility's exterior stone, allowing water to penetrate into the building, impairing the building's energy efficiency, and causing operational and safety concerns.

Working in conjunction with the Senate Committee on Rules and Administration, the Senate Office Buildings jurisdiction has developed a four sequenced restoration project to preserve the exterior envelope of the century-old building, including its exterior stone, wood windows and glazed doors. The project also includes the rehabilitation of the balcony flooring, balusters, balustrades and roof chimney.

During FY 2016, the AOC awarded the contract for the project and finalized the details for sequence 1, which started in October 2016, on the north side of the building. Subsequent project sequences will address the south (sequence 2), east (sequence 3), and west (sequence 4) façades. Each of the four sequences will take approximately fourteen months to complete.

This project is integral to the agency's commitment to preserving the stonework on historic buildings across the Capitol campus.

More information is available at: **www.aoc.gov/capitol-buildings/russell-senate-office-building.**

and two greenhouse gas emissions[12] by 25 percent compared to its FY 2008 baseline, and monitoring 100 percent of AOC's water consumption. In addition, the AOC developed a new storm water management process to comply with District of Columbia government regulations and to ensure that construction activities do not negatively impact the natural environment. Through this process, the AOC assesses 100 percent of construction projects for applicable stormwater requirements using the comprehensive Capitol Complex Stormwater Pollution Prevention and Management Plan and AOC's Building Exterior and Hardscape Management Plan.

Future Strategy

In addition to continuing with the construction of the Cogeneration and Refrigeration Plant Revitalization projects, the AOC's Capitol Power Plant will carry on with several utility master planning feasibility studies — including the conversion from steam to hot water distribution system, the installation of water wells and the use of sanitary water effluent in some processes. As a forward-looking agency, the AOC will continue to promote a culture of resource conservation by identifying and incorporating new objectives, strategies and performance indicators into its new Strategic Plan. The AOC has already identified energy and sustainability goals in the areas of energy performance, water performance, high-performance buildings and sustainable waste management. In the next Strategic Plan, this objective will be placed under the refined Awe-Inspiring Facilities Objective 2: preserve, maintain and operate facilities, cultural and natural resources at the highest quality levels. See the future strategies section under objective 3.2 for additional detail.

STRATEGIC OBJECTIVE 3.4: Provide Superior Project Delivery

The purpose of this strategic objective is to leverage best-in-class project management principles. One of the AOC's major challenges is the need to simultaneously manage multiple major restoration projects, such as the Cannon Renewal, West Refrigeration Plant Revitalization and Cogeneration projects, without impacting daily operations.

Analysis of FY 2016 Results

In FY 2016, the AOC continued to make progress toward this objective by focusing on the accessibility and relevance of AOC planning and project management resources, specifically concentrating on data availability and accessibility. In the future, a comprehensive training

[12] Scope one is greenhouse emissions from owned or controlled sources and scope two is indirect emissions from the consumption of purchased electricity, heat and steam.

program will be necessary for project managers to ensure standardization across jurisdictions and disparate project management groups. The AOC measures progress toward this objective by using two survey tools to track customer satisfaction with projects. The AOC captures the design services satisfaction through the Design Projects Customer Satisfaction Survey and the construction activities through the Construction Project Customer Satisfaction Survey. Clients complete a post-project assessment that scores attributes linked to attitude, timeliness, technical competency, performance and a free response. The free response enables process adjustments to be implemented. **Table 26** and **Figure 52** gives an overview of the performance target data. Satisfaction with the AOC's design and construction project services has exceeded performance targets for seven years in a row. Clients rated 95.4 percent of project elements as satisfactorily executed — mirroring last year's performance.

In addition to this broad focus on training and standardization, the AOC employs two strategies (3.4.1–3.4.2) to ensure superior project delivery. A discussion of the results achieved under each strategy follows.

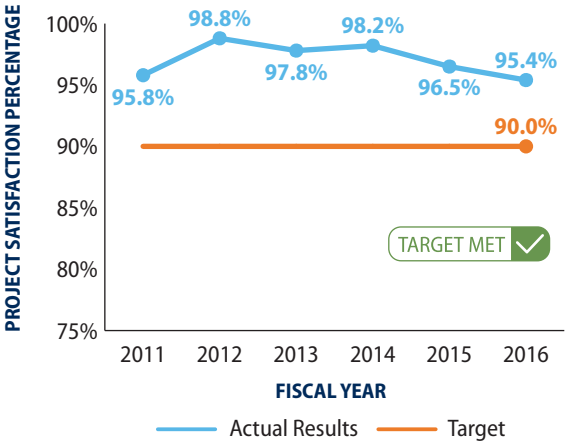
3.4.1: Leverage best-in-class project management principles

The AOC aims to provide best-in-class project management. In FY 2016, the AOC's projects were substantially on time, on budget and exceeded client expectations. The agency accomplished this through effective planning, design and construction management techniques and processes, collaborative partnerships with contractors, and by building inherent trust and credibility with stakeholders. Important FY 2016 successes include developing "Mega Project" (projects involving multiple disciplines with a cost range over $50 million) execution plans by developing checklists for jurisdiction-based projects.

3.4.2: Strengthen facilities planning

In FY 2016, the AOC implemented a comprehensive approach to facilities asset planning that combines multi-disciplinary stewardship and responsive service with an integrated and systematic process to efficiently direct limited resources to achieve long-range plans and achieve mission-driven daily maintenance and operations. Specifically, the agency used the "plan, process and people" approach. Facility planning was improved with the completion of the Facilities Asset Management Plan (FAMP) pilot. This plan connects the AOC's objectives to operations, maintenance and investment decisions by enabling improved coordination between the operations and maintenance program and the capital investment program. Through the FAMP pilot, the agency was able to prioritize preventive maintenance schedules. FAMP also facilitated the streamlining of preventive maintenance procedures, resulting in reduced labor-hours and costs savings.

FIGURE 52: Customer Satisfaction with Projects



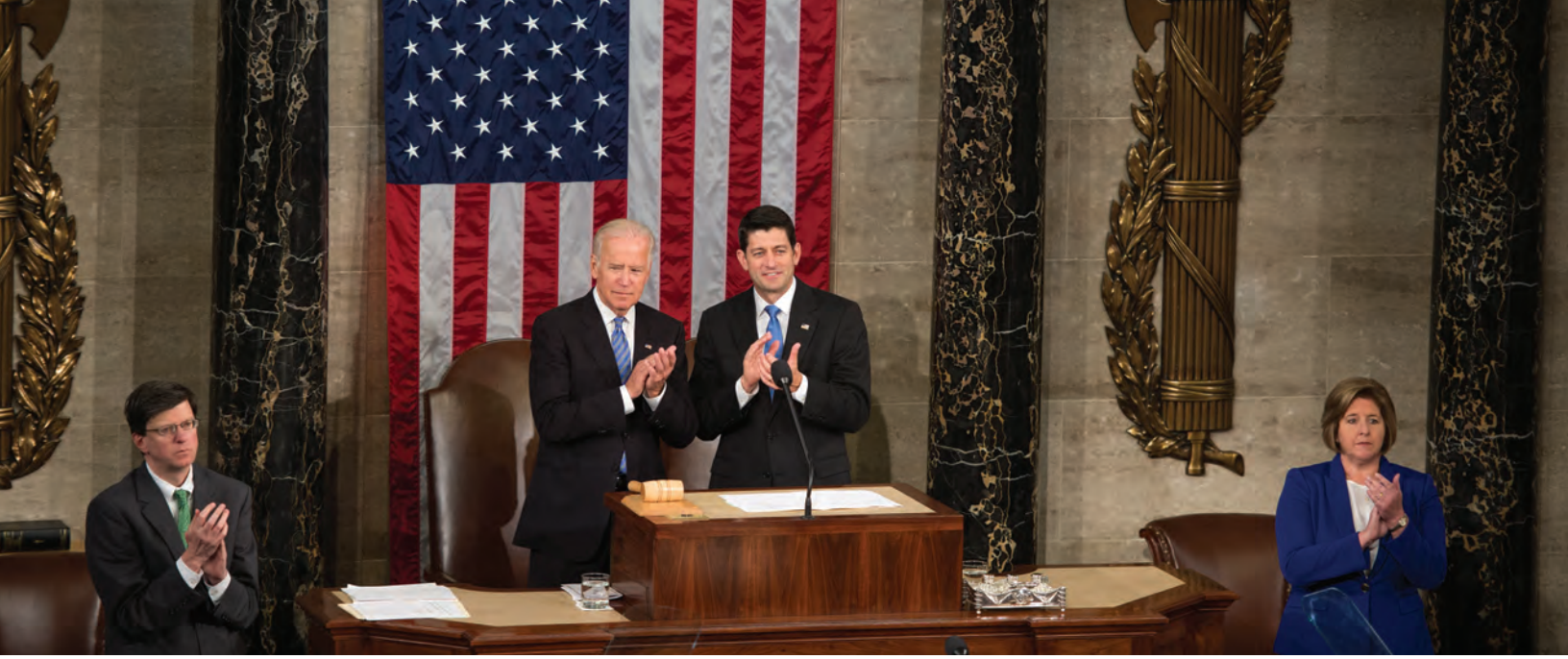
Future Strategy

Looking ahead, the AOC is incorporating this objective into the Awe-Inspiring Facilities Objective 2, "Reliably deliver high-quality capital projects," of the FY 2017–FY 2021 Strategic Plan. For a more detailed discussion of proposed strategies and performance indicators that will be set to measure progress, see objective 3.2.

TABLE 26: Customer Satisfaction with Projects

Fiscal Year	2011	2012	2013	2014	2015	2016
Target	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Performance	95.8%	98.8%	97.8%	98.2%	96.5%	95.4%
Target Met	Met	Met	Met	Met	Met	Met

Definition: Number of project elements rated as satisfactorily executed divided by the number of project elements evaluated
Source: Design Projects Customer Satisfaction Survey and Construction Projects Customer Satisfaction Survey



The AOC hosts high-profile special events at the U.S. Capitol, including joint sessions of Congress (above), the State of the Union and Congressional Medal of Honor ceremonies.

STRATEGIC GOAL 4:
Extraordinary Services

Going the Extra Mile

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

This goal serves to generate an organizational culture where the AOC employees take ownership of client needs and proactively coordinate with service providers to resolve issues. Under this goal, the term "client" includes members of Congress, their staffs and constituents, visitors to Capitol Hill, employees of other federal agencies and AOC's internal customers. This goal encompasses the AOC's visitor services mission, as well. The Extraordinary Services Goal includes two strategic objectives, which are listed in the call-out box.

The AOC monitors two performance indicators for this goal. The timeliness of meeting work order requests is a key indicator of the AOC's progress in providing extraordinary client services. Timeliness exemplifies the AOC's customer service philosophy to "Deliver the 'wow' by exceeding expectations." The AOC's "ROC" philosophy seeks to institutionalize three main behaviors:

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

EXTRAORDINARY SERVICES
STRATEGIC OBJECTIVES

4.1: Provide extraordinary client services

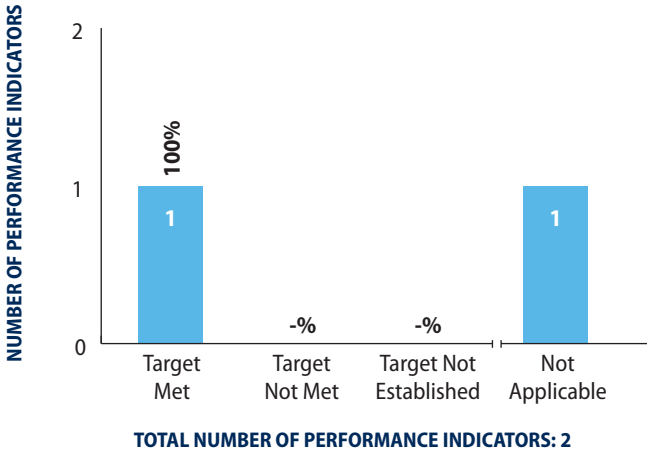
4.2: Educate, inform and inspire the Capitol Hill visitor experience

Meeting this target illustrates how AOC employees respond quickly and effectively to requests from all stakeholders and to those which may impact public spaces. The survey that provides data for the other indicator is administered on a biennial basis. As FY 2016 was an "off year," the performance indicator is "Not Applicable" this year, but will be administered in FY 2017. **Figure 53** shows the performance results achieved in FY 2016 for this strategic goal. The evidence provided by key performance indicators is reinforced by the successful completion of initiatives described in the following sections.

STRATEGIC OBJECTIVE 4.1:
Provide Extraordinary Client Services

The AOC continued making progress toward this objective in FY 2016 by using automation and integration to standardize and/or improving processes to generate better

FIGURE 53: Performance Indicator Results Achieved for Extraordinary Services



customer service. The AOC employs three strategies (4.1.1–4.1.3) to ensure that all employees provide extraordinary client services. A discussion of the results achieved follows.

Analysis of FY 2016 Results

The AOC tracks progress toward this objective by measuring service request work order timeliness, customer satisfaction and the perception of Internal Service Provider (ISP) improvements. Customer satisfaction is measured through the Building Services Customer Satisfaction Survey (BSCSS), while ISP improvements are measured through the ISP survey. In FY 2016, the AOC was not scheduled to administer either the BSCSS or ISP surveys. Plans for capturing this feedback in the future are discussed in the future strategies section.

Figure 54 and **Table 27** give an overview of the service request performance indicator. This measure is important because it demonstrates the AOC's commitment to providing timely service to all stakeholders by responding quickly and thoroughly to requests, which impact members of Congress, Library of Congress and Supreme Court staff, the AOC colleagues, and spaces utilized by the visiting public. This is the third straight year the AOC has met its goal to close service request work orders within allotted cycle time. In FY 2016, the AOC closed nearly 83,000 service requests on time out of almost 90,000 requests. An additional 6,500 service request were closed, albeit late, bringing the total close rate to 99.4 percent.

The AOC will seek to further improve performance by using mobile technology to enable employees to create, manage and close work orders without the need to return to their offices or shops. This ultimately leads to better service delivery for the congressional community while also improving the morale and autonomy of the workforce by reducing administrative and travel time, and enabling staff to create or adjust work orders based on changing or unforeseen conditions in the field.

The Building Services Customer Satisfaction survey was not administered in FY 2016, but will resume in FY 2018 on a biennial basis. **Figure 55** and **Table 28** give an overview of this performance indicator.

Strategy 4.1.1: Improve AOC service delivery for both internal and external customers and clients

The AOC continued the "Introduction to ROC" training. Over 2,100 employees have received this training since its inception in FY 2015. In FY 2016, the AOC employees demonstrated "ROC Star" behavior through their support of several important events, including planning, design and set up for over 30 special events such as Congressional Gold Medal ceremonies, memorial tree plantings, joint

FIGURE 54: Service Request Work Orders Timeliness

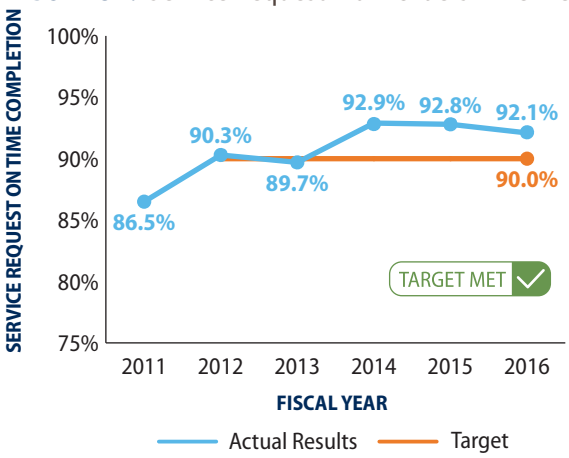


TABLE 27: Service Request Work Orders Timeliness

Fiscal Year	2011	2012	2013	2014	2015	2016
Target	N/A	90.0%	90.0%	90.0%	90.0%	90.0%
Performance	86.5%	90.3%	89.7%	92.9%	92.8%	92.1%
Target Met	Not Applicable	Met	Not Met	Met	Met	Met

Definition: Service request work orders closed within cycle time divided by total service request work orders due
Source: WebTMA, AOC's Work Orders Management System, extracted from Executive Dashboard
Note: Target Not Established FY 2011

congressional sessions and press conferences. The AOC employees also provided extraordinary service by supporting the Capitol Christmas Tree installation and lighting ceremony, snow removal response during a paralyzing blizzard, and the unanticipated laying in repose of Supreme Court Justice Antonin Scalia.

Strategy 4.1.2: Increase efficiencies and transparency in the AOC acquisition process

In FY 2016, the AOC focused on improvements to the contract and undelivered orders (UDO) close-out processes while also focusing on increasing AOC employees' understanding of the procurement and contracting processes. In the prior fiscal year, the AOC developed a UDO SharePoint application to streamline and track the process of closing out contracts, purchase orders and/or other procurement vehicles where no further deliverables are expected. In FY 2016, using this streamlined process, the AOC was able to reduce the total number of outstanding UDOs from more than 1,400 to more than 700. At the same time, the AOC developed and presented a series of training sessions to help employees better understand the procurement process. Finally, the addition of a procurement module to the work order management system, which is being tested in some jurisdictions, allows better integration of the procurement process. This ensures necessary supplies and materials are on hand when needed to complete service requests in a timely manner.

Strategy 4.1.3: Enhance AOC efficiency through integrated services

In FY 2016, the AOC improved the automation and integration of business processes. For example, the AOC refined applications to assist the congressional community with suite selection ahead of the biennial congressional office move cycle. The AOC also leveraged SharePoint to automate business processes, such as contractor badge tracking. One major FY 2016 initiative streamlined the disciplinary process, enabling supervisors and managers to more efficiently and effectively deal with conduct issues. This streamlined process reduced the average administrative processing time for disciplinary actions from 70 to 24 days.

Future Strategy

Looking ahead, the AOC is strategically planning and designing surveys and other feedback tools in order to capture the most relevant information for making improvements while, at the same time, preventing survey fatigue on the part of the AOC's employees or external stakeholders. To that end, the AOC has developed a schedule for all major survey efforts. Because employee feedback is desired on an annual basis, AOC is planning to rotate the biennial Federal Employee Viewpoints Survey (FEVS) in even years and the newly-designed biennial AOC Peer Survey in odd years. In even years, the AOC also plans to continue administering a redesigned biennial BSCSS, which does not involve employee respondents. **Figure 56** shows the proposed survey schedule in relation to large operational events, such as congressional office moves, which place a strain on the AOC's employee resources.

In the next Strategic Plan, the AOC is approaching the Extraordinary Services goal through a single strategic objective to deliver the "wow" by demonstrating our expertise while exhibiting responsiveness, ownership and courtesy to all internal and external customers.

FIGURE 55: Building Services Customer Satisfaction Survey Results

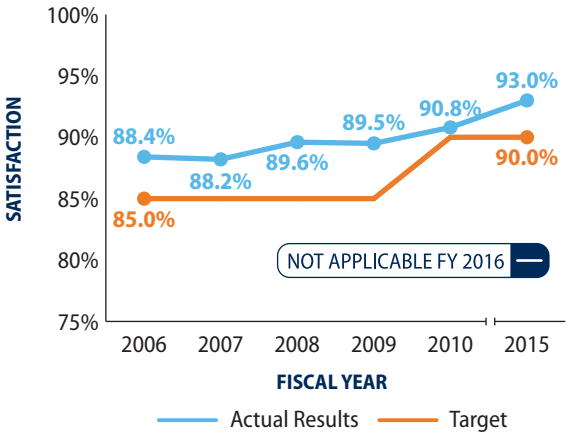


TABLE 28: Building Services Customer Satisfaction Survey Results

Fiscal Year	2011	2012	2013	2014	2015	2016
Target	N/A	N/A	N/A	N/A	90.0%	N/A
Performance	N/A	N/A	N/A	N/A	93.0%	N/A
Target Met	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Met	Not Applicable

Definition: Number of satisfied responses divided by number of significant responses (excludes "N/A" and null responses)
Source: Building Service Customer Satisfaction Survey (starting in FY 2015, this survey is administered every other year)
Note: The survey was intentionally suspended between FY 2011 and FY 2014.

FIGURE 56: Survey Timing

	2016	2017	2018	2019	2020	2021	2022
Federal Employee Viewpoint Survey	✓		✓		✓		✓
Building Services Customer Satisfaction Survey			✓		✓		✓
Peer Survey		✓		✓		✓	

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

The AOC continues its focus on creating meaningful experiences for all visitors by offering engaging programming, integrating technology through innovative apps, and empowering employees who interact with the public to embody the ROC customer service philosophy.

Analysis of FY 2016 Results

The AOC does not currently track any indicators for this objective. To address this deficiency, the Capitol Visitor Center (CVC) is in the process of developing methods to measure visitors' customer satisfaction overall and with different components of the CVC operation, with particular attention to results that will guide the Exhibition Hall refresh slated for 2018–19.

The CVC will use the survey data to understand how visitors experience the CVC's programs and services. The CVC will also identify patterns in visitor engagement and experiences at different times of the year, days of the week and times of the day. The data will help the CVC determine if visitors perceive a seamlessly integrated experience from the time of their decision to visit the Capitol and, if not, what perceptions they leave with. Overall, this data collection and evaluation will enable the CVC staff to further enhance its service to visitors. FY 2016 presented some challenges in the form of construction projects that, at times, limited public access to iconic spaces such as the Rotunda; however, the AOC was well prepared to compensate by expanding tour options to ensure that all visitors receive an enriching experience.

DID YOU KNOW?

The AOC received multiple Great Gov Tweet awards in FY 2016. This award showcases great examples of U.S. government social media messages via Twitter. The AOC's award-winning tweets covered a variety of topics, including the U.S. Capitol Dome and the agency's blizzard cleanup.

The AOC employs three strategies (4.2.1–4.2.3) to achieve this objective. A discussion of the results achieved under each strategy follows.

Strategy 4.2.1: Enhance opportunities for memorable visitor experiences that educate and inform

The Dome Restoration Project presented a significant challenge for the AOC in providing the best possible visitor experience, as the construction project necessitated several planned closures of the Rotunda and restricted access to the second floor of the Capitol. The AOC overcame this challenge by collaborating across jurisdictions to ensure that every visitor enjoyed their Capitol experience despite limited access during the closure period. The comprehensive effort involved developing new tour routes, offering an increase in specialty tours, creating new interpretive opportunities throughout the CVC, distributing information about the Dome and other historic preservation initiatives, and implementing a robust communications plan to alert the congressional community about the tour changes.

BARTHOLDI PARK RENOVATION COMPLETED

During FY 2016 and early 2017, the AOC and the U.S. Botanic Garden (USBG) renovated Bartholdi Park, located south of the USBG Conservatory. The Bartholdi Park, which had not been renovated since its creation in 1932, suffered from deteriorating concrete and poor irrigation. The renovation project repaired these deficiencies and included important improvements by creating accessible pathways in and around Bartholdi Park; providing better access to the adjacent American Veterans Disabled for Life Memorial; installing enhanced lighting, additional seating, more efficient stormwater collection and new plantings; and restoring a small historic fountain. In addition, the Park was redesigned as a Sustainable SITES project and includes demonstration and educational gardens that showcase sustainable gardening techniques and design to the public.

In 1985, the two-acre historic park was renamed after Frédéric Auguste Bartholdi, the sculptor of the historic "Fountain of Light and Water," which sits at its center. In addition to fulfilling the USBG's educational mission, the urban park is also a favorite location of visitors and office workers, and hosts a surprising diversity of birds and pollinators.

The exterior paths of Bartholdi Park remained open during most of the project, closing only for a short period to address accessibility issues of the perimeter sidewalks and park entrances. The public was able to view the renovation's progress through construction fence windows and, from across the street, via the USBG Conservatory. The project's completion, originally scheduled for January 2017, was accelerated to November 2016 and it was performed within its budget.

More information is available at: **www.aoc.gov/projects/bartholdi-park-improvements.**

Strategy 4.2.2: Enhance the visitor experience through effective use of digital media and tools

The AOC's Photo Branch, a small but effective part of the Curator's Division, works behind the scenes to leverage digital media to improve the visitor experience. By documenting the iconic heritage assets under AOC's stewardship, the Photo Branch shares photographs and videos with visitors who do not have the opportunity to see the Capitol in person. For example, time lapse videos documenting the construction of scaffolding on the Dome and in the Rotunda were popular on social media and picked up by several news outlets.

Even more notable, time lapse photography showing the blooming of the Corpse Flower in the USBG's conservatory in August 2016 was a prominent news item. The video feed received over 390,000 views from virtual visitors in 193 countries, with a total cumulative viewing time of over 14 years. The AOC continues to build a strong community of virtual visitors through a multitude of social media outlets, as evidenced by more than 123,000 followers on Twitter and more than 43,000 page likes on Facebook. The AOC's Flickr page offers virtual guests the opportunity to scroll through over 3,600 organized, publicly available images and videos — often showcasing recent projects and events on the Capitol campus.

Strategy 4.2.3 Facilitate the development of a collaborative Capitol Hill visitor experience

The Capitol Visitor Center supports events for the congressional community and public, many of which require collaboration to facilitate a seamless visitor experience. Examples include support for the Speaker of the House Transition Ceremony, the annual Christmas Tree Lighting Ceremony and the 2017 Presidential Inauguration. The CVC and USBG collaborated to provide interpretive host training for USBG employees. This training is based on the premise that all employees have the opportunity to engage with visitors and emphasizes excellent customer service and the essentials of informal interpretation to provide world-class visitor experience. In addition, the CVC hosted an Information Exchange — a collaborative session attended by 300 congressional staff. This session helped prepare staff for the Rotunda closure, provide alternate tour routes and present educational opportunities that would be offered to visitors to offset the closure.

Future Strategy

In the next Strategic Plan, the AOC is combining all customer service related strategies under the single Extraordinary Services Goal Objective 1: Deliver the "wow" by demonstrating our expertise while exhibiting responsiveness, ownership and courtesy to all internal and external customers.

Beginning in July 2015, the AOC restored the Capitol Rotunda by repairing ironwork, upgrading electrical and mechanical systems, installing new lighting, removing hazardous materials and returning the paint scheme to more historically accurate colors.

BEHIND THE SCENES:

Senate Office Buildings

The Senate Office Buildings jurisdiction is responsible for the stewardship of the facilities supporting the Senate and committee offices and hearing rooms for the United States Senate. The jurisdiction is in charge of the daily care, maintenance, repair and operations of approximately 2.9 million square feet of facility space, including the three primary Senate office buildings.

RUSSELL SENATE OFFICE BUILDING

This facility, named for former Senator Richard Russell, Jr., was constructed to accommodate the growth of the Senate at the turn of the 20th century. The building, completed in 1908 and occupied in 1909, is the oldest of the Senate office buildings and a wonderful example of the Beaux Arts style of architecture.

DIRKSEN SENATE OFFICE BUILDING

This structure, named for former Senator Everett Dirksen, was the second of the three office buildings constructed for the Senate. The building, which was designed to harmonize with the U.S. Capitol and the Russell Building, was first occupied in 1958.

HART SENATE OFFICE BUILDING

This building, named for former Senator Philip Hart, was the third office structure built to serve the U.S. Senate and was first occupied in 1982. The Hart Building is the largest of the Senate office buildings (over 1.2 million square feet), features an eight-story central atrium, and is contemporary in appearance.

More information on the Senate Office Buildings is available at: **www.aoc.gov/senate**.

ORTH ELEVATORS
CAUTION
WET
FLOOR

EQUALITY

During FY 2016 and the start of FY 2017, the AOC provides support for the 2017 Presidential Inaugural, including the planning and construction of the wooden stands on the U.S. Capitol's West Front.

SECTION III

Financial Information

INTRODUCING THE PRINCIPAL FINANCIAL STATEMENTS

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

Balance Sheet

Provides comparative information on 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.

Statement of Net Costs

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

Statement of Changes in Net Position

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

Statement of Budgetary Resources

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

Message from the Chief Financial Officer

Thomas J. Carroll, CFM
Chief Financial Officer

On behalf of the Architect of the Capitol, I am honored to join Stephen T. Ayers, FAIA, LEED AP, in presenting the agency's Performance and Accountability Report and financial statements for the Fiscal Year 2016. The PAR is the foundation of our efforts to communicate essential financial and stewardship information to Congress and the American public. This information describes how we use our public funds to accomplish our mission to serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable experiences for all who visit our buildings and grounds. This document demonstrates our stewardship over the resources entrusted to us and how our effective and efficient operations is an integral component of achieving the AOC's mission.

Our Achievements

The AOC received an unmodified or "clean" opinion on our financial statements for FY 2016, with one material weakness and one significant deficiency. This marked the 12th consecutive year we have received a clean audit opinion. A clean opinion means that the agency's financial statements are presented fairly, in all material respects, and are in conformity with generally accepted accounting principles. I am delighted that the Association of Government Accountants awarded the AOC with their Certificate of Excellence in Accountability Reporting for our FY 2015 PAR in May 2016. This was the fifth consecutive year that the AOC received this prestigious national honor, demonstrating our commitment to reporting excellence.

During FY 2016, the AOC worked diligently to resolve the prior year material weakness, ineffective controls over the asbestos cleanup cost estimate. The AOC successfully remediated this material weakness by leading a collaborative effort between the AOC's financial, safety and project management staff to revise and document the agency's asbestos cleanup cost estimation methodology. Looking forward, we will continue to look for ways to simplify and improve the estimation process.

The AOC recognizes the importance of maintaining a strong Internal Control Program and its impact on the effective execution of our programs and the provision of best value to our stakeholders. Regrettably, in FY 2016, we incurred a new material weakness relating to our project cost capitalization process and a new significant deficiency relating to our holdback of contract amounts (i.e., retainage). We concur with these findings and will implement corrective action plans to address them. We are confident that we will successfully resolve both of these issues in FY 2017.

This fiscal year, the AOC also successfully completed its migration of the core Financial Management System and Inventory Control System to a shared service Legislative Branch Financial Management System (LBFMS) hosted by the Library of Congress. The LBFMS is expected to create efficiencies across the entire legislative branch by streamlining financial system processes and reducing redundant system costs.

Our accomplishments this year include the Capitol Dome Restoration Project, which was completed under budget. Through effective planning and the efficient utilization of resources, this multi-phased restoration successfully repaired the 150-year-old cast-iron Dome. This restoration and other major projects, such as the ongoing $752.7 million Cannon House Office Building renewal, demonstrate our agency's ability to manage large-scale rehabilitation projects that modernize older buildings while preserving their architectural character. These undertakings require careful planning and effective financial management.

In FY 2016, the AOC continued to strengthen the efficiency and effectiveness of its financial management. Our accomplishments include:

- **Strengthening the Internal Control Program:** A new Internal Control Program policy and standard operating procedures were issued to clarify roles and responsibilities across the agency.
- **Implementing budget formulation and execution improvements:** Improvements to our budget processes resulted in the early completion and delivery of the FY 2017 budget justification and an improved FY 2016 mid-year execution review that identified funds for reprogramming to accomplish requirements.
- **Improving payment timeliness and accuracy:** Accounts payable processing was improved through the expanded use of Treasury's Invoice Processing Platform. At year end, the AOC achieved a monthly on-time payment rate of 98.5 percent and an average payment time of 6.9 days.
- **Exceeding goals in small business contract awards:** The AOC exceeded its targets for awards to small businesses, women-owned small businesses, veteran-owned small businesses and others.
- **Receiving a positive evaluation of the AOC's contracting practices:** The Government Accountability Office (GAO) issued a report (GAO-16-348) which found the AOC's contracting policies and practices conformed with federal regulations and provided recommendations for improvement.

Looking Forward

As we enter a new fiscal year, the AOC faces a number of critical financial challenges. Chief among these is funding the backlog of deferred maintenance and capital renewal needs for the aging Capitol complex while operating in a constrained fiscal environment. The AOC's current investment approach focuses on prioritizing the most critical capital needs and operational requirements. The Building Research Board at the National Research Council recommends that 2 – 4 percent of the current building value, at a minimum, be reinvested annually to manage a deferred maintenance backlog. Currently, less than 0.5 percent of the value of the buildings under the AOC's stewardship is reinvested. As the damage resulting from insufficient maintenance is often far more expensive to repair than the initial required preventative maintenance, it is critical to obtain funding to address the deferred maintenance and repairs backlog.

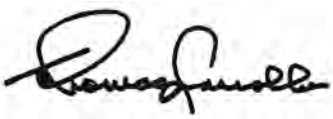
While we have improved our operational efficiency and carefully prioritized our projects, the resulting savings is not enough to meet the upcoming demand for our building maintenance funding which results in unavoidable increases in operating costs. When these increases are considered, flat budgets equate to a reduction in the funds available for agency programs and projects. The AOC is keenly aware of how far every taxpayer dollar must go to meet our responsibilities. In managing our limited resources, the AOC emphasizes rigorous analysis, effectiveness, efficiency and accountability.

The AOC will continue to look to peer organizations to share information and collaborate on best business practices. For example, in FY 2016, the AOC launched a workshop with Public Works and Government Services Canada (PWGSC). The PWGSC is conducting a large-scale renovation of their Parliament buildings — similar to the AOC's efforts on the Capitol campus. Through such strategic partnerships, the AOC will enhance the foundation on which to deliver better value to its stakeholders.

The annual financial statement audit is a key part of our agency's commitment to strong financial management, and I would like to thank our partners, the Office of Inspector General and Kearney & Company, for their professional efforts throughout this process. In addition, I would like to thank the AOC's financial professionals who diligently support the audit and perform their important work year-round — serving the agency and our customers as a trusted business partner.

Although we are pleased with our FY 2016 financial results, we recognize that there will always be new developments that will require our attention. We will continue to dedicate our efforts to improve the efficiency and effectiveness of our agency's financial operations, systems and information, and explore opportunities for increased collaboration. This foundation will enable our agency to address new requirements, support strategic decision-making and respond to new mission challenges.

Sincerely,



Thomas J. Carroll, CFM
Chief Financial Officer
November 15, 2016

INSPECTOR GENERAL TRANSMITTAL

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

www.aoc.gov

United States Government

MEMORANDUM

DATE: November 15, 2016

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

FROM: Kevin Mulshine, Inspector General

SUBJECT: Audit of Fiscal Year 2016 Financial Statements Reports, A - 2017 - 01

We contracted with the independent certified public accounting firm of Kearney & Company (Kearney), P.C. to audit the financial statements of the Architect of the Capitol (AOC) as of and for the years ending September 30, 2016. The contract required that the audit be conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States.

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

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

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

Distribution List:

Christine A. Merdon, P.E., CCM, Chief Operating Officer
Thomas J. Carroll, Chief Financial Officer and Acting Chief Administrative Officer
Shalley Kim, Executive Officer
Brian Kohler, Management and Program Analyst
File OIG - A-2017-01

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

KEARNEY & COMPANY

1701 Duke Street, Suite 500, Alexandria, VA 22314
PH: 703.931.5600, FX: 703.931.3655, www.kearneyco.com

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

The Architect of the Capitol
Architect of the Capitol

Inspector General
Architect of the Capitol

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 15-02, *Audit Requirements for Federal Financial Statements*. Those standards and OMB Bulletin No. 15-02 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.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS (continued)

KEARNEY& COMPANY

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, 2016 and its net cost of operations, 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

Fiscal Year 2015 Financial Statements Audited by a Predecessor Auditor

The AOC's financial statements for fiscal year (FY) 2015 as of and for the year ended September 30, 2015, were audited by a predecessor auditor whose report, dated November 13, 2015, expressed an unmodified opinion on those financial statements.

We were not engaged to audit, review, or apply any procedures on the FY 2015 financial statements. Accordingly, we do not express an opinion or any other form of assurance on the FY 2015 financial statements as a whole.

Required Supplementary Information

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

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS (continued)

KEARNEY & COMPANY

Other Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards* and OMB Bulletin No. 15-02, we have also issued reports, dated November 14, 2016, on our consideration of AOC's internal control over financial reporting and on our tests of AOC's compliance with provisions of applicable laws, regulations, contracts, and grant agreements, as well as other matters for the year ended September 30, 2016. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance and other matters. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and OMB Bulletin No. 15-02 and should be considered in assessing the results of our audit.

Kearney & Company

Alexandria, Virginia
November 14, 2016

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

KEARNEY& COMPANY

1701 Duke Street, Suite 500, Alexandria, VA 22314
PH: 703.931.5600, FX: 703.931.3655, www.kearneyco.com

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

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

We have audited the financial statements of the Architect of the Capitol (AOC) as of and for the year ended September 30, 2016, and we have issued our report thereon dated November 14, 2016. 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. 15-02, *Audit Requirements for Federal Financial Statements*.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered AOC's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of AOC's internal control. Accordingly, we do not express an opinion on the effectiveness of AOC's internal control. We limited our internal control testing to those controls necessary to achieve the objectives described in OMB Bulletin No. 15-02. We did not test all internal controls relevant to operating objectives as broadly defined by the Federal Managers' Financial Integrity Act of 1982 (FMFIA), such as those controls relevant to ensuring efficient operations.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies; therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings, we identified certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider one of the deficiencies described in the accompanying Schedule of Findings to be a material weakness.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING (continued)

KEARNEY & COMPANY

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider one of the deficiencies described in the accompanying Schedule of Findings to be a material weakness.

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

The Architect of the Capitol's Response to Findings

AOC's response to the findings identified in our audit is described in a separate memorandum attached to this report. AOC's response was not subjected to the auditing procedures applied in our audit of the financial statements; accordingly, we do not express an opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control, as well as the results of that testing, and not to provide an opinion on the effectiveness of AOC's internal control. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and OMB Bulletin No. 15-02 in considering the entity's internal control. Accordingly, this communication is not suitable for any other purpose.

Kearney & Company

Alexandria, Virginia
November 14, 2016

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING (continued)

KEARNEY& COMPANY

Schedule of Findings

Material Weakness

I. Improvements to Project Cost Capitalization Analysis

The Architect of the Capitol (AOC) captures cumulative project costs which will be transferred as an asset to Property, Plant, and Equipment (PP&E) when the underlying asset is placed in service in Construction Work in Progress (CWIP). Since it is an asset, CWIP does not contain amounts that should be treated as period operating expenses. In January 2014, AOC began working on the dome restoration project. In accordance with AOC policy, at project inception, AOC Accounting and the Construction Management Division (CM) determined the project expenditures would be captured in CWIP (i.e., project expenditures qualified for capitalization) until project completion. As of September 30, 2015, AOC capitalized $53.5 million in project disbursements. AOC substantially completed the project in the fourth quarter of 2016, and cumulative project disbursements totaled $80.9 million. Based on additional information provided by CM, Accounting charged approximately $65.4 million to fiscal year (FY) 2016 operating expenses. The $65.4 million contained approximately $43.2 million of charges from prior FYs.

The $43.2 million in prior-year expenditures were material to the FY 2016 AOC Statement of Net Cost. AOC should have restated prior-year financial statements, including a downward adjustment to the FY 2015 ending CWIP balance, based on the significance of the adjustment, instead of charging the entire amount to the current year's operations.

Upon further analysis of the information provided by CM, AOC determined that the $64.5 million charge to current-year operations was inappropriate. In the revised analysis, AOC determined that $17.5 million was the appropriate charge to operations. AOC subsequently transferred the remaining $63.4 million of cumulative project expenditures to PP&E as a placed in service asset.

Recommendation #1: Kearney & Company, P.C. (Kearney) recommends that AOC refine its current process to ensure that a complete and thorough analysis is conducted at project inception to support the recommend accounting treatment (i.e., capitalize or expense). For multi-year, large-dollar projects, Kearney also recommends that AOC reform this analysis at interim periods to ensure that project costs captured in CWIP only relate to those activities which will be transferred to PP&E at project completion.

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

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING (continued)

KEARNEY& COMPANY

Significant Deficiencies

II. Contract Holdback Reconciliation

AOC executes construction and professional service contracts, which contain provisions for the holdback of contract amounts, i.e. retainage. Retainage is a portion of the agreed-upon contract price deliberately withheld until the work is substantially complete to assure that a contractor will satisfy its obligations and complete the project. AOC can require retainage on contracts that are capitalized, as well as expensed. The starting point for all contracts when determining retainage is usually 10% and is negotiated from there. Each of these contracts can have varying retainage percentages and pertain to only certain portions of the contract. In addition, AOC has contracts without retainage.

As of September 30, 2016, AOC reported contract retainage as approximately $12 million and CWIP as approximately $187 million. AOC Procurement tracks retainage on the individual contract level. Neither Procurement nor AOC Financial Reporting have established any reconciliation methods or procedures over retainage to detect misstatements on the financial consolidated reporting level.

Recommendation #2: Kearney recommends that AOC management develop a policy, procedures, and methodology to reconcile retainage on a periodic basis.

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

* * * * *

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING (continued)

KEARNEY & COMPANY

APPENDIX A: STATUS OF PRIOR-YEAR DEFICIENCIES

One issue was noted relating to internal control over financial reporting in the *Independent Auditor's Report on Internal Control over Financial Reporting and Compliance with Applicable Provisions of Laws, Regulations, Contracts, and Grant Agreements* on the Architect of the Capitol's (AOC) fiscal year (FY) 2015 financial statements. The table below presents a summary of the current-year status of the issue.

Prior-Year Deficiencies

Deficiency	2016 Status	2015 Status
Ineffective Controls over Estimate of Asbestos Cleanup	Closed	Material Weakness

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND OTHER MATTERS

KEARNEY & COMPANY

1701 Duke Street, Suite 500, Alexandria, VA 22314
PH: 703.931.5600, FX: 703.931.3655, www.kearneyco.com

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

To the Architect of the Capitol

We have audited the financial statement of the Architect of the Capitol (AOC), which comprise the balance sheet as of September 30, 2016, the related statement of net cost and changes in net position, and the statement of budgetary resources for the year then ended, as well as the related notes to the financial statement, and we have issued our report thereon dated November 14, 2016. 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. 15-02, *Audit Requirements for Federal Financial Statements*.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether AOC's financial statement are free from material misstatement, we performed tests of its compliance with provisions of applicable laws, regulations, contracts, with which noncompliance could have a direct and material effect on the determination of financial statement amounts, and provisions referred to in Section 803(a) of the Federal Financial Management Improvement Act of 1996 (FFMIA). We limited our tests of compliance to these provisions and did not test compliance with all laws, regulations, and contracts applicable to AOC. Providing an opinion on compliance with those provisions was not an objective of our audit; accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and OMB Bulletin No. 15-02.

The results of our tests of compliance with FFMIA disclosed no instances in which AOC's financial management systems did not substantially comply with the Federal financial management system's requirements, applicable Federal accounting standards, and application of the United States Standard General Ledger (USSGL) at the transaction level.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND OTHER MATTERS (continued)

KEARNEY & COMPANY

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance, as well as the results of that testing, and not to provide an opinion on the AOC's compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and OMB Bulletin No. 15-02 in considering the entity's compliance. Accordingly, this communication is not suitable for any other purpose.

Alexandria, Virginia
November 14, 2016

ARCHITECT OF THE CAPITOL'S RESPONSE TO THE INSPECTOR GENERAL

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

www.aoc.gov

November 14, 2016

Kevin Mulshine
Inspector General
Architect of the Capitol
499 South Capitol Street, SW, Suite 518
Washington, DC 20515

Dear Mr. Mulshine:

Thank you for the opportunity to comment on the Independent Auditor's Report on the Financial Statements, Independent Auditor's Report on Internal Control over Financial Reporting and Independent Auditor's Report on Compliance and Other Matters for the Fiscal Years ending September 30, 2016 and 2015. The Architect of the Capitol (AOC) works diligently to establish strong financial management practices to address our compliance requirements, manage our financial processes and systems, and meet our day-to-day financial responsibilities.

A key part of our accountability is the annual independent financial statement audit. We are pleased that the result of this year's audit is an unmodified opinion — marking the twelfth consecutive year that the AOC has received a "clean" independent audit opinion. We note that one material weakness was identified in this year's annual audit for *Improvements to Project Cost Capitalization Analysis*. In addition, one significant deficiency was identified for *Contract Holdback Reconciliation*. Management concurs with both the material weakness and the significant deficiency and will be developing corrective action plans to remedy these issues.

We recognize that there is more to be done that will require our organization's sustained attention, action and improvement. We look forward to cooperating with you and our stakeholders on the continuous improvement of the AOC's financial management activities. I would like to thank the Office of Inspector General and our auditors, Kearney & Company, P.C., for your cooperation and professional approach.

Sincerely,

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

Doc. No. 161110-04-01

FINANCIAL STATEMENTS

Architect of the Capitol

Balance Sheet

As of September 30, 2016 and 2015 ($ in thousands)

	2016	2015
ASSETS		
Intragovernmental Assets		
Fund Balance with Treasury (Note 3)	$ 886,248	$ 792,185
Investments (Note 5)	18,486	15,631
Accounts Receivable (Note 6)	1,477	2,090
Total Intragovernmental	$ 906,211	$ 809,906
Cash and Other Monetary Assets (Note 4)	32	55
Investments (Note 5)	10,275	21,266
Accounts Receivable, Net (Note 6)	1,008	617
Inventory and Related Property, Net (Note 7)	554	668
General Property, Plant and Equipment, Net (Note 8)	1,860,824	1,865,078
Other (Note 10)	545	631
TOTAL ASSETS	**$ 2,779,449**	**$ 2,698,221**
Stewardship PP&E (Note 9)		
LIABILITIES		
Intragovernmental Liabilities		
Accounts Payable	$ 140	$ 153
Unfunded FECA (Note 12)	9,293	9,443
Other Liabilities (Note 16)	629	49
Total Intragovernmental	$ 10,062	$ 9,645
Accounts Payable	2,898	3,037
Debt Held by the Public (Note 13)	98,445	106,666
Actuarial FECA (Note 12)	55,373	54,844
Contingent and Environmental Liabilities (Note 14)	75,929	62,890
Accrued Annual Leave and Other (Note 12)	20,175	18,788
Capital Lease Liability (Note 15)	6,232	6,725
Contract Holdbacks	12,007	10,680
Other Liabilities (Note 16)	30,335	35,607
Advances from Others	47,793	19,962
TOTAL LIABILITIES (Note 11)	**$ 359,249**	**$ 328,844**
Commitments and Contingencies (Note 14)		
NET POSITION		
Unexpended Appropriations	$ 704,276	$ 647,915
Cumulative Results of Operations	1,715,924	1,721,462
TOTAL NET POSITION	**$ 2,420,200**	**$ 2,369,377**
TOTAL LIABILITIES AND NET POSITION	**$ 2,779,449**	**$ 2,698,221**

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

Architect of the Capitol

Statement of Net Cost

For the Periods Ending September 30, 2016 and 2015 ($ in thousands)

PROGRAM COSTS	2016	2015
Capital Construction and Operations		
Gross Costs	$ 97,475	$ 94,518
Less: Earned Revenue	(102)	(100)
Net Program Costs	97,373	94,418
Capitol Building		
Gross Costs	78,415	50,313
Less: Earned Revenue	—	—
Net Program Costs	78,415	50,313
Capitol Grounds		
Gross Costs	11,053	13,276
Less: Earned Revenue	(11)	—
Net Program Costs	11,042	13,276
Capitol Police Buildings, Grounds, and Security		
Gross Costs	33,561	34,875
Less: Earned Revenue	(7)	(151)
Net Program Costs	33,554	34,724
Capitol Power Plant		
Gross Costs	103,224	99,356
Less: Earned Revenue	(8,458)	(8,916)
Net Program Costs	94,766	90,440
House Office Buildings		
Gross Costs	117,236	85,450
Less: Earned Revenue	(730)	(318)
Net Program Costs	116,506	85,132
Library Buildings and Grounds		
Gross Costs	41,826	33,949
Less: Earned Revenue	(4,769)	—
Net Program Costs	37,057	33,949
Senate Office Buildings		
Gross Costs	81,454	77,789
Less: Earned Revenue	(722)	(683)
Net Program Costs	80,732	77,106
Supreme Court Buildings and Grounds		
Gross Costs	48,698	43,537
Less: Earned Revenue	(29,281)	(41,559)
Net Program Costs	19,417	1,978
U.S. Botanic Garden		
Gross Costs	16,352	12,964
Less: Earned Revenue	—	—
Net Program Costs	16,352	12,964
U.S. Capitol Visitor Center		
Gross Costs	24,542	24,936
Less: Earned Revenue	(4,781)	(4,388)
Net Program Costs	19,761	20,548
Net Cost of Operations (Note 19)	$ 604,975	$ 514,848

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

Architect of the Capitol

Statement of Changes In Net Position

For the Periods Ending September 30, 2016 and 2015 ($ in thousands)

	2016	2015
CUMULATIVE RESULTS OF OPERATIONS		
Beginning Balances	$ 1,721,462	$ 1,607,490
Budgetary Financing Sources		
Appropriations Used	572,246	603,395
Non-exchange Revenue	59	16
Other Financing Sources (Non-Exchange)		
Transfers In/(Out) Without Reimbursement	157	91
Imputed Financing from Costs Absorbed by Others (Note 17)	26,975	25,318
Total Financing Sources	599,437	628,820
Net Cost of Operations	(604,975)	(514,848)
Net Change	(5,538)	113,972
Cumulative Results of Operations	$ 1,715,924	$ 1,721,462
UNEXPENDED APPROPRIATIONS		
Beginning Balances	$ 647,915	$ 652,858
Budgetary Financing Sources		
Appropriations Received (Note 20)	622,868	611,901
Appropriations Transferred In/(Out)	8,300	—
Other Adjustments	(2,561)	(13,449)
Appropriations Used	(572,246)	(603,395)
Total Budgetary Financing Sources	56,361	(4,943)
Total Unexpended Appropriations	$ 704,276	$ 647,915
NET POSITION	$ 2,420,200	$ 2,369,377

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

Architect of the Capitol

Statement of Budgetary Resources

For the Periods Ending September 30, 2016 and 2015 ($ in thousands)

	2016	2015
Budgetary Resources		
Unobligated balance brought forward, Oct 1	$ 528,229	$ 515,921
Recoveries of Prior Year Unpaid Obligations	16,218	16,933
Other Changes in Unobligated Balances	5,739	(13,449)
Unobligated Balance from Prior Year Budget Authority, Net	550,186	519,405
Appropriations (Note 20)	597,023	594,671
Spending Authority from Offsetting Collections	107,205	88,240
Total Budgetary Resources	**$ 1,254,414**	**$ 1,202,316**
Status of Budgetary Resources		
New Obligations and Upward Adjustments	$ 739,462	$ 674,087
Unobligated Balance, End of Year:		
Exempt from Apportionment	492,824	508,685
Unexpired Unobligated Balance, End of Year	492,824	508,685
Expired Unobligated Balance, End of Year	22,128	19,544
Unobligated Balance, End of Year	514,952	528,229
Total Budgetary Resources	**$ 1,254,414**	**$ 1,202,316**
Change in Obligated Balance		
Unpaid Obligations:		
Unpaid Obligations, Brought Forward, Oct 1	$ 282,092	$ 246,744
New Obligations and Upward Adjustments	739,462	674,087
Outlays (Gross)	(613,600)	(621,806)
Recoveries of Prior Year Unpaid Obligations	(16,218)	(16,933)
Unpaid Obligations, End of Year	391,736	282,092
Uncollected Payments:		
Uncollected Payments, Federal Sources, Brought Forward, Oct 1	(2,415)	(1,483)
Change in Uncollected Payments, Federal Sources	938	(932)
Uncollected Payments, Federal Sources, End of Year	(1,477)	(2,415)
Memorandum (Non-Add) Entries:		
Obligated Balance, Start of Year	**$ 279,677**	**$ 245,260**
Obligated Balance, End of Year (Note 3)	**$ 390,259**	**$ 279,677**
Budget Authority and Outlays, Net		
Budgetary Authority, Gross	$ 704,228	$ 682,911
Actual Offsetting Collections	(99,133)	(77,626)
Change in Uncollected Payments, Federal Sources	938	(932)
Recoveries of Prior Year Paid Obligations	10,395	6,815
Budget Authority, Net (Total)	**$ 616,428**	**$ 611,168**
Outlays, Gross	613,600	621,806
Actual Offsetting Collections	(99,133)	(77,626)
Outlays, Net (Total)	514,467	544,180
Agency Outlays, Net	**$ 514,467**	**544,180**

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

Architect of the Capitol

NOTES TO THE FINANCIAL STATEMENTS

For the Periods Ending September 30, 2016 and 2015

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NOTE 1: Summary of Significant Accounting Policies

A. Reporting Entity

The Architect of the Capitol (AOC) is an agency within the legislative branch of the federal government. Initially authorized by Congress to provide "suitable buildings and accommodations for the Congress of the United States," its role has expanded to include responsibility for the maintenance, operation, development, and preservation of the Capitol Building (CB); Capitol Grounds (CG); Capitol Police Buildings, Grounds, and Security (CPBGS); House Office Buildings (HOB); Library Buildings and Grounds (LBG); Senate Office Buildings (SOB); Supreme Court Buildings and Grounds (SCBG); Capitol Power Plant (CPP); U.S. Botanic Garden (USBG); and U.S. Capitol Visitor Center (CVC).

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

B. Basis of Accounting and Presentation

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

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

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

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

C. Fund Balance with Treasury

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

D. Accounts Receivable

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

E. Investments

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

Intragovernmental (Investments Held With Treasury)

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

Entity (Investments Held Outside Treasury)

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

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

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

F. Trust and Revolving Funds

Trust Funds

In Fiscal Year 2016, AOC has stewardship responsibility for one trust fund account, the National Garden Trust Fund, and one special fund account, the Capitol Trust Account.

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

The Capitol Trust Account was established by the Legislative Branch Appropriations Act, 2014 (part of the Consolidated Appropriations Act, 2014). This fund consists of permit fees collected by the United States Capitol Police (USCP) to cover costs incurred by the AOC as a result of the issuance of permits for commercial activity in Union Square. Funds in this trust are available for maintenance, improvements, and projects with respect to Union Square, subject to the approval of the Committees of the House of Representatives and Senate. As of the current reporting period there have been no collections in this fund.

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 are:

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

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

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

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

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

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

The CVC Revolving Fund is used to administer funds from the sale of gift shop items, the deposit of miscellaneous receipts such as net profits or commissions paid to the CVC for food service operations, and any fees collected from other functions within the CVC facility. This business-type revolving fund is invested in government securities through the Bureau of Public Debt.

The Recyclable Materials Revolving Fund was established to record proceeds from the sale of recyclable materials from across AOC (excluding the Senate, which deposits such funds in the Senate Health and Fitness Facility Revolving Fund). The fund balance is without fiscal year limitation and may be used to carry out recycling programs or other programs that promote energy savings at AOC.

Funds from Dedicated Collections

SFFAS No. 27 *Identifying and Reporting Earmarked Funds from Dedicated Collections*, as amended by SFFAS No. 43, *Funds from Dedicated Collections: Amending Statement of Federal Financial Accounting Standards 27, Identifying and Reporting Earmarked Funds* defines funds from dedicated collections as financed by specifically identified revenues, provided to the government by non-Federal sources, often supplemented by other financing sources, which remain available over time. These specifically identified revenues and other financing sources are required by statute to be used for designated activities, benefits, or purposes, and must be accounted for separately from the Government's general revenues.

The three required criteria for a fund from dedicated collections are:

1. A statute committing the Federal Government to use specifically identified revenues and/or other financing sources that are originally provided to the Federal Government by a non-Federal source only for designated activities benefits or purposes;

2. Explicit authority for the funds to retain revenues and/or other financing sources not used in the current period for future use to finance the designated activities, benefits or purposes; and

3. A requirement to account for and report on the receipt, use, and retention of the revenues and/or other financing sources that distinguishes the fund from the Federal Government's general revenues.

As of the current reporting period, there are no AOC funds that meet the criteria for funds from dedicated collections.

G. Recognition of Financing Sources

AOC receives funding to support its programs through appropriations authorized by Congress. Funding for operating and capital expenditures is received as annual, multi-year, and no-year appropriations. This includes funding for the House Historic Buildings Revitalization Trust Fund, which is a general fund that is funded by direct appropriations. Amounts in this fund are restricted for the revitalization of the major historical buildings and assets of the House of Representatives with the approval of the House Appropriations Committee.

The appropriations that AOC manages are listed below. Inactive funds are included below for full disclosure.

1. Capitol Building
2. Capitol Grounds
   - Capitol Grounds
   - West Central Front (inactive)
   - Union Square (Capitol Trust Account)
3. Capitol Police Buildings, Grounds, and Security
4. Capital Construction and Operations
   - Capital Construction and Operations
   - American Disabilities Act (inactive)
   - Congressional Cemetery (inactive)
5. House Office Buildings
   - House Office Buildings
   - House (of Representatives) Gymnasium
   - House Historic Buildings Revitalization Trust Fund
   - House Recyclable Materials
6. Library Buildings and Grounds
7. Senate Office Buildings
   - Senate Office Buildings
   - Senate Health and Fitness Facility
   - Senate Restaurant Revolving Fund
8. Capitol Power Plant
9. U.S. Botanic Garden
   - Botanic Garden
   - National Garden (inactive)
10. U.S. Capitol Visitor Center
11. Supreme Court Buildings and Grounds
    - Supreme Court
    - Thurgood Marshall Federal Judiciary Building

H. Operating Materials and Supplies

AOC's materials and supplies consist of tangible personal property consumed during normal operations. Per Statement of Federal Financial Accounting Standards (SFFAS) No. 3, *Accounting for Inventory and Related Property*, operating materials and supplies are recorded using the purchases method. This method provides that operating materials and supplies be expensed when purchased. Operating materials and supplies are purchased using funds specifically appropriated to AOC's jurisdictions. Therefore, the related usage of those materials and supplies is intended for those specific jurisdictions making the purchases *(see Note 1.I)*.

I. Inventory

Inventory is recorded at historical cost, using the weighted average valuation method, in accordance with SFFAS No. 3, *Accounting for Inventory and Related Property,* and consists of retail goods purchased for resale at the CVC's gift shops. The recorded values may be adjusted based on the results of periodic physical inventory counts. Inventory purchased for resale may be categorized as follows: (1) purchased goods held for current sale, (2) purchased goods held in reserve for future sale, and (3) slow-moving, excess or obsolete inventory. Examples of the retail goods included in inventory that are classified as "held for current sale" are books, t-shirts, jewelry and other souvenirs. AOC may also record an allowance which is based on slow-moving, excess or obsolete and damaged inventory, as a result of known restrictions on the sale or disposition of inventory *(see Note 7)*.

J. General Property, Plant and Equipment, Net

AOC records property (buildings and equipment) at cost. Buildings and equipment are depreciated over their estimated useful lives, which range from three to 40 years, using the straight-line method. Depreciation is based on the half-year and full-month conventions for buildings and equipment, respectively. All property (real and personal) is in AOC's possession and there is nothing held by others *(see Note 8)*.

The following table presents AOC capitalization thresholds and related useful lives:

Property Type	Useful Life (Years)	Capitalization Threshold
Real Property	40	$500,000
Improvements	20	$500,000
Equipment and Vehicles	3-15	$25,000
Assets Under Capital Lease	Shorter of Lease Term or Useful Life of Property Type	See Related
Internal Use Software (Intellectual Property)	3	$5,000,000

K. Stewardship PP&E

Stewardship land and heritage assets have physical properties that resemble those of General PP&E, which are traditionally capitalized in the financial statements. Due to the nature of stewardship assets, however, determining a monetary value would be difficult, and matching costs with specific periods may not be possible or meaningful. Heritage assets are PP&E that are unique and are generally expected to be preserved indefinitely. Heritage assets have historical or natural significance; are of cultural, educational, or artistic importance; or have significant architectural characteristics. These assets are reported in terms of physical units rather than cost or other monetary values per SFFAS No. 29 *Accounting for Heritage Assets and Stewardship Land*. There are two types of heritage assets: collection, which are objects gathered and maintained for exhibition, such as museum and art collections; and non-collection, which are parks, memorials, monuments and buildings. AOC holds both collection and non-collection heritage stewardship assets *(see Note 9)*.

L. Liabilities

Liabilities represent the amounts owed to others for goods or services received, and amounts owed for progress in contract performance. Some liabilities are funded while others are unfunded because no liability may be paid without an enacted appropriation. For example, future appropriations may be enacted to fund activities for accrued unfunded annual leave and workers' compensation. The Balance Sheet presents the following types of liabilities:

- Accounts Payable
- Debt Held by the Public
- Unfunded Actual and Actuarial Workers' Compensation
- Contingent and Environmental Liabilities
- Accrued Annual Leave
- Capital Lease Liability
- Contract Holdbacks
- Advances from Others, and
- Other Liabilities

M. Personnel Compensation and Benefits

Federal Employee Benefits

The Federal Employees' Compensation Act (FECA) provides income and medical cost protection to covered federal civilian employees injured on the job, employees who have incurred a work-related occupational disease, and beneficiaries of employees whose death is attributable to a job-related injury or occupational disease. The FECA program is administered by the U.S. Department of Labor

(DOL), which initially pays valid claims and subsequently seeks reimbursement from the federal agencies employing the claimants. The DOL determines the actuarial liability for claims outstanding at the end of each fiscal year. This liability includes the estimated future costs of death benefits, workers' compensation, and medical and miscellaneous costs for approved compensation cases *(see Note 12)*.

AOC recognizes its share of the cost of providing future pension benefits to eligible employees over the period the related services are rendered. The amount funded by the Office of Personnel Management is considered imputed financing *(see Note 17)*.

AOC recognizes a current-period expense for the future cost of post-retirement health benefits and life insurance for its employees while they are actively employed. This amount is also considered imputed financing *(see Note 17)*.

Annual and Other Leave

Annual leave is recognized as an expense and a liability as it is earned. The liability is reduced as leave is taken. The accrued leave liability is principally long-term in nature. Other types of leave are expensed when taken and no future liability is recognized for these amounts (s*ee Note 12*).

N. Contingent and Environmental Liabilities

AOC accounts for contingencies in accordance with SFFAS No. 5, *Accounting for Liabilities of the Federal Government*. This standard defines a contingency as an existing condition, situation, or set of circumstances involving uncertainty as to the possible gain or loss to an entity that will ultimately be resolved when one or more future events occur or fail to occur. Management recognizes a contingent liability for liabilities equal to or greater than $100 thousand when a past transaction or event has occurred, a future outflow or other sacrifice of resources is probable, and the related future outflow is measurable. AOC has recorded no loss provisions for contingent liabilities *(See Note 14*).

SFFAS No. 5 also provides criteria for recognizing a contingent liability for material amounts of environmental cleanup costs that are related to general and stewardship PP&E used in federal operations. In accordance with Technical Bulletin 2006-1, *Recognition and Measurement of Asbestos-Related Cleanup Costs*, AOC recognizes a liability and related expense for friable and non-friable asbestos cleanup costs when it is both probable and reasonably estimable — consistent with SFFAS No. 5, SFFAS No. 6, and Technical Release No. 2 (*see Note 14*).

O. Statement of Net Cost

The Statement of Net Cost (SNC) is presented by responsibility segment, (which are AOC jurisdictions), in accordance with SFFAS No. 4, *Managerial Cost Accounting Concepts and Standards for the Federal Government*. Costs not assigned to any of AOC's ten major jurisdictions are presented as Capital Construction and Operations . AOC has a number of initiatives (e.g., cost accounting and strategic vision) in place to gather program data in order to provide more information to its stakeholders, 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 identified below.

- Capitol Building
- Capitol Grounds
- Capitol Police Buildings, Grounds, and Security
- Capital Construction and Operations
- House Office Buildings
- Library Buildings and Grounds
- Senate Office Buildings
- Capitol Power Plant
- U.S. Botanic Garden
- U.S. Capitol Visitor Center, and
- Supreme Court Buildings and Grounds

Revenues reported on the SNC are principally recorded on a direct cost recovery basis.

P. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make certain estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities (including contingent liabilities), revenues, financing sources, expenses and obligations incurred during the reporting period. These estimates are based on management's best knowledge of current events, historical experience and other assumptions that are believed to be reasonable under the circumstances. Estimates are subject to a wide range of variables, including assumptions on future economic and financial events. Accordingly, actual results may differ from those estimates.

NOTE 2: Entity and Non-Entity Assets

Non-entity assets are those held by AOC but unavailable for use in its operations. Activities that give rise to non-entity assets include:

- steam and chilled water collections over the annual Congressional cap,
- rent collections from the Monocle Restaurant,
- flag-flying fees, and
- provision of palm trees for rent by the USBG

Upon receipt, funds for these activities are not available for AOC use. At year-end, all collections are transferred to Treasury and the only non-entity assets remaining are the related Accounts Receivable.

AOC's assets as of September 30, 2016 and 2015 were as follows: (dollars in thousands)

Descriptions	2016		
	Entity	Non-Entity	Total
Intragovernmental			
Fund Balance with Treasury (Note 3)	$ 886,248	$ —	$ 886,248
Investments (Note 5)	18,486	—	18,486
Accounts Receivable, Net (Note 6)	1,436	41	1,477
Total Intragovernmental	**$ 906,170**	**$ 41**	**$ 906,211**
Cash and Other Monetary Assets (Note 4)	$ 32	$ —	$ 32
Investments (Note 5)	10,275	—	10,275
Accounts Receivable, Net (Note 6)	1,000	8	1,008
Inventory & Related Property, Net (Note 7)	554	—	554
General Property, Plant and Equipment, Net (Note 8)	1,860,824	—	1,860,824
Other (Note 10)	545	—	545
Total	**$ 2,779,400**	**$ 49**	**$ 2,779,400**

Dollars in thousands

Descriptions	2015		
	Entity	Non-Entity	Total
Intragovernmental			
Fund Balance with Treasury (Note 3)	$ 792,185	$ —	$ 792,185
Investments (Note 5)	15,631	—	15,631
Accounts Receivable, Net (Note 6)	2,057	33	2,090
Total Intragovernmental	**$ 809,873**	**$ 33**	**$ 809,906**
Cash and Other Monetary Assets (Note 4)	$ 55	$ —	$ 55
Investments (Note 5)	21,266	—	21,266
Accounts Receivable, Net (Note 6)	606	11	617
Inventory & Related Property, Net (Note 7)	668	—	668
General Property, Plant and Equipment, Net (Note 8)	1,865,078	—	1,865,078
Other (Note 10)	631	—	631
Total	**$ 2,698,177**	**$ 44**	**$ 2,698,221**

NOTE 3: Fund Balance with Treasury

Funds with Treasury primarily consist of appropriated funds. As of September 30 2016, AOC also has stewardship responsibility for six revolving funds and administrative responsibility for one trust fund and one special fund.

A. Fund Balances

The balance of these funds as of September 30, 2016 and 2015 is as follows:

Dollars in thousands

Fund Type	2016	2015
Appropriated Funds	$ 820,253	$ 752,697
Trust and Revolving Funds	65,995	39,488
Total	**$ 886,248**	**$ 792,185**

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.

Dollars in thousands

Balance Type	2016	2015
Unobligated Balance		
Available	$ 473,858	$ 492,970
Unavailable	22,128	19,544
Obligated Balance not yet Disbursed	390,259	279,678
Non Budgetary FBwT	3	(7)
Total	**$ 886,248**	**$ 792,185**

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

NOTE 4: Cash and Other Monetary Assets

Cash and Other Monetary Assets include change-making funds maintained outside Treasury for CVC Gift Shop operations and daily gift shop sales deposits-in-transit. There are no restrictions on cash.

The cash balances as of September 30, 2016 and 2015 are as follows:

Dollars in thousands

Cash & Other Monetary Assets	2016	2015
Undeposited Collections	$ 18	$ 41
Cash Imprest Funds	14	14
Total	**$ 32**	**$ 55**

NOTE 5: Investments

Intragovernmental investments comprise the investment of the sales proceeds from the CVC gift shop, which is invested at Treasury via the Bureau of Public Debt. Investments with the public comprise the investment of the residual operating reserve funds from the construction of the TMFJB. These funds are invested by the Bank of NY Mellon.

During FY 16, Investments with the public decreased due to an $11 million transfer out of the account for capital improvements on the TMFJB. Investments at September 30, 2016 and 2015 are summarized in the following table:

At September 30, 2016, Dollars in thousands

Investments Intragovernmental, Nonmarketable:	Shares/Par	Amortized Prem./(Net of Disc.)	Interest Receivable	Investements, Net	Market Value
Capitol Visitor Center Revolving Fund					
One Day Certificate, 0.11% Daily Yield Maturing 10/03/2016	$ 2,571	$ —	$ —	$ 2,571	$ 2,571
Six Month Certificate, 0.37% Six Month Yield Maturing 01/05/2017	5,000	(5)	—	4,995	4,996
One Year Certificate, 2.375% Annual Yield Maturing 7/31/2017	10,719	59	42	10,920	10,873
Total Intragovernmental	**$ 18,290**	**$ 154**	**$ 42**	**$ 18,486**	**$ 18,440**
With the Public:					
The Bank of New York Mellon Operating Reserve Fund Serial Zero Coupon Certificates Maturing 08/15/2024	$ 10,275	—	$ —	$ 10,275	$ 10,275
Total With the Public	**$ 10,275**	**—**	**$ —**	**$ 10,275**	**$ 10,275**
Total Investments	**$ 28,565**	**$ 154**	**$ 42**	**$ 28,761**	**$ 28,715**

At September 30, 2015, Dollars in thousands

Investments Intragovernmental, Nonmarketable:	Shares/Par	Amortized Prem./(Net of Disc.)	Interest Receivable	Investements, Net	Market Value
Capitol Visitor Center Revolving Fund					
One Day Certificate, 0.11% Daily Yield Maturing 10/03/2016	$ 2,500	$ —	$ —	$ 2,500	$ 2,500
Six Month Certificate, 0.37% Six Month Yield Maturing 01/05/2017	6,315	—	—	6,315	6,315
One Year Certificate, 2.375% Annual Yield Maturing 7/31/2017	6,818	(2)	—	6,816	6,818
Total Intragovernmental	**$ 15,633**	**$ (2)**	**$ —**	**$ 15,631**	**$ 15,633**
With the Public:					
The Bank of New York Mellon Operating Reserve Fund Serial Zero Coupon Certificates Maturing 08/15/2024	$ 21,266	—	$ —	$ 21,266	$ 21,266
Total With the Public	**$ 21,266**	**—**	**$ —**	**$ 21,266**	**$ 21,266**
Total Investments	**$ 36,899**	**$ (2)**	**$ —**	**$ 36,897**	**$ 36,899**

NOTE 6: Accounts Receivable, Net

The breakdown of the consolidated accounts receivable (both Intragovernmental and With the Public), as of September 30, 2016 and 2015 is as follows:

Dollars in thousands

Accounts Receivable	2016	2015
Intragovernmental:		
Entity	$ 1,436	$ 2,057
Non-Entity	41	33
Total Intragovernmental	**$ 1,477**	**$ 2,090**
With the Public:		
Entity	$ 1,001	$ 606
Non-Entity	7	11
Total With the Public	**$ 1,008**	**$ 617**
Total	**$ 2,485**	**$ 2,707**

As of the current period all accounts are considered current and there is no allowance for doubtful accounts.

NOTE 7: Inventory

Inventory consists of retail goods purchased for resale at the Capitol Visitor Center's gift shops. The inventory amounts presented herein are limited to purchases made with the gift shops' appropriated and/or revolving funds. AOC may record an allowance which is based on slow-moving, excess or obsolete and damaged inventory, if applicable.

Inventory, as of September 30, 2016 and 2015 is as follows:

Dollars in thousands

Inventory Category	2016	2015
Purchased Goods Held for Current Sale	$ 554	$ 668
Damaged/Restricted/Held for Future Sale	—	—
Total	**$ 554**	**$ 668**

Based upon management reviews of the most recent inventory count, inventory that was considered damaged or restricted was disposed in accordance with normal operating practices. Therefore, there is no damaged inventory to report as of September 30, 2016.

NOTE 8: General Property, Plant and Equipment, Net

AOC differentiates its property and equipment by distinct categories. The following represents these categories and their balances as of September 30, 2016 and 2015:

At September30, 2016, Dollars in thousands

Class of Property and Equipment	Acquisition Value	Accumulated Depreciation	Net Book Value	%
Buildings	$ 1,398,961	$ 696,643	$ 702,318	37.7
Buildings Improvements	1,532,141	851,635	680,506	36.6
Land	168,672	—	168,672	9.1
Land Improvements	158,593	87,870	70,723	3.8
Capital Leases (Real Property)	39,749	34,786	4,963	0.3
Leasehold Improvements	68,250	29,532	38,718	2.1
Equipment and Internal Use Software	19,417	16,681	2,736	0.1
Other Structures	9,288	3,616	5,672	0.3
Construction Work-in-Progress	186,516	—	186,516	10.0
Total	**$3,581,587**	**$1,720,763**	**$1,860,824**	**100.0**

The educational, artistic, architectural, and historical significance of the U.S. Capitol, Senate, House, Supreme Court, and Jefferson buildings meets the FASAB criteria for heritage assets. Since these buildings are currently used for day-to-day business, they are further classified as multi-use heritage assets. As a result, they are depreciated in the same manner as if they were general purpose assets.

Although the original assets are fully depreciated, subsequent improvements and betterments to the buildings are currently being depreciated in accordance with established policy. AOC is responsible for reviewing and authorizing all structural and architectural changes to the buildings and grounds prior to any change occurring.

At September 30, 2015, Dollars in thousands

Class of Property and Equipment	Acquisition Value	Accumulated Depreciation	Net Book Value	%
Buildings	$1,398,961	$ 666,084	$ 732,877	39.3
Buildings Improvements	1,414,370	797,806	616,564	33.1
Land	168,672	—	168,672	9.0
Land Improvements	157,861	80,334	77,527	4.2
Capital Leases (Real Property)	39,749	34,238	5,511	0.3
Leasehold Improvements	71,383	24,482	46,901	2.5
Equipment and Internal Use Software	19,057	16,217	2,840	0.2
Other Structures	9,288	3,258	6,030	0.3
Construction Work-in-Progress	208,156	—	208,156	11.1
Total	**$3,487,497**	**$1,622,419**	**$1,865,078**	**100.0**

NOTE 9: Stewardship PP&E

Stewardship land and heritage 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. With the exception of multi-use heritage assets, which are defined as stewardship assets whose predominant use is in general government operations, Federal agencies are not required to assign a cost on the Balance Sheet for stewardship PP&E.

The preservation of the AOC's stewardship PP&E is directly related to its mission to serve Congress and the Supreme Court, preserve America's Capitol and inspire memorable visitor experiences. Formal authority for the AOC's care and maintenance of the U.S. Capitol was established by legislation in 1876. The AOC's core duties also include the conservation and care of works of art in the buildings under its jurisdiction. The AOC maintains historic buildings, structures, stewardship lands and cultural landscapes, artwork, architectural features, reference and library materials, archival records, and living botanical assets in the U.S. Botanic Garden (USBG). The AOC also shares responsibility for certain heritage assets with the curators for the U.S. Senate and the House of Representatives. These shared heritage assets are categorized as joint works of art and included in the AOC's inventory. The AOC follows the professional standards established by the American Institute for Conservation and the National Archives and Records Administration for the preservation of its heritage assets.

Historic Buildings and Structures

The AOC maintains the Capitol complex, which includes a number of historic buildings and structures. These include the U.S. Capitol, Russell Senate Office Building, Dirksen Senate Office Building, Hart Senate Office Building, Senate Underground Garage, Daniel Webster Page Residence, Cannon House Office Building, Longworth House Office Building, Rayburn House Office Building, East and West House Underground Garages, Ford House Office Building, Thomas Jefferson Building, John Adams Building, James Madison Memorial Building, USBG Conservatory, USBG Administration Building, Capitol Power Plant (CPP) Main Boiler Building, CPP East Refrigeration Plant, CPP Old Generator Building, U.S. Supreme Court Building and the Thurgood Marshall Federal Judiciary Building (TMFJB). All are considered multi-use heritage assets and assigned a cost on the Balance Sheet and presented under General Property, Plant and Equipment, Net. In general, historic buildings and structures are added or withdrawn through congressional action. Deferred maintenance and repairs related to the AOC's historic buildings and structures are separately disclosed in the Required Supplementary Information.

Stewardship Lands and Cultural Landscapes

The AOC-administered stewardship lands encompass more than 570 acres of grounds. This includes Capitol Square, the approximately 290 acres of grounds immediately surrounding the U.S. Capitol and designed by noted American landscape architect Frederick Law Olmsted. In addition, the AOC's cultural landscapes include Senate Park, Senate office building sites and courtyards, House office building sites and courtyards, Botanic Garden and Bartholdi Park, USBG Administration Building site (Square 575), Union Square, Thomas Jefferson Building site (Square 730), John Adams Building site (Square 761), James Madison Memorial Building site (Square 732), Supreme Court Building site (Square 728), TMFJB site (Square 722) and memorial trees planted on the Capitol Grounds to honor distinguished citizens, groups and national events.

In general, units of stewardship land are added or withdrawn through congressional action. Memorial trees are added through congressional action or donation. An inventory of the AOC's memorial trees as of September 30, 2016 and 2015 is as follows:

Description	2015	Acquired	Withdrawn	Adjustments	2016	Condition
Memorial Trees	135	4	(1)		138	Good

Collectible Heritage Assets

The AOC is responsible for a number of collectible heritage assets. In general, collectible heritage assets are added or withdrawn through congressional action. For the living botanical assets held by the USBG, assets are added or withdrawn through congressional action or interagency transfers. Descriptions of these assets include:

Artwork: The AOC cares for artwork that is part of the Capitol complex's buildings and grounds. This includes fine art, decorative art, architectural fine art and architectural decorative art.

Architectural Features: The Capitol complex is graced with many unique architectural features. These include outdoor sculptures and monuments and landscape features and fixtures.

Reference and Library Materials: The AOC's collections include art and reference files (drawers) and art and reference library materials (published volumes).

Archival Records: The AOC's collections include architectural and engineering drawings, manuscripts and other textual records, small architectural models, photographs and conservation reports.

Living Botanical Assets: As Acting Director of the USBG, the AOC has living botanical assets in its collection. These include a variety of plants for exhibition, study and exchange with other institutions.

A summary inventory of the AOC's collectible heritage assets as of September 30, 2016 and 2015 is as follows:

Description	2015	Acquired	Withdrawn	Adjustments	2016	Condition
Artwork	2,027	3	(4)	(3)	2,023	Poor to Excellent
Architectural Features	203			(1)	202	Fair to Excellent
Reference and Library Materials:						
Art and Reference Files (drawers)	108				108	Good
Art and Reference Library (volumes)	1,192	7			1,199	Good
Archival Records	462,693	15,377			478,070	Fair to Excellent
Living Botanical Assets (Accessions)	11,626	755	(1,958)		10,423	N/A

The AOC changed the unit of measurement used for summarizing its collection of living botanical assets. While previous financial statements reported the number of individual plants in its collection, this year's financial statements report the number of accessions in the collection held in the U.S. Botanic Garden. To aid comparability, the September 30, 2015 figure has been restated to reflect the same unit of measurement. In addition, in reconciling the FY 2016 heritage assets, it was discovered that four assets were included in both the Artwork and the Architectural Features categories as of September 30, 2015. To correct the September 30, 2016 balances, these items appear as adjustments in the summary above.

NOTE 10: Other Assets

As of September 30, 2016, Other Assets consist of employee travel advances as well as a project advance payment to the U.S. Capitol Police for security work related to the Cannon Renewal project.

Dollars in thousands

Other Assets	2016	2015
Advances to Others	$ 545	$ 631
Total	$ 545	$ 631

NOTE 11: Liabilities

The Balance Sheet as of September 30, 2016 and 2015 includes, amongst others, some liabilities not covered by current budgetary resources. Such liabilities require Congressional action prior to budgetary resources being provided. Although future appropriations to fund these liabilities are likely and anticipated, it is not certain that appropriations will be enacted to fund them. Liabilities not covered by budgetary resources generally include accrued annual and compensatory leave, workers'compensation, debt held by the public, capital leases as well as contingent and environmental liabilities. Liabilities covered by budgetary resources generally include actual and accrued accounts

payable, advances from others, contract holdbacks and other liabilities, if applicable. In FY 2016, funding of $23 million was received from the Administrative Office of the U.S. Courts (AOUSC) to support projects in the TMFJB, and another $5.9 million was received from the LOC for the Cabin Branch lease. This is reflected in the amount reported as advances from others.

Liabilities covered/not covered by budgetary resources as of September 30, 2016 and 2015 are as follows:

Dollars in thousands

Fund Type	2016	2015
Intragovernmental:		
Accounts Payable	$ 140	$ 153
Other	580	—
Liabilities covered by budgetary resources	$ 720	$ 153
Accrued Unfunded Worker's Compensation	$ 9,293	$ 9,443
Other — Custodial Lialities	49	49
Liabilities not covered by budgetary resources	$ 9,342	$ 9,492
Total Intragovernmental	$ 10,062	$ 9,645
With the Public:		
Accounts Payable	$ 2,898	$ 3,037
Contract Holdbacks	12,007	10,680
Other	30,335	35,607
Advances from Others	47,793	19,962
Liabilities covered by budgetary resources	$ 93,033	$ 69,286
Debt Held by Public	$ 98,445	$ 106,666
Actuarial Unfunded Worker's Compensation	55,373	54,844
Environmental Liabilities — Unfunded	75,929	62,890
Accrued Annual Leave and Other	20,175	18,788
Capital Lease	6,232	6,725
Liabilites not covered by budgetary resources	$ 256,154	$ 249,913
Total With the Public	$ 349,187	$ 319,199
Total	$ 359,249	$ 328,844

NOTE 12: Payroll-Related Liabilities

On September 30, 2016 and 2015, the liability for Accrued Annual Leave and Other is comprised of three accounts: Funded Accrued Payroll (payroll that has been earned but not paid), Unfunded Accrued Annual Leave (employee leave that has been earned but not taken) and Workers' Compensation.

Accrued Payroll and Annual Leave, by type, as of September 30, 2016 and 2015 are as follows:

Dollars in thousands

Accrued Annual Leave & Other	2016	2015
Funded Accrued Payroll	$ 8,789	$ 7,239
Unfunded Accrued Annual Leave	11,386	11,549
Total	**$ 20,175**	**$ 18,788**

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, 2016 and 2015 is as follows:

Dollars in thousands

Workers' Compensation, by Type	2016	2015
Unfunded Workers' Compensation (Current)	$ 9,293	$ 9,443
Actuarial Workers' Compensation (Long-Term)	55,373	54,844
Total	**$ 64,666**	**$ 64,287**

Estimated future costs have been actuarially determined, and they are regarded as a liability to the public because neither the costs nor reimbursement have been recognized by DOL. Workers' Compensation is included in Liabilities not covered by Budgetary Resources, as described in *Note 11*.

NOTE 13: Debt Held by the Public

Debt held by the public consists of 30-year Serial Zero Coupon Certificates of Participation issued in 1989 for $125.4 million with a maturity value of $525.5 million. The certificates are amortized using the effective interest rate of 9 percent (which corresponds to the discount).

The balance of Debt Held by the Public is as follows:

Dollars in thousands

Debt Held by the Public, by Type	2016	2015
Securities	$ 137,840	$ 155,069
Interest Payable	698	757
Subtotal	**138,538**	**155,826**
Discount on Securities	$ (400,123)	$ (400,123)
Less: Amortization of Discount	360,030	350,963
Subtotal	**(40,093)**	**(49,160)**
Total	**$ 98,445**	**$ 106,666**

Various judiciary offices and personnel occupy the TMFJB under an Interagency Agreement between AOC and the Administrative Office of the U.S. Courts. Base rent will not change over the initial 30 years, and is set at the amount necessary to retire the debt at $17.2 million annually. Payment of the certificates will end in August 2024. This certificate is not subject to prepayment or acceleration under any circumstance, pursuant to the language in the certificate agreement.

NOTE 14: Commitments and Contingencies

AOC is party to various administrative proceedings, legal actions, and tort claims which may result in settlements or decisions adverse to the federal government. AOC also has responsibility to remediate certain sites with environmental contamination hazards related to ongoing operations. Additionally, AOC has contractual agreements with various energy service providers, which may require future financial obligations.

Contingent Liabilities

General contingent liabilities consist of claims filed against AOC which are awaiting adjudication. These liabilities typically relate to contracts, labor and equal employment opportunity issues, and personal and property damage.

For the purpose of estimating contingent liabilities for the financial statements, AOC conducted a review of existing claims for which the likelihood of loss to AOC is probable. Additionally, management and AOC's General Counsel evaluated the materiality of cases determined to have a reasonably possible chance of an adverse outcome. Liabilities are recognized for those cases that are determined to meet management's materiality threshold (see *Note 1.N*). No amounts are accrued in the financial records for claims where the estimated amount of potential loss does not exceed $100 thousand or where the likelihood of an unfavorable outcome is less than probable. During the current reporting period there were no reported cases that met this criteria. Matters for which the likelihood of an unfavorable outcome is less than probable but more than remote involve a wide variety of allegations and claims. These matters arise in the course of carrying out AOC programs and operations. The ultimate outcomes in these matters cannot be predicted at this time; however as of September 30, 2016 the lower level estimate of these cases ranged from $0 to approximately $200 thousand. 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.

The AOC is responsible for a multi-phased project to conserve and restore the ornately decorated Brumidi Corridors in the U.S. Capitol.

Environmental Cleanup Cost Liabilities Related to Asbestos Cleanup

AOC is responsible for managing and/or abating friable and non-friable asbestos-containing materials (ACM) in all Capitol Complex Buildings owned by the federal government. Pursuant to the Federal Accounting Standards Advisory Board (FASAB) Technical Bulletin 2006-1, *Recognition and Measurement of Asbestos-related Cleanup Costs,* AOC recognizes a liability for cleanup costs that are both probable and reasonably estimable. This liability is founded on "per square foot" cost indexes (based on current industry guidance for asbestos cleanup projects), which are then applied to recorded quantities of ACM to derive a total estimated liability.

Actual cleanup costs may differ for the recorded estimate due to additional cost factors that are, at this time, not reasonably estimable. For example, there may be an additional difficulty factor associated with AOC projects due to the unique working conditions on Capitol Hill. Additionally, containment (room or area) for asbestos abatement is a required work element that is not reasonably estimable at this time. Due to the uniqueness of individual project requirements, there is not enough information to determine the type of, and how much containment would be required. AOC has determined the lower level estimate of potential containment cost could be up to $98.5 million.

The accrued and potential Contingent and Environmental Cleanup Cost Liabilities, as of September 30, 2016 and 2015 are shown below.

Dollars in thousands

Contingent and Environmental Liabilities	2016	2015
Contingent Liabilities	$ —	$ —
Estimated Cleanup Cost Liabilities	75,929	62,890
Total	**$ 75,929**	**$ 62,890**

In FY 2016, AOC revised its methodology for estimating the asbestos cleanup liability to better align with industry guidance and refine the asbestos remediation cost factors. The FY2016 asbestos liability analysis reflects a increase of $13 million over the prior year, which is attributed to the annual quantity adjustment as well as a revision of the underlying cost factors.

Fort George G. Meade, Maryland

In addition to the requirements of Technical Bulletin 2006-1, AOC is subject to various federal, state, and local environmental compliance and restoration laws, including the Clean Air Act; the Clean Water Act; the Solid Waste Disposal Act; the Safe Drinking Water Act; and the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). Estimated environmental and disposal disclosures include expected future cleanup costs, and for those sites where future liability is unknown, the cost of studies necessary to evaluate response requirements.

Management's review concluded that AOC is not responsible for the clean-up and remediation of previous environmental contamination on the approximately 100 acres of land at Fort George G. Meade, Maryland, which the U.S. Army transferred to AOC. The Army is responsible for the environmental clean-up of any previous contamination under CERCLA. AOC understands that the Army is actively monitoring existing contamination on the entire site, including the land transferred to AOC, and is pursuing appropriate remediation of this contamination.

Future Funded Energy Contracts

The Energy Policy Act of 1992 authorized the use of private sector financing to implement energy conservation methods and energy-efficient technologies by Federal entities. These contracts provide technical services and upfront project financing and allow Federal agencies to pay off the project costs over a period - not to exceed 25 years. Per OMB Memoranda M-98-13 and M-12-2I, obligations, budget authority and outlays for these energy savings projects will be recognized on an annual basis when due, rather than recording the full obligation upfront.

With approval from Congress, AOC has partnered with private energy service providers for Energy Savings Projects Contracts (ESPCs) in the Capitol, House and Senate Jurisdictions, as well as a utility provider for a cogeneration facility in the Capital Power Plant (CPP). In accordance with OMB guidance, the total capital costs for AOC's energy savings projects are obligated on an annual basis, as per the payment schedule specified in each individual contract. These projects play an important role in the AOC's strategy to reduce energy consumption by thirty percent within 10 years.

The ESPCs have helped the AOC complete conservation measures by way of:

- Converting from pneumatic to direct digital heating, ventilation and air conditioning (HVAC) control and upgrading building automation.
- Retrofitting existing light fixtures with high-efficiency lamps, ballasts, controls and reflectors: Installing LED lighting in hearing rooms and expanding the lighting control rooms.

- Upgrading transformers to high-efficiency models.
- Adding removable insulation covers to reduce heat loss from steam valves.
- Replacing aged air handling units with new energy efficient units.
- Replacing failing and defective steam traps and valves to eliminate steam loss and waste.
- Installing new motion/occupancy sensors in area with infrequent and low occupancy levels.

Today construction on the ESPCs is complete, and the projects have transitioned into training, implementation & performance phases, and are exceeding their expected energy saving targets.

In FY 2016 AOC entered into a contract with Washington Gas Light Company to construct a cogeneration (COGEN) facility. Cogeneration, also known as combined heat and power, uses a single fuel source and simultaneously produces electricity and heat. The Capitol Power Plant's cogeneration facility will use natural gas in a combustion turbine to generate electricity and heat, increasing system reliability, improving efficiency and saving taxpayer dollars. This facility will provide heat and electricity for use by AOC and its jurisdictions and other Federal agencies, with excess capacity being sold potentially to non-Federal entities as well. The COGEN project is expected to be completed by FY 2018 and will be paid off, upon completion, in 23 annual installments ranging from $3M – $5M each year. AOC expects that these payments will be made from utility savings and additional revenues that result from the operations of the COGEN facility.

NOTE 15: Leases

As of September 30, 2016, 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.

Capital Leases

Capital leases have initial or remaining non-cancelable lease terms in excess of one year and the capital lease liability is amortized over the term of the lease. At the end of the current reporting period, AOC had one real property (Building) capital lease for the Senate Sergeant of Arms Warehouse facility in Landover, MD. As of September 30, 2016 and 2015, the present value of the future minimum lease payments for this capital lease is as follows:

At September 30, 2016, Dollars in thousands

Fiscal Year	Total
2017	$ 915
2018	845
2019	845
2020	845
2021	845
Thereafter	3,380
Total Minimum Future Lease Payment	**$ 7,675**
Less: Imputed Interest	(1,443)
Total Capital Lease Liability	**$ 6,232**

At September 30, 2015, Dollars in thousands

Fiscal Year	Total
2016	$ 845
2017	845
2018	845
2019	845
2020	845
Thereafter	4,225
Total Minimum Future Lease Payment	**$ 8,450**
Less: Imputed Interest	(1,725)
Total Capital Lease Liability	**$ 6,725**

Operating Leases

AOC currently has leases and occupancy agreements with the General Services Administration (GSA) & Government Printing Office (GPO) and with other commercial vendors for office and storage space as well as rentals of equipment and vehicles. These leases expire in various years. During Q4 FY 2015 AOC signed a new lease agreement on the behalf of the Library of Congress for additional book storage space located in Cabin Branch, MD.

As of September 30, 2016 the aggregate of future payments due under non-cancelable operating leases and occupancy agreements are as follows:

Dollars in thousands

Fiscal Year	Real Property	Personal Property	Total
2017	$ 27,584	$ 109	$ 27,693
2018	22,771	90	22,861
2019	13,974	29	14,003
2020	7,633	—	7,633
2021	6,787	—	6,787
Thereafter	30,608	—	30,608
Total Future Lease Payment			**$ 109,585**

NOTE 16: Other Liabilities

As of September 30, 2016 and 2015, these liabilities consist of accrued accounts payable and miscellaneous receipts that are to be forwarded to Treasury (intragovernmental custodial liabilities). Miscelleanous receipts include, but are not limited to, flag-flying fees, rent from the Monocle restaurant and steam and chilled water collections over the Congressional cap.

These liabilities, which are classified as current as of September 30, 2016 and 2015, are as follows:

Dollars in thousands

Other Liabilites	2016	2015
Intragovernmental		
Custodial Liability	$ 49	$ 49
Other	580	—
Liability for Deposit Funds, Clearing Accts & Undeposited Collections	—	—
Total Intragovernmental	$ 629	$ 49
With the Public		
Other	$ 30,335	$ 35,607
Total With the Public	$ 30,335	$ 35,607
Total	**$ 30,964**	**$ 35,656**

NOTE 17: Imputed Financing

To measure the full cost of activities, SFFAS No. 4, *Managerial Cost Accounting Concepts and Standards for the Federal Government*, requires that total costs of programs include imputed financing. Such costs result when an entity receives unreimbursed services from other U.S. government entities.

Imputed financing consists of future pension benefits for AOC employees that are paid on its behalf by the Office of Personnel Management (OPM), 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.

With some exceptions, employees participate in one of three defined benefit retirement programs based on their employment start date: employee and employer contributions are made to the Civil Service Retirement and Disability Fund (CSRDF), the Civil Service Retirement Offset, or the Federal Employees Retirement System — all administered by OPM. Employees may also participate in the Thrift Savings Plan (TSP), a defined contribution retirement savings and investment plan, as authorized by the Federal Employees Retirement System Act of 1986. The Federal Retirement Thrift Investment Board administers this Plan.

Civil Service Retirement System (CSRS): According to PL 99-335, all employees hired prior to January 1, 1987, could elect CSRS or CSRS Offset. The CSRS provides a basic annuity and Medicare coverage. The CSRS fund covers most employees hired prior to January 1, 1984. AOC and the employee contribute to Medicare at the rate prescribed by law. AOC does not match contributions to the TSP for employees who participate in the CSRS.

Civil Service Retirement System Offset: CSRS Offset generally covers those employees who have had a break in their CSRS service of more than one and less than five years by the end of 1986. AOC and the employee contribute to Social Security and Medicare at the rates prescribed by law. AOC does not match contributions to TSP for participating employees in the CSRS Offset.

Federal Employee Retirement System (FERS): According to PL 99-335, employees with less than five years of creditable civilian service, as of the effective date in 1986, were automatically converted to FERS. In addition, during certain periods in 1987, 1988 and 1998, employees hired before January 1, 1984, could choose to participate in FERS. This system consists of Social Security, a basic annuity plan and the TSP.

AOC and the employee contribute to Social Security and Medicare at rates prescribed by law. In addition, AOC is required to contribute to the TSP a minimum of 1 percent per year of the basic pay of employees covered by this system. AOC also matches a voluntary employee contribution up to 3 percent dollar-for-dollar, and another 2 percent is matched 50 cents on the dollar.

Imputed Financing for the periods ending September 30, 2016 and 2015 is as follows:

Dollars in thousands

Imputed Financing, by Type	2016	2015
Pensions		
CSRS	$ 1,875	$ 2,545
CSRS Offset	882	871
FERS	33,547	32,390
Less: Contributions	(31,711)	(30,000)
Subtotal: Employee Pensions	**$ 4,593**	**$ 5,806**
Health	11,966	10,290
Life Insurance	33	33
Subtotal: All Employee Benefits	**$ 16,592**	**$ 16,129**
Other Agency — Campus Infrastructure	10,261	9,189
Department of Justice — Treasury Judgement Fund	122	—
Total	**$ 26,975**	**$ 25,318**

NOTE 18: Net Cost of Operations Related to Payroll

The SNC reports AOC's gross and net cost by responsibility segment. A responsibility segment is the organizational component (i.e., jurisdiction) that carries out a major line of activity and whose 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, 2016 and 2015, are shown in the table below. These amounts were approximately 41 and 45 percent of the annual gross cost of operations for each respective year. This includes actual payroll and benefit expenses as well as imputed federal employee benefit costs paid by OPM. The amount identified as payroll expense represents actual expenditures and does not include accruals which are shown as other expenses.

Net Cost of Operations Related to Payroll as of September 30, 2016 and 2015 is as follows:

Dollars in thousands

	2016	2015
Expenses for Payroll & Related Benefits		
Payroll Expense	$ 246,103	$ 236,984
Imputed Costs (payroll — s ee Note 17)	16,592	16,129
Other Expenses Not Requiring Budget — Payroll	21	(38)
Employer Contribution to Employee Benefits	4,242	4,102
Total Expenses for Payroll & Related Benefits	**$ 266,958**	**$ 257,177**
Total Gross Cost	**$ 653,836**	**$ 570,963**
Payroll related expenses to Gross Costs (%)	**41%**	**45%**

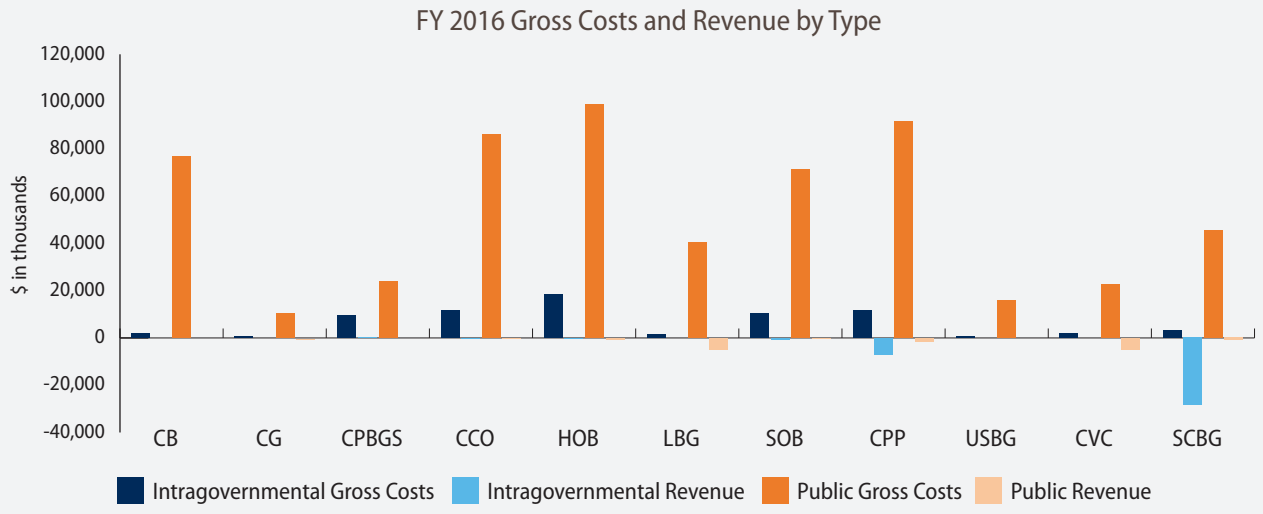
NOTE 19: Net Cost by Type

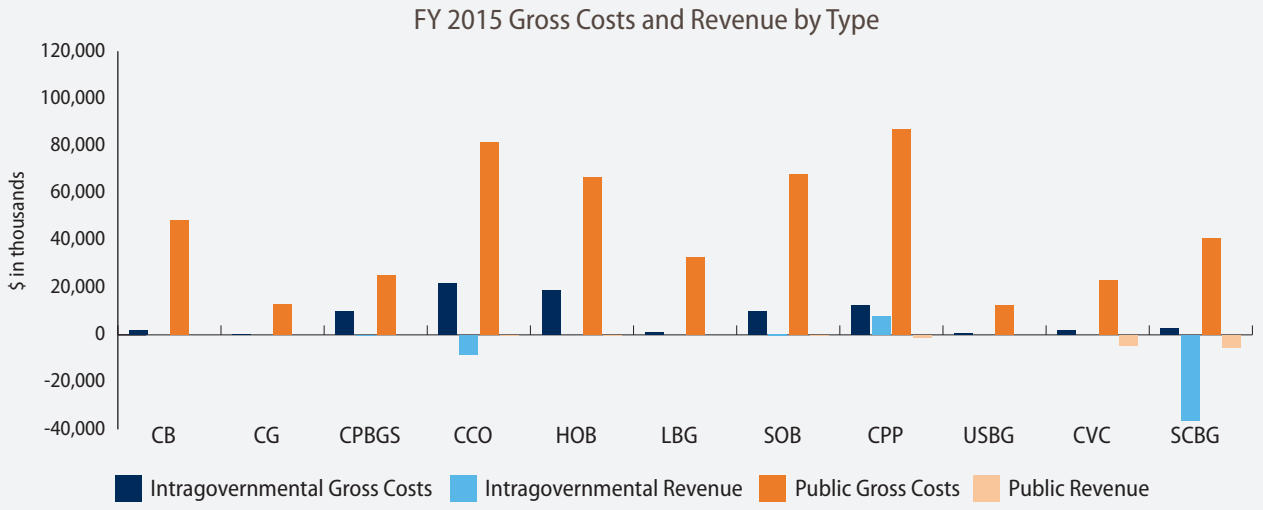
AOC's net cost of operations for the periods ending September 30, 2016 and 2015 as reported in the Statement of Net Cost (SNC) are $604,975 thousand and $514,848 thousand, respectively. The table below highlights AOC net cost by jurisdiction.

Dollars in thousands

Net Cost by Jurisdiction	2016	2015
Capitol Building	$ 78,415	$ 50,313
Capitol Grounds	11,042	$ 13,276
Capitol Police Buildings, Grounds, and Security	33,554	34,724
Capital Construction and Operations	97,373	94,418
House Office Buildings	116,506	85,132
Library Builidings and Grounds	37,057	33,949
Senate Office Buildings	80,732	77,106
Capitol Power Plant	94,766	90,440
U.S. Botanic Garden	16,352	12,964
U.S. Capitol Visitor Center	19,761	20,548
Supreme Court Buildings and Grounds	19,417	1,978
Total	**$ 604,975**	**$ 514,848**

The charts below separate these costs[13] by Intragovernmental and With the Public to provide additional details on the nature of these costs.





Intragovernmental activities comprise payments to other federal agencies for services provided such as General Service Administration (GSA) for leases, Federal Occupational Health (FOH) for training, and Department of Labor (DOL) for payroll and benefits related expenses. Activites with the public include vendor payments and employees' payroll expenses.

[13] Amounts are reflected in absolute value

NOTE 20: Reconciliation of SCNP Appropriations to SBR

Amounts reported as Appropriations Received on the Statement of Changes in Net Position (SCNP) are $622,868 thousand and $611,901 thousand for FY 2016 and FY 2015, 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, actual repayments of debt and new budget authority totaling $597,023 thousand and $594,671 thousand for FY 2016 and FY 2015 respectively.

The difference of $25,845 thousand between the two statements is attributed to the semi annual debt repayment to the Bank of New York.

NOTE 21: Undelivered Orders at the End of the Period

In accordance with OMB Circular A-136, *Financial Reporting Requirements,* the amount of budgetary resources obligated but not delivered must be disclosed separately. Amounts obligated comprise contracts with vendors for acquisitions of goods and services including contractual support, constructions projects, and CVC inventory purchases. Undelivered orders for the periods ending September 30, 2016 and 2015 are $318,701 thousand and $226,010 thousand, respectively. This is different from the unpaid obligations shown on the SBR which include undelivered orders and delivered orders (unpaid).

NOTE 22: Explanation of Differences Between the Statement of Budgetary Resources and the Budget of the United States Government

The FY 2018 Budget of the United States Government (President's Budget) presenting the actual amounts for the year ended September 30, 2016 has not been published as of the issue date of these financial statements. The FY 2018 President's Budget is scheduled for publication in February 2017. When readily available the President's Budget is reconciled to the agency Statement of Budgetary Resources to identify differences. The reconciliation as of September 30, 2016 is not presented, because the submission of the FY 2018 budget occurs after the publication of these financial statements. AOC's budget can be found on the Office of Management and Budget (OMB) website (https://www.whitehouse.gov/omb/budget/Appendix) under Legislative branch.

Dollars in millions

	Reconciliation of SBR to Budget			
	Budgetary Resources	Obligations Incurred	Net Outlays	Distributed Offsetting Receipts
Combined Statement of Budgetary Resources (SBR)	$ 1,202	$ 674	$ 544	$ —
Items on SBR — Not on Budget:				—
Expired Funds	(37)	—	—	—
Other SBR Adjustments	—	10	11	—
Budget of the United States Government	**$ 1,165**	**$ 684**	**$ 555**	**$ —**

The differences between the FY 2015 comparative amounts presented on the SBR and the actual amounts published in the FY 2017 President's Budget are due to activity from expired funds and offsetting collections that are on the SBR but in the President's Budget. Additonally, audit adjustments and other rounding differences may be reflected on the SBR.

The *Frieze of American History* in the Rotunda of the U.S. Capitol contains a painted panorama depicting significant events in American history.

NOTE 23: Reconciliation of Net Cost of Operations to Budget

FASAB requires a reconciliation of proprietary and budgetary information (the former Statement of Financing) in a way that helps users to relate the two. The objective is to provide an explanation for the differences between budgetary and financial (proprietary) accounting and is accomplished by means of a reconciliation of budgetary obligations and non-budgetary resources available to the reporting entity with its net cost of operations.

Most entity transactions are recorded in both budgetary and proprietary accounts. However, because different accounting bases are used, some transactions may appear in only one set of accounts (e.g., accrual of workers' compensation liabilities is only recorded in proprietary records). Not all obligations or offsetting collections may result in expenses or exchange revenue (e.g., a building purchase is capitalized in proprietary).

Exchange revenue with the public consists of revenues received for services provided, such as access to the Senate Health and Fitness Facility and House Wellness Center, as well as rent and interest. Exchange revenue with federal entities consists of revenue from services provided, such as steam and chilled water, work performed on reimbursable projects, and reimbursement for the TMFJB.

Resources Used to Finance Activities reflects the budgetary resources obligated and other resources used to finance AOC activities. The obligations of budgetary resources are net of offsetting collections, recoveries and receipts. Other resources are financing sources that increase net position but are not budgetary resources (e.g., donated property or imputed costs).

Resources Used to Finance Items Not Part of the Net Cost of Operations includes resources used to finance the activities of the entity to account for items that were included in net obligations and other resources but were not part of the SNC. This item includes undelivered orders reflected in net obligations but not part of current period SNC. It also includes budgetary resources and obligations recognized in the current period that do not affect the net cost of operations (e.g., an acquisition of assets reflected in net obligations but not in SNC).

Components Requiring or Generating Resources in Future Periods identifies items that are recognized as a component of the SNC for the current period but the budgetary resources (and related obligation) will not be provided (or incurred) until a subsequent period. Costs such as contingent liabilities and workers' compensation are not always funded in the period the costs are incurred and are included in this item.

Components Not Requiring or Generating Resources includes items that are recognized as part of the net cost of operations for the period but will not generate or require the use of resources, such as depreciation and amortization.

The reconciliation for the periods ending September 30, 2016 and 2015 is as follows:

Dollars in thousands

Reconciliation of Net Cost of Operations to Budget	2016	2015
Resources Used to Finance Activities		
Budgetary Resources Obligated		
Obligations Incurred	$ 739,462	$ 674,087
Less: Spending Authority from Offsetting Collections and Recoveries	(114,414)	(95,490)
Obligations Net of Offsetting Collections and Recoveries	625,048	578,597
Net Obligations	625,048	578,597
Other Resources		
Transfers In/(Out) Without Reimbursement	157	91
Imputed Financing	26,975	25,318
Net Other Resources used to Finance Activities	27,132	25,409
Total Resources Used to Finance Activities	**$ 652,180**	**$ 604,006**
Resources Used to Finance Items not Part of Net Cost of Operations (NCOO)		
Change in Budgetary Resources Obligated for Goods, Services and Benefits Ordered but not yet Provided	83,695	8,239
Resources that Fund Expenses Recognized in Prior Periods	10,717	22,238
Budgetary Offsetting Collections and Receipts that do not affect NCOO	(20)	(60)
Resources that Finance the Acquisition of Assets	83,270	151,600
Total Resources Used to Finance Items not Part of NCOO	177,662	182,017
Total Resources Used to Finance the Net Cost of Operations	**$ 474,518**	**$ 421,989**
Components of NCOO that will not Require or Generate Resources in the Current Period		
Components Requiring or Generating Resources in Future Periods	(176)	(477)
Other	(9,767)	(8,913)
Total Components of NCOO that will Require or Generate Resources in Future Periods	(9,943)	(9,390)
Components not Requiring or Generating Resources		
Depreciation and Amortization	98,788	97,742
Revaluation of Assets or Liabilities	6	(168)
Other	41,606	4,675
Total Components of NCOO that will not Require or Generate Resources	140,400	102,249
Total Components of NCOO that will not Require or Generate Resources in the Current Period	**$ 130,457**	**$ 92,859**
Net Cost of Operations	**$ 604,975**	**$ 514,848**

REQUIRED SUPPLEMENTARY INFORMATION

Combining Statement of Budgetary Resources

For the Period Ending September 30, 2016 ($ in thousands)

	Total	Capital Construction and Operations	Capitol Building	Capitol Grounds
Budgetary Resources				
Unobligated Balance Brought Forward, October 1	$ 528,229	$ 7,323	$ 37,711	$ 9,059
Recoveries of Prior Year Unpaid Obligations	16,218	3,105	2,432	722
Other Changes in Unobligated Balances	5,739	(248)	(224)	(194)
Unobligated Balance from Prior Year Budget Authority, Net	550,186	10,180	39,919	9,587
Appropriations (Note 20)	597,023	91,589	46,737	11,880
Spending Authority from Offsetting Collections	107,205	1,004	519	138
Total Budgetary Resources	**$1,254,414**	**$ 102,773**	**$ 87,175**	**$ 21,605**
Status of Budgetary Resources				
New Obligations and Upward Adjustments	$739,462	$ 95,184	$ 48,464	$ 10,688
Unobligated Balance, End of Year:				
Exempt from Apportionment	492,824	2,038	37,309	9,667
Unexpired Unobligated Balance, End of Year	492,824	2,038	37,309	9,667
Expired Unobligated Balance, End of Year	22,128	5,551	1,402	1,250
Unobligated Balance, End of Year	514,952	7,589	38,711	10,917
Total Budgetary Resources	**$1,254,414**	**$ 102,773**	**$ 87,175**	**$ 21,605**
Change in Obligated Balance				
Unpaid Obligations:				
Unpaid Obligations, Brought Forward, October 1	$ 282,092	$ 24,139	$ 57,524	$ 3,943
New Obligations and Upward Adjustments	739,462	95,184	48,464	10,688
Outlays (Gross)	(613,600)	(92,083)	(68,914)	(10,172)
Recoveries of Prior Year Unpaid Obligations	(16,218)	(3,105)	(2,432)	(722)
Unpaid Obligations, End of Year	391,736	24,135	34,642	3,737
Uncollected Payments:				
Uncollected Payments, Federal Sources, Brought Forward, October 1	(2,415)	—	—	—
Change in Uncollected Payments, Federal Sources	938	—	—	—
Uncollected Payments, Federal Sources, End of Year	(1,477)	—	—	—
Memorandum (Non-Add) Entries:				
Obligated Balance, Start of Year	**$ 279,677**	**$ 24,139**	**$ 57,524**	**$ 3,943**
Obligated Balance, End of Year (Note 3)	**$ 390,259**	**$ 24,135**	**$ 34,642**	**$ 3,737**
Budgetary Authority and Outlays, Net				
Budgetary Authority, Gross	$ 704,228	$ 92,593	$ 47,256	$ 12,018
Actual Offsetting Collections	(99,133)	(1,004)	(519)	(138)
Changes in Uncollected Payments, Federal Sources	938	—	—	—
Recoveries of Prior Year Paid Obligations	10,395	912	519	134
Budget Authority, Net (Total)	**$ 616,428**	**$ 92,501**	**$ 47,256**	**$ 12,014**
Outlays, Gross	613,600	92,083	68,914	10,172
Actual Offsetting Collections	(99,133)	(1,004)	(519)	(138)
Outlays, Net (Total)	514,467	91,079	68,395	10,034
Agency Outlays, Net	**$ 514,467**	**$91,079**	**$ 68,395**	**$ 10,034**

Capitol Police Buildings, Grounds and Security	Capitol Power Plant	House Office Builidings	Library Buldings and Grounds	Senate Office Buildings	Supreme Court Building and Grounds	U.S. Botanic Garden	U.S. Capitol Visitor Center
$ 3,268	$ 31,739	$ 277,734	$ 36,979	$ 66,016	$ 33,384	$ 8,114	$ 16,902
149	813	4,391	1,171	1,603	504	580	748
8,089	(534)	(274)	(269)	(184)	—	(228)	(195)
11,506	32,018	281,851	37,881	67,435	33,888	8,466	17,455
25,434	94,722	184,962	40,689	84,221	(15,881)	12,113	20,557
225	8,655	6,091	7,696	5,644	71,714	135	5,384
$ 37,165	**$ 135,395**	**$ 472,904**	**$ 86,266**	**$ 157,300**	**$ 89,721**	**$ 20,714**	**$ 43,396**
$ 22,338	$103,235	$ 265,582	$ 48,169	$ 78,970	$ 30,085	$ 12,843	$ 23,904
14,637	28,054	203,159	36,440	76,565	59,636	6,882	18,437
14,637	28,054	203,159	36,440	76,565	59,636	6,882	18,437
190	4,106	4,163	1,657	1,765	—	989	1,055
14,827	32,160	207,322	38,097	78,330	59,636	7,871	19,492
$ 37,165	**$ 135,395**	**$ 472,904**	**$ 86,266**	**$ 157,300**	**$ 89,721**	**$ 20,714**	**$ 43,396**
$ 10,063	$ 37,141	$ 77,858	$ 33,142	$ 13,495	$ 16,693	$ 4,413	$ 3,681
22,338	103,235	265,582	48,169	78,970	30,085	12,843	23,904
(21,185)	(102,417)	(136,195)	(43,750)	(70,719)	(31,451)	(13,238)	(23,476)
(149)	(813)	(4,391)	(1,171)	(1,603)	(504)	(580)	(748)
11,067	37,146	202,854	36,390	20,143	14,823	3,438	3,361
—	(1,110)	—	—	—	(1,305)	—	—
—	1,062	—	—	—	(124)	—	—
—	(48)	—	—	—	(1,429)	—	—
$ 10,063	**$ 36,031**	**$ 77,858**	**$ 33,142**	**$ 13,495**	**$ 15,388**	**$ 4,413**	**$ 3,681**
$ 11,067	**$ 37,098**	**$ 202,854**	**$ 36,390**	**$ 20,143**	**$ 13,394**	**$ 3,438**	**$ 3,361**
$ 25,659	$ 103,377	$ 191,053	$ 48,385	$ 89,865	$ 55,833	$ 12,248	$ 25,941
(225)	(9,717)	(6,091)	(7,696)	(5,644)	(62,580)	(135)	(5,384)
—	1,062	—	—	—	(124)	—	—
185	197	5,253	1,045	1,422	75	136	517
$ 25,619	**$ 94,919**	**$ 190,215**	**$ 41,734**	**$ 85,643**	**$ (6,796)**	**$ 12,249**	**$ 21,074**
21,185	102,417	136,195	43,750	70,719	31,451	13,238	23,476
(225)	(9,717)	(6,091)	(7,696)	(5,644)	(62,580)	(135)	(5,384)
20,960	92,700	130,104	36,054	65,075	(31,129)	13,103	18,092
$ 20,960	**$ 92,700**	**$ 130,104**	**$ 36,054**	**$ 65,075**	**$ (31,129)**	**$ 13,103**	**$ 18,092**

(continued on the next page)

Combining Statement of Budgetary Resources (continued)

For the Period Ending September 30, 2015 ($ in thousands)

	Total	Capital Construction and Operations	Capitol Building	Capitol Grounds
Budgetary Resources				
Unobligated Balance Brought Forward, October 1	$ 515,921	$ 9,046	$ 50,324	$ 8,707
Recoveries of Prior Year Unpaid Obligations	16,933	3,286	2,737	398
Other Changes in Unobligated Balances	(13,449)	(1,439)	(236)	(175)
Unobligated Balance from Prior Year Budget Authority, Net	519,405	10,893	52,825	8,930
Appropriations (Note 20)	594,671	91,455	54,665	11,973
Spending Authority from Offsetting Collections	88,240	4,164	94	248
Total Budgetary Resources	**$1,202,316**	**$ 106,512**	**$ 107,584**	**$ 21,151**
Status of Budgetary Resources				
New Obligations and Upward Adjustments	$ 674,087	$ 99,189	$ 69,873	$ 12,092
Unobligated Balance, End of Year:				
Exempt from Apportionment	508,685	3,095	36,647	8,259
Unexpired Unobligated Balance, End of Year	508,685	3,095	36,647	8,259
Expired Unobligated Balance, End of Year	19,544	4,228	1,064	800
Unobligated Balance, End of Year	528,229	7,323	37,711	9,059
Total Budgetary Resources	**$1,202,316**	**$ 106,512**	**$ 107,584**	**$ 21,151**
Change in Obligated Balance				
Unpaid Obligations:				
Unpaid Obligations, Brought Forward, October 1	$ 246,744	$ 24,104	$ 57,113	$ 3,858
New Obligations and Upward Adjustments	674,087	99,189	69,873	12,092
Outlays (Gross)	(621,806)	(95,869)	(66,725)	(11,608)
Recoveries of Prior Year Unpaid Obligations	(16,933)	(3,286)	(2,737)	(398)
Unpaid Obligations, End of Year	282,092	24,138	57,524	3,944
Uncollected Payments:				
Uncollected Payments, Federal Sources, Brought Forward, October 1	(1,483)	—	—	—
Change in Uncollected Payments, Federal Sources	(932)	—	—	—
Uncollected Payments, Federal Sources, End of Year	(2,415)	—	—	—
Memorandum (Non-Add) Entries:				
Obligated Balance, Start of Year	**$ 245,260**	**$ 24,104**	**$ 57,113**	**$ 3,858**
Obligated Balance, End of Year (Note 3)	**$ 279,677**	**$ 24,138**	**$ 57,524**	**$ 3,944**
	—	—	—	—
Budgetary Authority and Outlays, Net				
Budgetary Authority, Gross	$ 682,911	$ 95,619	$ 54,759	$ 12,221
Actual Offsetting Collections	(77,626)	(4,164)	(94)	(248)
Changes in Uncollected Payments, Federal Sources	(932)	—	—	—
Recoveries of Prior Year Paid Obligations	6,815	4,064	94	248
Budget Authority, Net (Total)	**$ 611,168**	**$ 95,519**	**$ 54,759**	**$ 12,221**
Outlays, Gross	621,806	95,869	66,725	11,608
Actual Offsetting Collections	(77,626)	(4,164)	(94)	(248)
Outlays, Net (Total)	544,180	91,705	66,631	11,360
Agency Outlays, Net	**$ 544,180**	**$ 91,705**	**$ 66,631**	**$ 11,360**

Capitol Police Buildings, Grounds and Security	Capitol Power Plant	House Office Builidings	Library Buldings and Grounds	Senate Office Buildings	Supreme Court Building and Grounds	U.S. Botanic Garden	U.S. Capitol Visitor Center
$ 4,601	$ 41,386	$ 285,239	$ 41,239	$ 38,294	$ 17,874	$ 4,516	$ 14,695
189	3,592	1,722	641	1,944	1,136	334	954
(630)	(8,869)	(101)	(272)	(754)	—	(342)	(631)
4,160	36,109	286,860	41,608	39,484	19,010	4,508	15,018
19,159	90,356	159,447	42,476	94,313	(5,590)	15,573	20,844
232	8,930	1,133	8,318	1,354	58,968	47	4,752
$23,551	**$135,395**	**$ 447,440**	**$ 92,402**	**$ 135,151**	**$ 72,388**	**$ 20,128**	**$ 40,614**
$ 20,283	$ 103,657	$ 169,705	$ 55,424	$ 69,134	$ 39,004	$ 12,014	$ 23,712
2,928	26,270	275,871	35,510	63,729	33,384	7,151	15,841
2,928	26,270	275,871	35,510	63,729	33,384	7,151	15,841
340	5,468	1,864	1,468	2,288	—	963	1,061
3,268	31,738	277,735	36,978	66,017	33,384	8,114	16,902
$ 23,551	**$ 135,395**	**$ 447,440**	**$ 92,402**	**$ 135,151**	**$ 72,388**	**$ 20,128**	**$ 40,614**
$ 12,192	$ 51,839	$ 43,187	$ 10,297	$ 21,615	$ 14,120	$ 3,558	$ 4,861
20,283	103,657	169,705	55,424	69,134	39,004	12,014	23,712
(22,224)	(114,761)	(133,312)	(31,937)	(75,310)	(35,296)	(10,826)	(23,938)
(189)	(3,592)	(1,722)	(641)	(1,944)	(1,136)	(334)	(954)
10,062	37,143	77,858	33,143	13,495	16,692	4,412	3,681
—	(1,483)	—	—	—	—	—	—
—	373	—	—	—	(1,305)	—	—
—	(1,110)	—	—	—	(1,305)	—	—
$ 12,192	**$ 50,356**	**$ 43,187**	**$ 10,297**	**$ 21,615**	**$ 14,120**	**$ 3,558**	**$ 4,861**
$ 10,062	**$ 36,032**	**$ 77,858**	**$ 33,143**	**$ 13,495**	**$ 15,388**	**$ 4,412**	**$ 3,681**
—	—	—	—	—	—	—	—
$19,391	$99,286	$160,580	$50,794	$95,667	$53,378	$15,620	$25,596
(232)	(9,303)	(1,133)	(8,318)	(1,354)	(47,981)	(47)	(4,752)
—	373	—	—	—	(1,305)	—	—
82	15	764	147	670	354	47	330
$ 19,241	**$ 90,371**	**$ 160,211**	**$ 42,623**	**$ 94,983**	**$ 4,446**	**$ 15,620**	**$ 21,174**
22,224	114,761	133,312	31,937	75,310	35,296	10,826	23,938
(232)	(9,303)	(1,133)	(8,318)	(1,354)	(47,981)	(47)	(4,752)
21,992	105,458	132,179	23,619	73,956	(12,685)	10,779	19,186
$ 21,992	**$ 105,458**	**$ 132,179**	**$ 23,619**	**$ 73,956**	**$ (12,685)**	**$ 10,779**	**$ 19,186**

Deferred Maintenance and Repairs

The AOC oversees more than 17.4 million square feet of facilities and more than 570 acres of grounds on Capitol Hill and off-site areas. The 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's *Statement of Federal Financial Accounting Standards (SFFAS) 42, Deferred Maintenance and Repairs: Amending SFFAS 6, 14, 29 and 32,* defines deferred maintenance and repairs (DM&R) as maintenance and repairs that were not performed when they should have been or were scheduled to be and are put off or delayed for a future period.

SFFAS No. 42 requires federal entities to: (1) describe their maintenance and repairs (M&R) policies and how they are applied, (2) discuss how they rank and prioritize M&R activities among other activities, (3) identify factors considered in determining acceptable condition standards, (4) state whether DM&R relate solely to capitalized general property, plant and equipment (PP&E) and stewardship PP&E or also to non-capitalized or fully depreciated general PP&E, (5) identify PP&E for which management does not measure and/or report DM&R and the rationale for the exclusion of other than non-capitalized or fully depreciated general PP&E, (6) provide beginning and ending DM&R balances by category of PP&E and (7) explain significant changes from the prior year.

The AOC defines its acceptable level of condition of PP&E to be "good to very good" based on the Facility Condition Index. The index is based upon the AOC facility replacement values, which are updated annually, and identified as deferred maintenance. 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 the AOC's deferred maintenance and repairs are tracked are: buildings and other structures, grounds (i.e., stewardship land) and heritage assets. Additionally, while the AOC tracks capital equipment deferred maintenance and repairs, none were identified for Fiscal Year 2016. Non-capitalized and fully depreciated PP&E are not included as part of the deferred maintenance estimate. To evaluate the condition of buildings, other structures and grounds, the AOC uses the Facility Condition Assessments (FCAs) to identify deferred maintenance, capital renewal, capital improvements and capital construction work elements. The FCA tracks M&R activities as work elements which are scheduled for completion. Rank and prioritization for work elements are based on the scheduled year, i.e., project urgency, as well as project risk. Project risk is scored for low, medium, high and critical risk, with work elements scheduled accordingly. 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 FCAs and does not include capital renewal, capital improvements and capital construction work elements. However, the AOC continues to monitor capital renewal work elements that, if not funded, could become deferred maintenance in the near future. Capital renewal work elements, identified for a five-year period, are combined with deferred maintenance and reported as "backlog" at the AOC.

The AOC completed an initial FCA on all buildings and grounds under its purview, with some exceptions. Exceptions, listed in the note to Table 29, have not been included in the DM&R totals. The AOC continues to complete and update the FCAs for all facilities for which it is responsible. As a result, the FCAs for some of these facilities are underway or in the planning stages and will be stated in subsequent reports.

The AOC's estimate of the amount of accumulated deferred maintenance and repair work required to bring facilities to a "good" condition, based on the Facility Condition Index, is approximately $428 million for the fiscal year ending

TABLE 29: Deferred Maintenance and Repairs ($ in thousands required to achieve good condition)

Category	As of 10/1/15	As of 9/30/16	Change
Buildings and Other Structures	$268,479	$415,200	$146,721
Grounds	12,044	12,067	23
Heritage Assets	536	534	(2)
Total	$281,059	$427,801	$146,742

* The September 30, 2016 deferred maintenance figure excludes the Library of Congress' Special Service Facilities Center, the Supreme Court Building, the Thurgood Marshall Federal Judiciary Building, pedestrian tunnels, the U.S. Capitol Police Courier Acceptance Facility, E Street S.E. Garage and most major equipment related to the Capitol Power Plant. Deferred maintenance calculations are based on FY 2015 AOC replacement values, completed in April 2016.

To evaluate the condition of buildings, other structures and grounds, the AOC uses the Facility Condition Assessment to identify deferred maintenance, capital renewal, capital improvements and capital construction projects. The Facility Condition Assessment tracks maintenance and repairs activities as work elements which are scheduled for completion.

September 30, 2016.[14] The change in deferred maintenance is largely related to recent exterior stone assessments for the Rayburn and Longworth House Office Buildings and recent utility tunnel assessments for the Capitol Power Plant. **Table 29** depicts deferred maintenance costs, by category, at the beginning and ending of the fiscal year.

[14] The 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 "very good." A ratio of 0.02 to 0.05 is judged "good." A ratio of 0.05 to 0.10 is deemed "fair." A ratio of more than 0.10 is considered "poor." The AOC's goal is to attain a ratio of less than 0.05 (or "good" condition) for its assets. Although an asset may be rated as being in acceptable condition, individual systems within that asset may require maintenance and repairs to return the system to an acceptable operating condition.

Heritage Assets

Introduction

The AOC is the steward of heritage assets located throughout Capitol campus. In addition to the buildings and landscape, these assets include architectural fine and decorative art, architectural features, archival material and joint works of art. Many of these assets, both collectible and non-collectible (i.e., architectural), are national treasures.

The Curator division, including the Records Management and Archives Branch and the Photography Branch, manages the resources provided by Congress for the conservation of art and the preservation of other heritage assets, such as architectural drawings and photographs. The AOC follows professional standards established by the American Institute for Conservation and the National Archives and Records Administration. The AOC Curator prepares recommendations to the Joint Committee on the Library regarding acquisition and placement of joint works of art and shares responsibility with the Senate and House Curators for the care of collectible fine and decorative art.

The AOC's Curator maintains detailed records for each work of art and manages computerized inventories of heritage assets.[15] The AOC contracts with professional fine art conservators for needed repairs or treatments. The AOC Curator maintains a library of conservation reports prepared in accordance with standards that require preservation work to be fully documented. The AOC Curator provides advice to the AOC's jurisdictions on projects and contracts that involve heritage assets or preservation issues. The Records Management and Archives Branch preserves historic architectural and engineering drawings and textual records, and maintains the agency's records policy. The Photography Branch documents facilities and projects, heritage assets and congressional events, and also manages and preserves the AOC's photographic records archive. Some vital records, including microfilm and photographic negatives, are stored off-site in stable and secure conditions. Curator Division staff support numerous projects by conducting historical research and providing copies of photographs, drawings, records, specifications and reports.

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

[15] The catalogue of the entire congressional art collection was last published in 1978 in Art in the United States Capitol.

The AOC-administered stewardship lands encompass more than 570 acres of grounds, including Capitol Square.

features and architectural decorative art; reviewing projects; developing specifications; and developing and implementing the AOC's Preservation Policy.

Historic Buildings and Structures

The AOC maintains the Capitol campus, which includes a number of historic buildings and structures. These include the U.S. Capitol, Russell Senate Office Building, Dirksen Senate Office Building, Hart Senate Office Building, Senate Underground Garage, Daniel Webster Page Residence, Cannon House Office Building, Longworth House Office Building, Rayburn House Office Building, East and West House Underground Garages, Ford House Office Building, Thomas Jefferson Building, John Adams Building, James Madison Memorial Building, U.S. Botanic Garden (USBG) Conservatory, USBG Administration Building, Capitol Power Plant (CPP) Main Boiler Building, CPP East Refrigeration Plant, CPP Old Generator Building, U.S. Supreme Court Building and the Thurgood Marshall Federal Judiciary Building. All are considered multi-use heritage assets and assigned a cost on the Balance Sheet and presented under General Property, Plant and Equipment, Net. In general, historic buildings and structures are added or withdrawn through congressional action.

Stewardship Lands and Cultural Landscapes

The AOC-administered stewardship lands encompass more than 570 acres of grounds. This includes Capitol Square, the approximately 290 acres of grounds immediately surrounding the U.S. Capitol and designed by noted American landscape architect Frederick Law Olmsted. In addition, the AOC's cultural landscapes include Senate Park, Senate office building sites and courtyards, House office building sites and courtyards, Botanic Garden, Bartholdi Park, USBG Administration Building site (Square 575), Union Square, Thomas Jefferson Building site (Square 730), John Adams Building site (Square 761), James Madison Memorial Building site (Square 732), Supreme Court Building site (Square 728), TMFJB site (Square 722) and memorial trees planted on the Capitol Grounds to honor distinguished citizens, groups and national events. In general, units of stewardship land are added or withdrawn through congressional action.

Memorial trees are living heritage assets planted to honor distinguished citizens, groups and national events. About half are located on the Capitol's East Front. Memorial trees are added through congressional action or donation. An inventory of the memorial trees as of September 30, 2016 and 2015 follows:

Memorial Trees	As of 10/01/15	As of 9/30/16	Change	General Condition
2.3 Memorial Trees	135	138	3[1]	Good

[1] In FY 2016, memorial trees were planted to commemorate Representative Edward Roybal, the 70th Anniversary of the Fullbright Program and the 100th Anniversary of Ireland's Easter Rising.

General Condition Standards

The AOC has defined condition standards based on principles and guidance used by members of the American Institute for Conservation (AIC) defined by Heritage Preservation before it merged into AIC. The AOC performs periodic condition surveys to ensure heritage assets are documented and preserved for future generations. Assets must be monitored because they are located in working offices and public spaces rather than in a museum setting, so they can be damaged by touching, impact and surface deposits. Outdoor sculptures and fixtures are exposed to weather and pollutants. Once these objects are conserved, regular follow-up inspections and periodic maintenance treatments are essential for their preservation. The following table summarizes the condition survey rating scales used by the AOC for its heritage assets.

On April 21, 2016, Harriet Mayor Fulbright, Architect of the Capitol Stephen T. Ayers, Father Patrick J. Conroy and Representative French Hill joined to dedicate a tree in honor of the 70th anniversary of the Fulbright Program. Several trees on the Capitol grounds serve as living memorials and are maintained by the AOC.

AOC Heritage Assets Condition Rating Scales

Condition Rating Scale	Definition	Priority
Heritage Assets		
Poor	Asset exhibits, or is in danger of, structural damage or loss. Requires major conservation or repair to achieve structural and aesthetic integrity.	High
Fair	Asset is structurally sound but requires major conservation to improve aesthetic integrity.	Medium
Good	Asset is structurally sound and retains aesthetic integrity. Requires routine maintenance or minor conservation.	Low
Excellent	Asset is new, or has been conserved as close to its original condition and appearance as possible, or a conservator has determined that no conservation treatment is needed.	No Treatment Needed
Historic Paper Records		
Poor	Records are not yet stored in archives or their preservation is endangered.	High
Fair	Records are preserved in secure and stable conditions in archives.	Medium
Good	Records are accessioned and placed in acid-free containers.	Low
Excellent	Records are fully processed and stored in archival folders with all major preservation problems attended to.	No Treatment Needed
Photographic Records		
Poor	Film photographs are not in secure storage or digital files are not identified, readable or backed up.	High
Fair	Records are in secure storage, subject is identified and image is backed up.	Medium
Good	Negatives are properly housed and inventoried or digital files are batch captioned and backed up in multiple locations	Low
Excellent	Negatives are stored off-site in archival conditions or digital files are fully captioned with images backed up in multiple locations with routine data migration.	No Treatment Needed

Collectible Heritage Assets

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

1. U.S. Capitol

The U.S. Capitol is an important example of 19th century neoclassical 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.

1.1. Fine Art

This collection includes principally unique works of art by known artists that are not permanently attached to or designed for the structure (i.e., collectible). They are separated into (a) works that are under the jurisdiction of the Joint Committee on the Library and cared for by the AOC and (b) those that were originally accepted by the Joint Committee on the Library and are joint in subject matter or acquisition (these are counted in the AOC's inventory as possibly joint). The possibly joint assets are located in the Senate and House wings of the U.S. Capitol and, in many cases, are considered part of the Senate or House collections and are cared for by the Senate and House Curators.

1.1.1. Interior Sculpture

This collection is comprised primarily of the bronze and marble statues in the National Statuary Hall collection. This collection (comprised of 100 statues — two from each state) was established in 1864 and completed in 2005. In FY 2011, a long-range conservation maintenance contract for sculpture was implemented. By the end of FY 2016 all of the statues were maintained at least once (with most maintained multiple times) to keep them in excellent condition.

Sculpture	As of 10/01/15	As of 9/30/16	Change	General Condition
1.1.1.1 National Statuary Hall Statues	100	100[1]	-	Excellent
1.1.1.2 Other Statues[2]	9	9	-	Excellent
1.1.1.3 Possibly Joint Statues	3	3	-	Good
1.1.1.4 Busts	16	16	-	Fair to Excellent
1.1.1.5 Possibly Joint Busts	21	21	-	Good
1.1.1.6 Other (Maquettes, etc.)	27	28	1[3]	Good to Excellent

[1] The state of Ohio replaced its statue of William Allen with one of Thomas Alva Edison in FY 2016.
[2] The Magna Carta display, located in the Crypt, is included in this category.
[3] Two Horatio Stone sculpted vases have been formally accepted by the Joint Committee on the Library and will be displayed in FY 2017. In addition, one object was relocated to the House Office Buildings on a temporary loan.

1.1.2. Framed Oil Paintings

Framed oil paintings under the AOC's stewardship include portraits of former Architects of the Capitol and other paintings. Many of the frames for these paintings are also heritage assets.

Paintings	As of 10/01/15	As of 9/30/16	Change	General Condition
1.1.2.1 Portraits	17	17	-	Good to Excellent
1.1.2.2 Possibly Joint Portraits	26	26	-	Fair to Excellent
1.1.2.3 Paintings Other Than Portraits	12	12	-	Good to Excellent
1.1.2.4 Possibly Joint Paintings	23	23	-	Excellent

1.1.3. Works of Art on Paper

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

Works of Art on Paper	As of 10/01/15	As of 9/30/16	Change	General Condition
1.1.3.1 Watercolors	6	6	-	Good
1.1.3.2 Prints and Drawings	72	72	-	Poor to Excellent
1.1.3.3 Sketches for Murals	Approx. 232	Approx. 232	-	Fair to Excellent

1.2. Decorative Art

Decorative art ranges from objects of great craftsmanship and historical importance to mass-produced objects. Often the name of the designer or maker is unknown. Conservation treatment may be appropriate for the highest level of decorative art.

Decorative Art	As of 10/01/15	As of 9/30/16	Change	General Condition
1.2.1 Gilded Mirror Frames[1]	93	93	-	Poor to Excellent
1.2.2 Historic Furniture[2]	38	38	-	Fair to Good
1.2.3 Antique Clocks	10	7	(3)[3]	Good to Excellent[4]
1.2.4 Textiles	2	2	-	Good

[1] 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.
[2] Sixteen benches have been returned to the Rotunda of the U.S. Capitol following the interior completion of the Dome Restoration Project.
[3] The House Curator has assumed responsibility for inventory and conservation of three portable clocks previously on our inventory.
[4] Maintenance was performed on the Moorish rider clock in FY 2016.

1.3. Architectural Fine Art

This category of fine art is part of the fabric of a structure, permanently attached to the structure or building systems, or designed as part of an architectural space.

Architectural Fine Art	As of 10/01/15	As of 9/30/16	Change	General Condition
1.3.1 Pediments (exterior)	3	3	-	Poor to Excellent[1]
1.3.2 Statues (interior and exterior)	6	6	-	Good to Excellent
1.3.3 Plaster Model of Sculpture	1	1	-	Excellent
1.3.4 Sculptured Stair Railings	4	4	-	Excellent[2]
1.3.5 Architectural Models on Display	-	-	-	-
1.3.6 Reliefs	39	39	-	Good
1.3.7 Sculptured Bronze Doors (sets) (interior and exterior)	4	4	-	Excellent
1.3.8 Plaques	29	29	-	Fair to Excellent
1.3.9 Stained Glass	16	16	-	Poor to Good
1.3.10 Rotunda Paintings	8	8	-	Good to Excellent
1.3.11 Rooms or Spaces with Fine Art Murals	84	84[3]	-	Fair to Excellent

[1] Conservation of the marble Senate pediment sculptures was completed in FY 2016 as part of the Capitol Stone Preservation Project. In addition, the House pediment sculptures will be conserved in FY 2017.

[2] Maintenance was performed on the Senate bronze railings in FY 2016.

[3] Each room or space may contain multiple sections of murals in vaults and lunettes with individual mural scenes or figures. There are hundreds of images painted on the Capitol's walls. Mural conservation has been ongoing since 1981 and most murals are in at least "good" condition.

This bronze statue of Thomas Alva Edison, by sculptor Alan Cottrill, was donated to the National Statuary Hall Collection by the state of Ohio in 2016. It was unveiled on September 21, 2016 in the U.S. Capitol.

1.4. Architectural Decorative Art

This decorative art is part of the fabric of a structure, permanently attached to the structure or building systems, or designed as part of an architectural space. Decorative art ranges from objects of great craftsmanship and historical importance to mass-produced objects. Often the name of the designer or maker is unknown. Conservation treatment may be appropriate for the highest level of decorative art. Approximate numbers are based on the Capitol Superintendent's CAFM inventory. Only about a third of the lighting fixtures are historic and considered heritage assets appropriate for restoration. The more utilitarian fixtures are at times moved or replaced.

Architectural Decorative Art	As of 10/01/15	As of 9/30/16	Change	General Condition
1.4.1. Mantels	Approx.167	Approx.167	-	Good
1.4.2. Chandeliers	Approx. 250	Approx. 250	-	Good to Excellent
1.4.3. Pendant Lights	Approx. 270	Approx. 270	-	Good
1.4.4. Sconces	Approx. 100	Approx. 100		Good
1.4.5. Rooms or Spaces with Decorative Murals	48	48		Fair to Excellent

1.5. Architectural Features

Historic architectural features include woodwork, shutters, columns, capitals, brackets, historic floors (e.g., the U.S. Capitol's Minton tile floors) and special architectural surfaces (e.g., marble and scagliola). The Capitol Superintendent (or the Senate Sergeant at Arms) maintains these assets. While an accurate count of these features does not exist, the numbers are large. For example, there are at least 450 interior columns and pilasters with carved capitals. In recent years, special attention has been paid to the restoration of historic scagliola.

2. 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 10/01/15	As of 9/30/16	Change	General Condition
2.1.1 Monuments/ Statues	4	4	-	Excellent[1]
2.1.2 Fountains with Sculpture	1	1	-	Good
2.1.3 Plaques	5	5	-	Good

[1] Conservation of the Grant Memorial is expected to be completed in early FY 2017. Maintenance was performed on the Garfield Monument and the Taft Memorial in FY 2016.

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

The Capitol Grounds is also the location of memorial trees — living heritage assets planted to honor distinguished citizens, groups and national events. See Stewardship Lands and Cultural Landscapes in this section.

Landscape Features and Fixtures	As of 10/01/15	As of 9/30/16	Change	General Condition
2.2.1 Urns	20	20	-	Good
2.2.2 Lighting Fixtures	Approx. 166	Approx. 166	-	Fair to Excellent
2.2.3 Basins (with fountains)	2	2	-	Excellent

3. House Office Buildings

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

Architectural Fine Art	As of 10/01/15	As of 9/30/16	Change	General Condition
3.1 Pediments (exterior)	1	1	-	Good
3.2 Sculpture (exterior)	8	8	-	Fair
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
3.9 Maquettes, etc.	-	1	1[1]	Excellent

[1] One object (maquette for Rosa Parks statue) was relocated from the U.S. Capitol on a temporary loan.

4. Senate Office Buildings

There are three major office buildings for the U.S. Senate: the Russell, Dirksen and Hart Senate Office Buildings.

Architectural Fine Art	As of 10/01/15	As of 9/30/16	Change	General Condition
4.1 Pediments (exterior)	1	1	-	Fair
4.2 Sculpture	1	1	-	Poor[1]
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

[1] Safety inspection of the Calder Mountains and Clouds was completed in FY 2016. The clouds were removed. Refabrication is pending funding.

5. Library Buildings and Grounds

The Library of Congress's 1897 Thomas Jefferson Building contains large areas of decorative painting, relief plaster, woodwork, stone work and mosaic ceilings. The John Adams Building, which is embellished with Art Deco-style decorative metal and relief stone work, is not included in the inventory count.

Architectural Fine Art	As of 10/01/15	As of 9/30/16	Change	General Condition
5.1. Statues	27	27	-	Good to Excellent
5.2. Sculptured Stair Railings	2	2	-	Good
5.3. Reliefs (interior)	73	73	-	Good
5.4 Sculptured Bronze Doors (sets) (exterior)	17	17	-	Excellent
5.5. Stained Glass/ Mosaics	17	17	-	Fair to Good
5.6. Rooms or Spaces with Fine Art Murals	32	32	-	Fair to Excellent[1]
5.7. Fountains with Sculpture (exterior)	3	3	-	Poor to Excellent[2]
5.8 Sculptural Clock	1	1	-	Excellent
5.9 Exterior Sculpture	1	1	-	Fair

[1] Conservation of Jefferson Building murals, including the assessment of the Great Hall ceiling murals, took place in FY 2016.
[2] Condition of the bronze Neptune sculpture deteriorated due to additives placed in the water. Conservation will occur in FY 2017.

6. Supreme Court Building and Grounds

The Supreme Court Building is richly adorned with decorative carvings in marble and wood, decorative metal and plaster work, and decorative painting.[16]

Architectural Fine Art	As of 10/01/15	As of 9/30/16	Change	General Condition
6.1 Pediments (exterior)	2	2	-	Poor to Excellent[1]
6.2 Sculpture (exterior)	2	2	-	Excellent[2]
6.3 Reliefs	4	4	-	Good
6.4 Light Posts with Reliefs (exterior)	2	2	-	Poor to Fair
6.5 Bronze Door (set) (exterior)	1	1	-	Good

[1] Conservation of the east pediment sculpture is planned as part of the Exterior Stone and Metal Preservation Project.
[2] Authority of Law and Contemplation of Justice were conserved in FY 2016.

7. U.S. Botanic Garden

The U.S. Botanic Garden (USBG) maintains a collection of living plants and includes all plants used to fulfill the mission of the institution. The collection is categorized as follows:

- Plants of historical or current institutional significance (e.g., individuals or descendants from the Wilkes expedition, commemorative gifts from foreign governments and descendants of plants of American historical significance)
- Plants appearing on approved permanent landscape planting plans for the Conservatory, National Garden, Bartholdi Park and the Production Facility
- Plants listed for rotation into permanent exhibits in the Conservatory, National Garden or Bartholdi Park; Plants used in ongoing education programs
- Plants needed to support future exhibits or programs and whose quality or relative unavailability in the commercial trade justifies inclusion in the permanent collection
- Orchid species and selected orchid cultivars
- Listed rare and endangered species received under the Convention on International Trade in Endangered Species of Flora and Fauna repository agreement, through interagency transfer, or by other means

[16] The collectible fine art within the Supreme Court Building does not fall under the AOC's jurisdiction and is cared for by the Curator of the Supreme Court.

- Medicinal plants whose quality or relative unavailability in the commercial trade justifies inclusion in the permanent collection
- Plants used for accent and horticultural propagation stock, including those obtained for trial performance under local conditions

Plants are used for exhibition, study and exchange with other institutions. Noteworthy collections include economically significant plants, medicinal plants, orchids, cacti and succulents, bromeliads, cycads and plants of Mediterranean regions. The USBG's gardens and living collections are important resources, and are made available for the study of threatened plants and their conservation. The USBG staff maintain extensive computerized records of the plant collections, which track the location, condition and provenance of each addition. A database with this information is available to the public on the USBG website, **www.usbg.gov/plant-collections**. Collections are continually reviewed for accuracy in identification.

Architectural Feature

Outdoor Sculpture	As of 10/01/15	As of 9/30/16	Change	General Condition
7.1 Fountains with Sculpture	1	1	-	Excellent

Living Botanical Assets

The table identifies the USBG's inventory of living botanical assets. Plant inventories for FY 2016 and the prior five years are provided to facilitate comparison. At the end of FY 2016, the USBG held more than 10,000 accessions including more than 47,000 individual plants at the Conservatory and the Blue Plains Production Facility in southwest D.C. The USBG maintains over 6,800 unique taxa in its collections.

The USBG's National Garden, which opened to the public in 2006, serves as an outdoor laboratory for gardening in harmony with natural ecosystems.

All Plants (Including Orchid Collection)				
FY	Accessions[1]	Names (Taxa)[2]	Individuals[3]	Deaccessions4
2011	12,032	7,738	63,542	859
2012	12,272	7,890	66,328	985
2013	11,740	7,459	58,944	1,654
2014	11,419	7,470	57,942	842
2015	11,626	7,610	60,574	639
2016	10,423	6,803	47,564	1,958

[1] Current number of accessions assigned to living plants. An individual accession number might include multiple lots (divisions) that might include multiple individual plants.
[2] Number of names for living plants in the USBG plant database. This includes species names, cultivars, and varieties, and is restricted to only the names for plants that are living at the Garden. In many cases, the USBG has numerous accessions from different times or sources of the same named plant.
[3] Number of individual plants accessioned in the database. This number is a best estimate derived from both inventories and estimates of plants growing in the Garden.
[4] Number of accession numbers that have been deaccessioned year-to-date. This is due to plants dying or being composted/discarded due to disease or change in institutional need.

Orchid Collection

There are over 4,000 individual orchids in the Botanic Garden's collections. The orchid collection is the single largest component of the USBG's plant inventory, accounting for over 30 percent of its accessions.

Orchid Collection				
FY	Accessions	Names (Taxa)	Individuals[3]	Deaccessions
2011	3,393	1,771	N/A	458
2012	3,356	1,803	N/A	299
2013	3,587	1,847	N/A	232
2014	3,425	1,839	N/A	356
2015	3,444	1,876	N/A	208
2016	3,201	1,795	4,330	415

8. Architectural and Engineering Artifacts

The AOC maintains an inventory of small architectural and engineering artifacts and models for research or exhibition. The AOC also maintains an inventory of large artifacts, such as pieces of stone removed from buildings or plaster models, for possible reuse or repairs. As an example, 150 tons of sculpture and stone removed from the East Front of the U.S. Capitol 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. The AOC archives contain over 187,500 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 the 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 letters from artists and architects dating to the 1850s.

9.3. Photographs

The Photography Branch produces photographs relating to architectural design, construction, renovation and restoration of the historic buildings and grounds under the AOC's care. The Branch covers major ceremonial events, documents works of art and conservation projects and produces graphic slides, displays and video for the AOC and congressional use. The Branch maintains an archive of over 280,000 photographic images dating to the 1850s. The collection includes approximately 4,000 glass plates, in addition to hundreds of thousands of images in negative, print and digital format. The number of images is growing rapidly since the conversion to digital format. Each unique image is given a control number (one image may exist in multiple formats). The majority of the glass and film negatives are stored off-site for long-term preservation. Digital files are systematically backed-up and copied.

9.4. Small Architectural Models

The AOC preserves a small number of display models as part of the architectural record for study and possible future exhibit purposes.

9.5, 9.6 and 9.7. Reference Files, Library Materials and Conservation Reports

One of the largest curatorial functions the AOC performs is maintaining the inventory of, and files for, art and historical objects. The Curator maintains a file on each work of art, artist and room in the U.S. Capitol as well as files on the buildings and architectural subjects. The Curator also keeps records on major ceremonies, such as joint sessions of Congress and inaugurations. The AOC uses these files to answer questions from the AOC staff and contractors, members of Congress and their staffs and the public and to provide information for written fact sheets and publications. The U.S. Capitol Historical Society Fellowship, managed by the Curator, continually adds to the knowledge of the art and architecture of the U.S. Capitol.

Records and Reference	As of 10/01/15	As of 9/30/16	Change	General Condition
9.1 Architectural and Engineering Drawings	Approx. 187,641	Approx. 187,641	-	Good to Excellent
9.2 Manuscripts and Other Textual Records	Approx. 8,419	Approx. 8,672	253	Fair to Good
9.3 Photographs	266,214	281,327	15,113	Good to Excellent
9.4 Small Architectural Models	18	18	-	Fair
9.5 Art and Reference Files	108 Drawers	108 Drawers	-	Good
9.6 Art and Reference Library (published volumes)	1,192 Vols.	1,199 Vols.	7	Good
9.7 Conservation Reports (in notebooks)	401	412	11	Good

Summary of Heritage Assets

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

	2016 AOC Jurisdiction									2015 AOC Jurisdiction								
Category	CB	CCO	CG	HOB	LBG	SC	SOB	USBG	Total	CB	CCO	CG	HOB	LBG	SC	SOB	USBG	Total
Memorial Trees	—	—	138	—	—	—	—	—	138	—	—	135	—	—	—	—	—	135
Artwork																		
Fine art																		
Interior Sculpture																		
National Statuary Hall Statues	100	—	—	—	—	—	—	—	100	100	—	—	—	—	—	—	—	100
Other Statues	9	—	—	—	—	—	—	—	9	9	—	—	—	—	—	—	—	9
Possibly Joint Statues	3	—	—	—	—	—	—	—	3	3	—	—	—	—	—	—	—	3
Busts	16	—	—	—	—	—	—	—	16	16	—	—	—	—	—	—	—	16
Possibly Joint Busts	21	—	—	—	—	—	—	—	21	21	—	—	—	—	—	—	—	21
Other (Maquettes, etc.)	28	—	—	1	—	—	—	—	29	27	—	—	—	—	—	—	—	27
Sub-Total	177	—	—	1	—	—	—	—	178	176	—	—	—	—	—	—	—	176
Framed Oil Paintings																		
Portraits	17	—	—	—	—	—	—	—	17	17	—	—	—	—	—	—	—	17
Possibly Joint Portraits	26	—	—	—	—	—	—	—	26	26	—	—	—	—	—	—	—	26
Paintings Other Than Portraits	12	—	—	—	—	—	—	—	12	12	—	—	—	—	—	—	—	12
Possibly Joint Paintings	23	—	—	—	—	—	—	—	23	23	—	—	—	—	—	—	—	23
Sub-Total	78	—	—	—	—	—	—	—	78	78	—	—	—	—	—	—	—	78
Works of Art on Paper																		
Watercolors	6	—	—	—	—	—	—	—	6	6	—	—	—	—	—	—	—	6
Prints and Drawings	72	—	—	—	—	—	—	—	72	72	—	—	—	—	—	—	—	72
Sketches for Murals	232	—	—	—	—	—	—	—	232	232	—	—	—	—	—	—	—	232
Sub-Total	310	—	—	—	—	—	—	—	310	310	—	—	—	—	—	—	—	310
Sub-Total: Fine Art	565	—	—	1	—	—	—	—	566	564	—	—	—	—	—	—	—	564
Decorative Art																		
Gilded Mirror Frames	93	—	—	—	—	—	—	—	93	93	—	—	—	—	—	—	—	93
Historic Furniture	38	—	—	—	—	—	—	—	38	38	—	—	—	—	—	—	—	38
Antique Clocks	7	—	—	—	—	—	—	—	7	10	—	—	—	—	—	—	—	10
Textiles	2	—	—	—	—	—	—	—	2	2	—	—	—	—	—	—	—	2
Sub-Total	140	—	—	—	—	—	—	—	140	143	—	—	—	—	—	—	—	143
Architectural Fine Art																		
Pediments (exterior)	3	—	—	1	—	2	1	—	7	3	—	—	1	—	2	1	—	7
Statues/Sculpture	6	—	—	8	27	2	1	—	44	6	—	—	8	27	2	1	—	44
Plaster Models of Sculpture	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	73	4	51	—	168	39	—	—	1	73	4	51	—	168
Light Posts with Reliefs (exterior)	—	—	—	—	—	2	—	—	2	—	—	—	—	—	2	—	—	2
Bronze Doors (Sets)	4	—	—	—	17	1	—	—	22	4	—	—	—	17	1	—	—	22
Plaques	29	—	—	1	—	—	—	—	30	29	—	—	1	—	—	—	—	30
Monuments/Statues	—	—	—	2	—	—	—	—	2	—	—	—	2	—	—	—	—	2
Stained Glass/Mosaics	16	—	—	—	17	—	—	—	33	16	—	—	—	17	—	—	—	33
Rotunda Paintings	8	—	—	—	—	—	—	—	8	8	—	—	—	—	—	—	—	8
Rooms or Spaces with Fine Art Murals	84	—	—	1	32	—	1	—	118	84	—	—	1	32	—	1	—	118

Category	2016 AOC Jurisdiction									2015 AOC Jurisdiction								
	CB	CCO	CG	HOB	LBG	SC	SOB	USBG	Total	CB	CCO	CG	HOB	LBG	SC	SOB	USBG	Total
Fountains with Sculpture*	—	—	—	—	—	—	—	—	—	—	—	—	—	3	—	—	—	3
Maquettes	—	—	—	—	—	—	1	—	1	—	—	—	—	—	—	1	—	1
Sculptural Clock	—	—	—	—	1	—	—	—	1	—	—	—	—	1	—	—	—	1
Exterior Scupture	—	—	—	—	1	—	—	—	1	—	—	—	—	1	—	—	—	1
Sub-Total	194	—	—	42	170	11	65	—	482	194	—	—	42	173	11	65	—	485
Architectural Decorative Art																		
Mantels	167	—	—	—	—	—	—	—	167	167	—	—	—	—	—	—	—	167
Chandeliers	250	—	—	—	—	—	—	—	250	250	—	—	—	—	—	—	—	250
Pendant Lights	270	—	—	—	—	—	—	—	270	270	—	—	—	—	—	—	—	270
Sconces	100	—	—	—	—	—	—	—	100	100	—	—	—	—	—	—	—	100
Rooms/Spaces with Decorative Murals	48	—	—	—	—	—	—	—	48	48	—	—	—	—	—	—	—	48
Sub-Total	835	—	—	—	—	—	—	—	835	835	—	—	—	—	—	—	—	835
Total	**1,734**	—	—	**43**	**170**	**11**	**65**	—	**2,023**	**1,736**	—	—	**42**	**173**	**11**	**65**	—	**2,027**
Architectural Features																		
Outdoor Sculptures																		
Monuments/Statues	—	—	4	—	—	—	—	—	4	—	—	4	—	—	—	—	—	4
Fountains with Sculpture	—	—	1	—	3	—	—	1	5	—	—	1	—	3	—	—	1	5
Plaques	—	—	5	—	—	—	—	—	5	—	—	5	1	—	—	—	—	6
Sub-Total	—	—	10	—	3	—	—	1	14	—	—	10	1	3	—	—	1	15
Landscape Features and Fixtures																		
Urns	—	—	20	—	—	—	—	—	20	—	—	20	—	—	—	—	—	20
Lighting Fixtures	—	—	166	—	—	—	—	—	166	—	—	166	—	—	—	—	—	166
Basins	—	—	2	—	—	—	—	—	2	—	—	2	—	—	—	—	—	2
Sub-Total	—	—	188	—	—	—	—	—	188	—	—	188	—	—	—	—	—	188
Total	—	—	198	—	**3**	—	—	**1**	**202**	—	—	198	**1**	**3**	—	—	1	**203**
Reference and Library Materials																		
Art and Reference Files (drawers)	—	108	—	—	—	—	—	—	108	—	108	—	—	—	—	—	—	108
Art and Reference Library (volumes)	—	1,199	—	—	—	—	—	—	1,199	—	1,192	—	—	—	—	—	—	1,192
Total	—	**1,307**	—	—	—	—	—	—	**1,307**	—	**1,300**	—	—	—	—	—	—	**1,300**
Archival Records																		
Architectural and Engineering Drawings	—	187,641	—	—	—	—	—	—	187,641	—	187,641	—	—	—	—	—	—	187,641
Manuscripts and Other Textual Records	—	8,672	—	—	—	—	—	—	8,672	—	8,419	—	—	—	—	—	—	8,419
Small Architectural Models	—	18	—	—	—	—	—	—	18	—	18	—	—	—	—	—	—	18
Conservation Reports	—	412	—	—	—	—	—	—	412	—	401	—	—	—	—	—	—	401
Photographs	—	281,327	—	—	—	—	—	—	281,327	—	266,214	—	—	—	—	—	—	266,214
Total	—	**478,070**	—	—	—	—	—	—	**478,070**	—	**462,693**	—	—	—	—	—	—	**462,693**
Living Botanical Assets (accessions)	—	—	—	—	—	—	—	10,423	10,423	—	—	—	—	—	—	—	11,626	11,626

*Note: In FY 2015, Fountains with Sculpture for the Library Buildings and Grounds was inadvertently recorded under both the Architectural Fine Art and Architectural Features categories. This inventory item was properly included in just the Architectural Features category in FY 2016. Similarly, in FY 2015, one plaque for the House Office Buildings was recorded under both the Architectural Fine Art and Architectural Features categories. This inventory item was properly included in just the Architectural Fine Art category in FY 2016.

Key: CB = Capitol Building **CCO** = Capital Construction and Operations **CG** = Capitol Grounds **HOB** = House Office Buildings **LBG** = Library Buildings and Grounds **SC** = Supreme Court Buildings and Grounds **SOB** = Senate Office Buildings **USBG** = U.S. Botanic Garden

The Capitol Power Plant's cogeneration system, currently under construction, will use natural gas in a combustion turbine to generate electricity and heat — increasing system reliability, improving efficiency and saving taxpayer dollars.

SECTION IV

Other Information

OVERVIEW

This Other Information section presents a range of financial, operational, stewardship and performance material to supplement the agency information that appears in the previous three main sections of this report. A brief overview of each sub-section is provided below.

Combined Schedule of Spending. This schedule provides, for the current and prior fiscal year, an accessible and easily understood summary of the resources that were available to spend, how much money was spent and who the money went to.

The Inspector General's Statement of Management Opportunities and Performance Challenges. This statement summarizes the most serious management and performance challenges facing the agency as identified by the AOC's Inspector General in accordance with the Reports Consolidation Act of 2000. It includes a brief assessment of the agency's progress in addressing the challenges.

Summary of Financial Statement Audit and Management Assurances. Summary tables of material weaknesses in internal controls and system non-conformances as determined during the independent auditors' financial statement audit, material weaknesses resulting from management's evaluation of internal controls using the FMFIA and OMB Circular A-123 as general guidance, and management's evaluation of financial systems conformance with financial management system requirements referencing the FMFIA and FFMIA for general guidance.

Improper Payments Information Act and Related Laws and Regulations. An overview of the AOC's efforts to identify any programs where significant erroneous payments may have occurred and how the AOC's invoice payment process incorporates the Do Not Pay capability.

Freeze the Footprint. Though not subject to "Freeze the Footprint" disclosures, information about the AOC's real property square footage for the FY 2012 baseline and for FY 2015 and FY 2016 is presented.

Small Business Accomplishments. A summary of the AOC's efforts in meeting its goals under its small business set-aside program.

COMBINED SCHEDULE OF SPENDING

The Combined Schedule of Spending provides an accessible and easily understandable financial summary of how and where agencies are spending (obligating) money for the reporting period. **Table 30** provides an overview of how much money the AOC had available to spend, how or on what that money was spent, and who the money went to for the fiscal years ended September 30, 2016 and 2015. The data for the Combined Schedule of Spending is the same as is used to prepare the Statement of Budgetary Resources (SBR). However, the Combined Schedule of Spending provides a more detailed summary of the new obligations and upward adjustments shown on the SBR. The section of the Combined Schedule of Spending, What Money is Available to Spend?, identifies these obligations as a derivative of the agency's total budgetary resources, as shown on the SBR, net of any available (unexpired) and unavailable (expired) funds. The term "spend," as used in this report, means funds obligated (both paid and unpaid). It does not equate to expenses as reported in the Statement of Net Cost.

TABLE 30: Combined Schedule of Spending For the Year Ended September 30, 2016 (Dollars in Thousands)

	Total	Capital Construction and Operations	Capitol Building	Capitol Grounds	Capitol Police Buildings, Grounds and Security	Capitol Power Plant	House Office Buildings	Library Buildings and Grounds	Senate Office Buildings	Supreme Court Buildings and Grounds	U.S. Botanic Garden	U.S. Capitol Visitor Center
What Money is Available to Spend?												
Total Resources	$1,254,414	$ 102,773	$ 87,175	$ 21,605	$ 37,165	$ 135,394	$ 472,904	$ 82,266	$ 157,300	$ 89,721	$ 20,714	$ 43,396
Less Amount Available but Not Agreed to be Spent	(492,824)	(2,038)	(37,309)	(9,667)	(14,637)	(28,053)	(203,159)	(36,440)	(76,565)	(59,636)	(6,882)	(18,437)
Less Amount Not Available to be Spent	(22,128)	(5,551)	(1,402)	(1,250)	(190)	(4,106)	(4,163)	(1,657)	(1,765)	–	(989)	(1,055)
Total Amounts Agreed to be Spent	**$ 739,462**	**$ 95,184**	**$ 48,464**	**$ 10,688**	**$ 22,338**	**$ 103,235**	**$ 265,582**	**$ 48,169**	**$ 78,970**	**$ 30,085**	**$ 12,843**	**$ 23,904**
How was the Money Spent/Issued?												
Personnel Compensation/Benefits	$ 265,791	$ 59,642	$ 24,199	$ 6,676	$ 3,074	$ 13,322	$ 58,123	$ 22,673	$ 46,349	$ 5,711	$ 7,287	$ 18,735
Contracts	473,598	35,537	24,265	4,005	19,225	89,913	207,458	25,495	32,620	24,356	5,555	5,169
Other (Unclassified)	71	5	–	6	39	–	–	1	2	18	–	–
Total Amounts Agreed to be Spent	**$ 739,462**	**$ 95,184**	**$ 48,464**	**$ 10,688**	**$ 22,338**	**$ 103,235**	**$ 265,582**	**$ 48,169**	**$ 78,970**	**$ 30,085**	**$ 12,843**	**$ 23,904**
Who Did the Money Go to?												
Employees	$ 261,408	$ 58,060	$ 24,137	$ 6,613	$ 3,087	$ 11,622	$ 57,837	$ 22,580	$ 45,806	$ 5,714	$ 7,190	$ 18,762
Federal Entities	46,606	6,009	1,497	26	590	11,386	17,059	186	6,650	2,649	184	370
Non-Federal Entities	431,447	31,115	22,830	4,048	18,661	80,227	190,686	25,403	26,514	21,722	5,469	4,772
Total Amounts Agreed to be Spent	**$ 739,462**	**$ 95,184**	**$ 48,464**	**$ 10,688**	**$ 22,338**	**$ 103,235**	**$ 265,582**	**$ 48,169**	**$ 78,970**	**$ 30,085**	**$ 12,843**	**$ 23,904**

TABLE 30: Combined Schedule of Spending For the Year Ended September 30, 2015 (Dollars in Thousands)

	Total	Capital Construction and Operations	Capitol Building	Capitol Grounds	Capitol Police Buildings, Grounds and Security	Capitol Power Plant	House Office Buildings	Library Buildings and Grounds	Senate Office Buildings	Supreme Court Buildings and Grounds	U.S. Botanic Garden	U.S. Capitol Visitor Center
What Money is Available to Spend?												
Total Resources	$1,202,316	$ 106,512	$ 107,584	$ 21,152	$ 23,550	$ 135,395	$ 447,439	$ 92,403	$ 135,151	$ 72,388	$ 20,128	$ 40,614
Less Amount Available but Not Agreed to be Spent	(508,685)	(3,095)	(36,647)	(8,260)	(2,928)	(26,270)	(275,870)	(35,510)	(63,729)	(33,384)	(7,151)	(15,841)
Less Amount Not Available to be Spent	(19,544)	(4,228)	(1,064)	(800)	(339)	(5,468)	(1,864)	(1,469)	(2,288)	–	(963)	(1,061)
Total Amounts Agreed to be Spent	**$ 674,087**	**$ 99,189**	**$ 69,873**	**$ 12,092**	**$ 20,283**	**$ 103,657**	**$ 169,705**	**$ 55,424**	**$ 69,134**	**$ 39,004**	**$ 12,014**	**$ 23,712**
How was the Money Spent/Issued?												
Personnel Compensation/Benefits	$ 249,722	$ 57,434	$ 22,578	$ 6,746	$ 2,790	$ 13,251	$ 51,025	$ 21,125	$ 45,621	$ 5,170	$ 6,511	$ 17,471
Contracts	424,084	41,583	47,295	5,343	17,445	90,406	118,648	34,299	23,500	33,824	5,500	6,241
Other (Unclassified)	281	172	–	3	48	–	32	–	13	10	3	–
Total Amounts Agreed to be Spent	**$ 674,087**	**$ 99,189**	**$ 69,873**	**$ 12,092**	**$ 20,283**	**$ 103,657**	**$ 169,705**	**$ 55,424**	**$ 69,134**	**$ 39,004**	**$ 12,014**	**$ 23,712**
Who Did the Money Go to?												
Employees	$ 245,199	$ 55,940	$ 22,419	$ 6,747	$ 2,796	$ 10,840	$ 50,934	$ 21,138	$ 45,310	$ 5,169	$ 6,415	$ 17,491
Federal Entities	51,152	11,402	1,138	(20)	499	11,991	16,165	146	6,304	2,710	258	559
Non-Federal Entities	377,736	31,847	46,316	5,365	16,988	80,826	102,606	34,140	17,520	31,125	5,341	5,662
Total Amounts Agreed to be Spent	**$ 674,087**	**$ 99,189**	**$ 69,873**	**$ 12,092**	**$ 20,283**	**$ 103,657**	**$ 169,705**	**$ 55,424**	**$ 69,134**	**$ 39,004**	**$ 12,014**	**$ 23,712**

As part of the restoration of the Capitol Rotunda, the AOC addressed the interior walls, painted columns/pilasters and the coffered ceiling that had sustained significant water damage and paint delamination.

THE INSPECTOR GENERAL'S STATEMENT OF MANAGEMENT OPPORTUNITIES AND PERFORMANCE CHALLENGES

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

www.aoc.gov

United States Government

MEMORANDUM

DATE: September 30, 2016

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

FROM: Kevin Mulshine
Inspector General

SUBJECT: Statement of Management Opportunities and Performance Challenges

I am pleased to present the Statement of Management Opportunities and Performance Challenges (Statement) for the Fiscal Year ending September 30, 2016. This Statement, prepared pursuant to your request, identifies and assesses the most serious challenges facing the Architect of the Capitol (AOC) from the Office of Inspector General's perspective, and the AOC's progress in addressing challenges from prior year Statements.

We look forward to working with you, the Chief Operating Officer, and our colleagues on the entire AOC team in the coming year to help AOC achieve its strategic vision to build a culture of accountability and responsibility and to improve efficiency and effectiveness throughout the AOC. Collectively, we can promote economy and efficiency while working to prevent and eliminate fraud, waste and abuse.

If you have any questions, please contact me at 202.593.0260 or kmulshin@aoc.gov.

Distribution List: Christine A. Merdon, P.E., CCM, Chief Operating Officer
Shalley Kim, Executive Officer

THE INSPECTOR GENERAL'S STATEMENT OF MANAGEMENT OPPORTUNITIES AND PERFORMANCE CHALLENGES (continued)

Office of Inspector General

Management Challenges 2016

Introduction

Architect of the Capitol Stephen T. Ayers requested this Office of Inspector General (OIG) Statement of Management Opportunities and Performance Challenges 2016 (Statement) for information and for inclusion in the upcoming Performance and Accountability Report. This document identifies the Architect of the Capitol's (AOC) most significant challenges and opportunity for improvement. The Statement is based on our observations, audits and investigative efforts, as well as the AOC Financial Statements Audit. We appreciate this opportunity to provide the AOC with our unique perspective on areas that need increased management attention and decisive action.

The AOC Capitol Complex Master Plan, which is the master blueprint for AOC's prioritizing projects in contention for future investments, includes a Five-Year Capital Improvement Plan (CIP). The CIP includes a rank-ordered, deferred maintenance project list and other planning tools. This backlog of construction and maintenance is dependent upon steadily increased funding. Limited resources, of course, routinely present a challenge for the AOC. This challenge is not further addressed in this document, except to say that the efficient expenditure of the resources that become available is key to the successful fulfillment of the AOC mission.

While recognizing AOC's accomplishments in executing its core mission, amid fiscal uncertainty and constraints, the AOC must make progress in these challenge areas. The OIG believes that focusing senior leadership attention on the Statement of Management Opportunities and Performance Challenges will help to improve service delivery; promote economy and efficiency; and also reduce the potential for fraud, waste and abuse in AOC operations.

The Opportunities, Challenges, and Successes

We believe the challenge we identify below presents significant opportunities for AOC organizational improvement.

Due to high-visibility major construction and repair projects ongoing throughout Capitol Hill, we continue to identify *Managing AOC Construction Projects* as the key challenge for this year. This challenge will be concerned with the timely completion of these projects, in accordance with quality standards, and within the established budget authority.

We also note that the independent certified public accounting firms that performed the AOC Financial Statements Audit for the past two years (2014 and 2015) reported on issues with

THE INSPECTOR GENERAL'S STATEMENT OF MANAGEMENT OPPORTUNITIES AND PERFORMANCE CHALLENGES (continued)

internal controls. The 2014 review found significant deficiencies relating to ineffective internal controls relating to leases for Fairchild and O'Neill Buildings leasehold improvements, and untimely contract closeouts and liquidation of obligations. AOC took corrective action, and these were not in the 2015 report. The 2015 review identified a major internal control deficiency with ineffective controls over Estimate of Asbestos Cleanup. The AOC is revising its methodology for estimating costs and will publish the final statement by the end of fiscal year 2016. With this effort, senior management will meet their commitment to maintain firm internal controls as a cornerstone of the AOC accountability structure.

Managing Construction Projects

For many years to come, the AOC will be engaged in major construction, renewal, and other infrastructure projects. The Cannon Building Renewal, the Cogeneration Plant Facility and the Refrigeration Plant Revitalization Project at the Capitol Power Plant are the major undertakings that are now underway. There are many other smaller projects going on at the same time. Keeping all of these projects on schedule and within budget is an enormous responsibility. As other historic Capitol Hill buildings age in the coming decades, the AOC will be seeking funding and authorization from the Congress to begin other major projects. For that reason, this is a challenge that is likely to be on next year's statement and in subsequent years, as well.

From the start of each major project, the goal of the OIG is to oversee AOC project management until project completion, based on an analysis of risk in each case. Within the confines of its resources, the OIG will alert the Architect of the Capitol, at the earliest time possible, when cost overruns, time delays, or other risks are likely to occur, causing projects to run off course.

Concluding Thoughts

Federal agencies, across the board, have areas where improvements are needed. This Statement of Management Challenges, as seen from the Inspector General's perspective, should be taken in that context. The AOC has much to be proud of as it has reduced or eliminated prior challenges. The remarkable progress in updating policies, drafting its first AOC-wide contracting manual, continuing progress on a new personnel management system, and implementing a new drug and alcohol policy with robust AOC-wide training as well as drug testing for new and commercial driver's license employees must be highlighted. All of these actions were in response, at least in part, to OIG recommendations. The AOC has carefully considered OIG recommendations in a timely manner with the goal of resolution. That is very welcome.

As the OIG finds additional challenges, we will provide follow-up reports to the AOC. The AOC's record of addressing and overcoming many of the challenges reported earlier has resulted in a stronger organization dedicated to accomplishing the AOC mission in an efficient and effective manner.

SUMMARY OF FINANCIAL STATEMENT AUDIT AND MANAGEMENT ASSURANCES

The AOC tracks audit material weaknesses, as well as other requirements of the Federal Managers' Financial Integrity Act of 1982 (FMFIA). Below is management's summary of these matters as required by OMB Circular No. A-136, *Financial Reporting Requirements*, revised.

TABLE 31 (PART A): Summary of Financial Statement Audit

AUDIT OPINION TYPE	Unmodified				
RESTATEMENT (YES/NO)	No				
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated/ Reassessed**	**Ending Balance**
Ineffective Controls over Estimate of Asbestos Cleanup	1	0	1	0	0
Improvements to Project Cost Capitalization Analysis	0	1	0	0	1
Total Material Weaknesses	1	1	1	0	1

TABLE 31 (PART B): Summary of Management Assurances

EFFECTIVENESS OF INTERNAL CONTROL OVER FINANCIAL REPORTING (FMFIA, para. 2)					
STATEMENT OF ASSURANCE	Unmodified				
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated/ Reassessed**	**Ending Balance**
Ineffective Controls over Estimate of Asbestos Cleanup	1	0	1	0	0
Improvements to Project Cost Capitalization Analysiss	0	1	0	0	1
Total Material Weaknesses	1	1	1	0	1

EFFECTIVENESS OF INTERNAL CONTROL OVER OPERATIONS (FMFIA, para. 2)					
STATEMENT OF ASSURANCE	Unmodified				
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated/ Reassessed**	**Ending Balance**
Total Material Weaknesses	0	0	0	0	0

CONFORMANCE WITH FINANCIAL MANAGEMENT SYSTEM REQUIREMENT (FMFIA, para. 4)					
STATEMENT OF ASSURANCE	Federal Systems conform to financial system management requirements				
Nonconformances	**Beginning Balance**	**New**	**Resolved**	**Consolidated/ Reassessed**	**Ending Balance**
Total Nonconformances	0	0	0	0	0

CONFORMANCE WITH FINANCIAL MANAGEMENT SYSTEM REQUIREMENT (FMFIA, para. 4)		
	Agency	**Auditor**
1. Federal Financial Management System Requirements	No lack of compliance noted	No lack of compliance noted
2. Applicable Federal Accounting Standards	No lack of compliance noted	No lack of compliance noted
3. U.S. Standard General Ledger (USSGL) at Transaction Level	No lack of compliance noted	No lack of compliance noted

IMPROPER PAYMENTS INFORMATION ACT AND RELATED LAWS AND REGULATIONS

Improper Payments Information Act, As Amended

The Improper Payments Information Act of 2002 (IPIA) defines requirements to reduce improper and erroneous payments made by the federal government. It requires the head of each agency to annually review all programs and activities that it administers and identify all such programs and activities that may be susceptible to significant improper payments. The Office of Management and Budget (OMB) also has established specific reporting guidance for executive branch agencies with programs that have a significant risk of erroneous payments and for reporting on the results of payment recovery auditing activities. A significant erroneous payment, as defined by OMB, is an annual erroneous program payment that exceeds both 2.5 percent of the program payments and $10 million.

In January 2013, the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA), which amended IPIA, was signed into law. IPERIA requires OMB to submit to Congress an annual report regarding the operation of the Do Not Pay Initiative, described below.

The AOC does not administer grant, benefit or loan programs. The AOC's most significant expenses are payroll and benefits for its employees, which are administered by the U.S. Department of Agriculture's National Finance Center. The AOC's most significant non-payroll expenses are its payments to vendors for subcontracting, professional services and goods procured during the course of normal operations.

The AOC is a legislative branch office and, as such, is not subject to IPIA, as amended, nor to the related OMB guidance. Nonetheless, as part of its multi-year effort for implementing its Internal Control Program and conducting reviews of its internal controls 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. Based on the assessment of risk, a monitoring plan will be implemented that outlines sample procedures and sample sizes, based on materiality and OMB guidelines. As part of this effort, the AOC will also refer to the Improper Payments Information Act, as amended, for general guidance. In addition, the AOC currently conducts quarterly financial reviews of its jurisdiction-level programs and activities, also described in "Other Efforts."

Do Not Pay Initiative

IPERIA requires OMB to submit to Congress an annual report regarding the operation of the Do Not Pay Initiative. The AOC uses the Department of Treasury's electronic Invoice Processing Platform (IPP) for centralizing its invoice payment process. IPP is a secure online platform which incorporates Do Not Pay for the federal agencies using this system.

Other Efforts

As the AOC's Internal Control Program monitoring and testing plan is implemented, the AOC conducts other efforts to identify improper payments. By internal policy, the AOC conducts quarterly financial reviews of its jurisdiction-level programs and activities, including various sensitive payment areas. Establishing an internal, quarterly financial monitoring and verification policy has proven essential to improving the reliability of the information used in the AOC's financial statements and budget execution reports. As part of this policy, a suite of reports are sent out quarterly for verification by the parties responsible across the AOC's jurisdictions for each separate appropriation. The responsible parties must concur (either without exception or with noted exceptions) that all post-payment transactions charged to AOC funds are valid and properly recorded. These financial reports include: 1) status of current funds, 2) document detail for all requisitions and obligations, 3) payroll detail, 4) travel and training detail and 5) open obligations and receivers for all expired funds. The reviews are managed by the Chief Financial Officer and are used to identify inaccurate payments and determine the effectiveness of controls over the obligation and payment process.

Sensitive payments are those where the dollar amounts involved are usually not significant, but the public disclosure of improper payments may result in significant criticism of the agency. The AOC has identified several areas of sensitive payments for routine review. They include purchase card expenditures, as well as travel and training costs.

FREEZE THE FOOTPRINT

Consistent with Section 3 of the OMB Memorandum M-12-12, *Promoting Efficient Spending to Support Agency Operations* and OMB Management Procedures Memorandums 2013-02 and 2015-01, the "Freeze the Footprint" policy implementing guidance, all CFO Act departments and agencies shall not increase the total square footage of their domestic office and warehouse inventory compared to the FY 2012 baseline.

The AOC is a legislative branch agency and, as a result, is not subject to the "Freeze the Footprint" disclosures. The AOC's mission includes managing a unique real estate portfolio that includes office and historic buildings on Capitol Hill for the legislative and judicial branches. Although it is not required to comply with the "Freeze the Footprint" disclosures, the AOC presents (see **Table 32**) its total square footage for the current and prior fiscal years as compared to the FY 2012 baseline. Total square footage includes all facility space that the AOC is responsible for. This portfolio includes a wide variety of real property which reflects the AOC's diverse mission. Therefore, in addition to office and inventory storage space, this square footage figure also includes committee rooms, exhibit space, a conservatory, a plant production facility, a visitor center, two gift shops, restaurants, a power plant, tunnels for transportation and steam and chilled water delivery, multiple book storage modules, a summer house and others.

As shown, the total square footage for FY 2015 and FY 2016 increased over this baseline. This is primarily a result of the February 2013 lease of approximately 257,000 square feet of building space in the Thomas P. O'Neill, Jr. Federal Building from the General Services Administration. This space supports the U.S. House of Representatives and includes swing space for the Cannon House Office Building Renewal Project. This leased space provides offices, conference rooms, administrative functional areas and support spaces.

The AOC's mission includes managing a unique real estate portfolio that includes office and historic buildings on Capitol Hill for the legislative and judicial branches of the federal government.

To reduce the operations and maintenance costs associated with its real property portfolio, the AOC has implemented a number of key initiatives. These include reducing overall energy and water usage, making improvements to building automation systems by installing direct digital controls, increasing recycling of occupant waste and construction debris, cancelling contracts and bringing the work in-house, and many others. Prior year revisions to the agency's Telework Program increased the number of telework days permitted per week and introduced the option of desk sharing — helping the AOC to manage its real property footprint and the associated costs.

TABLE 32: AOC Square Footage

	FY 2012 Baseline (Rounded)	FY 2015 (Change from baseline)	FY 2016 (Change from baseline)
Total Square Footage (in millions)	17.4	More than 17.4 (Increased)	More than 17.4 (Increased)

SMALL BUSINESS ACCOMPLISHMENTS

The AOC procurement authority is separate from the Competition in Contracting Act and other laws affecting the executive branch, and the AOC is not authorized by law to use the Small Business Act for set-aside programs or subcontracting plans. However, the AOC's procurement authority does provide discretion in the level of competition required when using small purchase procedures for open market purchases. As a result of this discretion, the AOC is interested in directing more business opportunities to the small business community and has created a small business subcontracting program and a small business set-aside program for small purchases $100,000 or less. The AOC works collaboratively with the Small Business Administration to implement and operate small business programs at the AOC.

The 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 2016, as shown in **Table 33**, a goal of 65 percent of all contract awards were to go to small businesses. The percentage of awards to various small business categories within this goal is also shown. The AOC exceeded the goals for every category of small business concerns through increased visibility in the small business community, consultations with small business concerns seeking information regarding the AOC's procurements, on-going data collection efforts on the type of business of the AOC vendors and actively seeking small business concerns for small purchases.

The AOC's efforts to support local and small businesses included hosting a Small Business Industry Day in October 2015 at the U.S. Capitol Visitor Center. In FY 2016, the AOC awarded contracts in excess of $27.7 million to small businesses.

The AOC's other efforts to support local and small businesses include hosting a Small Business Industry Day in October 2015 at the CVC, and recognizing the AOC jurisdictions that met or exceeded socio-economic contracting goals through the Architect's Honor Awards Program. In FY 2016, the AOC awarded contracts in excess of $27.7 million to small businesses.

TABLE 33: Small Business Program Accomplishments, October 1, 2015 to September 30, 2016

Category	FY 2016 Goal	FY 2016 Achievements*	Goal Met?
Small Business	65%	85.5%	Yes
Small Disadvantaged Business	8%	15.3%	Yes
Women-Owned Small Business	11%	15.5%	Yes
Veteran-Owned Small Business	4%	9.2%	Yes
Service-Disabled Veteran-Owned Small Business	1%	3.2%	Yes
HUBZone Small Business	1%	1.9%	Yes

*Contract awards may fall under more than one category.

RIGHT: Phase IIC of the Capitol Dome Restoration Project repaired the Rotunda's interior walls, painted columns/pilasters, and coffered ceiling that had sustained significant water damage and paint delamination. After a temporary closure to facilitate the project's completion on July 23, 2016, the restored Capitol Rotunda was reopened to the public on September 6, 2016.

On September 6, 2016, the AOC reopened the Capitol Rotunda following the successful completion of its restoration. Throughout the restoration process, the AOC repaired ironwork, upgraded mechanical and electrical systems, installed new lighting and returned the paint scheme to more historically accurate colors.

Appendices

APPENDIX A: THE AOC JURISDICTIONS' KEY ACCOMPLISHMENTS AND PRIORITIES

The AOC is nonpartisan office in the U.S. government's legislative branch and is comprised of multiple jurisdictions. Each jurisdiction receives its own appropriation and, with one exception, has distinct responsibilities for the maintenance, operation, development and preservation of a designated area of the Capitol complex. The exception, Capital Construction and Operations, provides agency-wide shared business services and program management. Table 34 identifies the primary AOC jurisdictions. This appendix highlights their accomplishments and priorities. These accomplishments and priorities support AOC's mission and Strategic Vision and supplement the information provided in *Section I: Management's Discussion and Analysis*.

TABLE 34: Primary AOC Jurisdictions

Capitol Building (CB) Responsible for the maintenance, care and stewardship of the U.S. Capitol, one of the most iconic and historically significant buildings and the centerpiece of Capitol Hill, and for the care and maintenance of the Capitol Visitor Center.
Capitol Grounds (CG) Responsible for preserving and maintaining approximately 290 acres of historic landscape and grounds infrastructure across Capitol Hill.
Capitol Police Buildings, Grounds and Security (CPBG&S) Responsible for the AOC security operations and the maintenance, care and operations of the U.S. Capitol Police buildings and grounds.
Capitol Power Plant (CPP) Responsible for providing centralized utility services for Capitol Hill and maintaining and operating the Capitol Power Plant, which provides steam and chilled water to heat and cool the U.S. Capitol and 22 other facilities.
House Office Buildings (HOB) Responsible for the support and maintenance of the facilities supporting the office and committee space for the members of the U.S. House of Representatives and their staffs.
Library Buildings and Grounds (LBG) Responsible for the maintenance, operations and care of the Library of Congress facilities and grounds.
Senate Office Buildings (SOB) Responsible for the support and maintenance of the facilities supporting the office and committee space for the U.S. senators and their staffs.
Supreme Court Building and Grounds (SCBG) Responsible for the operations and maintenance of the Supreme Court Building and the Thurgood Marshall Federal Judiciary Building (TMFJB).
U.S. Botanic Garden (USBG) Responsible for the maintenance, operation and care for the U.S. Botanic Garden Conservatory, support facilities, the National Garden, Bartholdi Park, and USBG's heritage and other plant collections.
U.S. Capitol Visitor Center (CVC) Responsible for visitor services and general operations at the Capitol Visitor Center — including informational exhibits, a restaurant, two orientation theaters, a large auditorium and two gift shops.
Capital Construction and Operations (CCO) Responsible for providing direct support to the agency — including campus-wide architectural and engineering design, construction management, planning and development, safety monitoring, emergency operations, historic preservation, energy and water conservation, and other critical business services.

Capitol Building

Capitol Grounds

Key Accomplishments in FY 2016

Replaced Capitol Visitor Center's Exterior Doors

The jurisdiction completed the replacement of the CVC entrance and exit doors. The original doors were heavy, difficult to operate and would often break due to the load. They were replaced by smaller, lighter doors which are functioning without any operational issues. Minor refinishing work on the doors started in September 2016 and will be completed in December.

Completed House Gallery Upgrades

The jurisdiction replaced the faded and worn fabric on the seats in the Capitol's House Gallery, including 586 refurbished theater-style folding chairs. In addition, 115 press stools and eight bench seats were updated, 24 wall fabric panels were replaced and new tile flooring was installed.

Restored Chandeliers of Historic Significance

The jurisdiction cleaned, stripped, hand polished and applied multiple coats of new lacquer to two chandeliers of historic significance in the U.S. Capitol. Artisans carefully reassembled each chandelier, which were originally installed in the early 1960s, to ensure the proper installation of the decorative components.

What's Next? FY 2017 Priorities

Prepare for Presidential Inaugural

The jurisdiction will provide support for the 2017 Presidential Inaugural ceremony including the planning and construction of the platform and other support. A new ADA viewing area utilizing the Grant Memorial will permit additional seating for people with disabilities.

Continue Phased Exterior Stone and Metal Preservation

The jurisdiction will continue the successful management of the next phase of the Exterior Stone and Metal Preservation Project. This project stabilizes, cleans stains, repairs damage and deterioration of the stone and corrosion of the metals, and preserves the Capitol's historic stone exterior.

Key Accomplishments in FY 2016

Developed Capitol Grounds Sustainability Plan

A Sustainability Plan was completed for Capitol Grounds. This Plan addresses a wide range of work topics including water conservation, stormwater management, low-emission vehicles and equipment, plant material selection and management, integrated pest management, landscape maintenance practices and recycling programs.

Continued Capitol Square Restoration

Historic Preservation efforts continued on Capitol Square to be true to the Olmsted[17] Plan of 1894. The restoration work includes replacing historic trees and preservation maintenance on historic walls and other structures.

Delivered Exceptional Emergency Response Support

The jurisdiction provided exceptional service delivery during severe summer storms and winter weather events. Customer service was enhanced by improved procedures for snow removal with on-campus disposal, plus a newly developed dashboard for status reporting.

What's Next? FY 2017 Priorities

Implement a Five-Year Fleet Management Plan

A five-year fleet management replacement plan has been developed in conjunction with a fleet assessment to properly match vehicle characteristics to the jurisdiction's mission. Efficiencies are being sought by combining the use of several vehicles into one, considering alternative fuel sources, using more efficient engines and incorporating improved designs and capabilities.

Continue to Implement Five-Year Business Plan

The jurisdiction will continue to implement year two of its Five-Year Business Plan, primarily focusing on the training and teambuilding initiatives comprising the communication component of the plan.

[17] Frederick Law Olmsted (1822-1903), considered the greatest landscape architect and urban planner of his day, designed the grand landscape plan for the grounds surrounding the U.S. Capitol.

Capitol Police Buildings, Grounds and Security

Key Accomplishments in FY 2016

Installed Security Gate for U.S. Capitol Police

The jurisdiction installed a vehicular exit security gate to improve response time and allow better access to the Capitol campus in the event of an emergency. The new exit gate provides a clear vehicle exit path that enhances the USCP's ability to move emergency response vehicles and equipment directly to buildings on the Capitol campus.

Developed Critical Infrastructure Plans and Evacuation Modeling

The jurisdiction established formal plans to address the repair, and eventual replacement, of critical security infrastructure barriers and kiosks throughout the Capitol campus. In addition, they performed evacuation modeling of the Capitol campus to determine the most appropriate evacuation routes.

Began Implementation of Emergency Notification System

The jurisdiction, collaborating with other legislative branch organizations, began implementing the Joint Emergency Mass Notification System (JEMNS). This system will reduce the number of alert notification systems needed to transmit critical life-safety messages and ensure consistent emergency communications across the Capitol complex.

What's Next? FY 2017 Priorities

Perform Barrier and Kiosk Infrastructure Updates

The jurisdiction will begin repairing critical infrastructure barriers and kiosks throughout the Capitol campus. The jurisdiction plans to perform preventive maintenance in approximately 11 percent of the kiosks annually, on a recurring basis. Repairs will focus on HVAC, flooring upgrades and ballistic glass replacement.

Complete Joint Emergency Notification System

The jurisdiction anticipates completion of the JEMNS project in FY 2017. Once complete, the system will send alert notifications by email, phone, text message, desktop computer and smartphone app — reducing the time it takes to broadcast messages over numerous platforms and providing emergency situational awareness.

Capitol Power Plant

Key Accomplishments in FY 2016

Performed Plant Systems Modifications

The jurisdiction updated and modified several plant systems, including the boiler water blowdown heat recovery and boiler fan control systems. These efforts have resulted in improved system operations and reduced maintenance costs and energy usage. The upgrades are estimated to save nearly $100,000 annually.

Implemented LED Lighting Upgrades

The jurisdiction continued implementing LED lighting technology throughout the plant and tunnel distribution system — an initiative that increased lighting levels and reduced energy consumption. In addition, occupancy sensors were added to certain areas, such as the tunnels, where the lighting needs are intermittent.

Upgraded Satellite Dishes and Cable Equipment

The jurisdiction, in coordination with Office of Planning and Project Management, renovated an old electric equipment building to house new cable television equipment and upgraded several satellite dishes to enhance cable television capability to the facilities on Capitol Hill.

What's Next? FY 2017 Priorities

Continue Major Infrastructure Improvements

The jurisdiction will continue focusing on major infrastructure improvements while maintaining service reliability. In FY 2017, the CPP will continue with the construction of the cogeneration plant and the West Refrigeration Plant Revitalization.

Perform Utility Master Planning Feasibility Studies

The jurisdiction will continue with several utility master planning feasibility studies, including the conversion from steam to hot water distribution system, the installation of water wells and the use of sanitary water effluent in some CPP processes.

House Office Buildings

Key Accomplishments in FY 2016

Enhanced Emergency Preparedness

The jurisdiction improved the HOB's emergency preparedness capabilities in a number of areas, including reconfiguring elevator controls to enhance operation in a non-fire related emergency, conducting tabletop exercises to test disaster procedures and posting durable protective actions instructions (e.g., shelter-in-place) in every shop/office space.

Improved Waste Management and Recycling

The jurisdiction conducted waste audits with their food service provider, instituted a green taskforce (using a six sigma method) to improve the cleaning process for staff, established a food recovery program with the D.C. Central Kitchen and recycled kitchen equipment in collaboration with Miriam's Kitchen, Capital Area Food Bank, A Wider Circle and Habitat for Humanity.

Identified and Addressed Operations and Maintenance Issues

The jurisdiction proactively identified operations and maintenance problems before they became major issues including replacing leaking steam piping in the Cannon Building and testing and replacing defective pre-heat coils in the Rayburn Building.

What's Next? FY 2017 Priorities

Manage the 115th Congressional Transition

The jurisdiction has begun plans for a smooth 115th Congressional transition resulting from the November 2016 elections. This effort will entail administering the room selection process, managing temporary staff needs and overseeing hundreds of office and committee moves and thousands of related work orders.

Support Cannon House Office Building Renewal Project

The jurisdiction will complete work associated with Phase 0 (basement-level and utilities) and initiate Phase 1 (west wing) of the project which will replace or repair key building systems, coordinate outages which could impact the occupied building wings and address citation abatement items.

Library Buildings and Grounds

Key Accomplishments in FY 2016

Enhanced Visitor Safety

The jurisdiction worked with the Library of Congress (LOC) safety office to decrease visitor trips and falls by installing several new handrail extensions along the Minerva Stairwell, used by most Thomas Jefferson Building visitors on their way to the Main Reading Room visitors' gallery.

Repurposed Jefferson Building Space

Pursuant to a request from the Speaker's office, the jurisdiction began converting vacant space on the third floor of the Jefferson Building for two functions: Congressional events (Emerson Hall) and U.S. Capitol Police training. The USCP class room spaces have been completed while the Emerson Hall renovations will be complete by fall 2016.

Streamlined Project Request Tracking

The jurisdiction collaborated with the Library to create "One List" — a comprehensive record of all the design, renovation and construction projects by the Library and the AOC. The list consolidated multiple individual project requests, enhanced work prioritization and transparency, and ensured manpower and financial resources were focused on the right projects.

What's Next? FY 2017 Priorities

Meet New Energy Savings Targets

To support the AOC's energy savings efforts, the jurisdiction is assessing the feasibility of an Energy Savings Performance Contract to install high-efficiency facility infrastructure and equipment for minimal up-front investment. Energy saving companies have responded to a Notice of Opportunity and the selection process is underway.

Replace Roof at the Jefferson Building

The jurisdiction will begin construction to address long-standing roof issues, including water infiltration inside the Jefferson Building's West Main Pavilion. This will preserve the building's integrity and mitigate the risk of damage to the Library's valuable and rare collections.

Senate Office Buildings

Supreme Court Building and Grounds

Key Accomplishments in FY 2016

Expanded and Implemented Employee Development Initiatives

The jurisdiction expanded the Ride-Along Program, in which members of the management team spend time as a shop apprentice to better understand work routines and risks. Also, the Job Rotation Program was expanded, allowing eligible employees the opportunity to apply their skills in a different setting and further their professional development.

Completed the Calder Structural Safety Analysis

The jurisdiction completed the structural safety analysis of the clouds portion of the Alexander Calder sculpture, *Mountains and Clouds,* in the Hart Senate Office Building atrium. Due to structural defects, the engineers concluded the clouds were unsafe to reinstall. The clouds have been disassembled and placed in Senate Curatorial storage.

Coordinated Committee Set-Ups and Special Functions

The jurisdiction seamlessly coordinated over 4,000 committee meetings and special events in the Senate office buildings. The Special Functions Team managed all aspects of these events, from the initial phone call to event set-ups, coordination and cleanup.

What's Next? FY 2017 Priorities

Complete the Election-Year Moves for the 115th Congress

The jurisdiction will successfully complete the Senate office and committee moves for the 115th Congress. The upgraded Senate online suite selection tool, which automated the selection process for senators and staff, will enable the jurisdiction to manage a large number of moves in a short time frame with high client satisfaction.

Facilitate Leadership Development and Employee Engagement

The jurisdiction will continue to focus on employee development and engagement. In addition to the Job Rotation and Ride-Along Programs, the Senate Superintendent will update and engage with staff through Shop Talk meetings and a comprehensive internal communications program.

Key Accomplishments in FY 2016

Completed Supreme Court Building South Façade Restoration

The South Façade, West Cheek Walls and Statue Restoration was completed on time with minimal change orders. Despite a slow start, the jurisdiction realigned the project to ensure the stone was cleaned, repointed and restored to a state that promoted a safe and beautiful facility. Restoration for the North and East façades are scheduled to follow.

Developed Protection Plan for the Thurgood Marshall Building's Façade

After identifying signs of cladding failure to the granite façade of the TMFJB, the jurisdiction cultivated a team of architects, engineers and safety professionals to identify imminent risks and develop an immediate protection plan. The effort to create a permanent protection plan continues.

Enhanced Supreme Court Building's North Landscape

The jurisdiction collaborated with the USBG to enhance the Supreme Court Building's North Landscape. The project went from design to completion within an expedited six-month window and over 5,900 plants were placed in the new landscape, contributing to the building's iconic presence.

What's Next? FY 2017 Priorities

Develop Organizational Handbook by December 2016 Target

Over the past year, the jurisdiction identified skillset gaps and process inefficiencies that could impact customer service. In response, the jurisdiction is developing an organization handbook and recommendations to outline roles, responsibilities and minimum operating requirements.

Manage Major Construction Projects

The jurisdiction has several major construction contracts underway or starting in FY 2017, including the continued stone restoration at the Supreme Court and TMFJB's Garage Renovation and Building Automation System upgrades. The jurisdiction is identifying strategies and developing support structures to ensure adequate manpower and technical capability to address this challenge.

U.S. Botanic Garden

Key Accomplishments in FY 2016

Created New Mediterranean House in the Conservatory

The jurisdiction implemented the first major garden renovation since the Conservatory's re-opening in 2001. Conceived, planned and executed by employees, the renovated room now hosts the Mediterranean Collection, the USBG's newest permanent exhibit.

Staged Botanically Themed Educational Theater

The jurisdiction partnered with the Kennedy Center to produce two original educational theatrical pieces. One of the plays, *Flowers Stink,* a musical performed in the National Garden Amphitheater, was nominated for two D.C. theater awards.

Crafted New Program for Families with Autistic Children

In collaboration with the Smithsonian Institute, the jurisdiction created a "Morning at the Museum" program for families with children on the autism spectrum. This program offers a time to visit to the Garden before normal public hours to experience the exhibits with no crowds and less noise.

Displayed a Blooming Corpse Flower

In July 2016, the famed corpse flower (*Amorphophallus titanum*) bloomed at the USBG — a rare occurrence since corpse flowers can take over a decade to reach flowering maturity. Over 120,000 visitors came to see the flower during its blooming cycle, with close to 10,000 on its peak bloom dates.

What's Next? FY 2017 Priorities

Complete Bartholdi Park Renovation

Renovation of Bartholdi Park will be completed in FY 2017. The updated park will restore a small, historic fountain and create a series of vignettes to instruct home gardeners how to garden sustainably (see sidebar on page 84).

Sustain Public Services Despite Flat Funding

The jurisdiction will strive to provide the same level of excellent customer service, public offerings and facility stewardship despite continued budget challenges.

U.S. Capitol Visitor Center

Key Accomplishments in FY 2016

Unveiled Five-Year Strategic and Operations Plan

In May 2016, the jurisdiction released a new Strategic and Operations Plan, including 170 individual project plans, to better serve Congress and visitors. The CVC solicited input from multiple sources, including congressional stakeholders, to assist in its development.

Implemented Contract to Evaluate Visitors' Experiences

In fall 2015, the CVC began a formal assessment of its visitors' experiences. The CVC is using the data collected to understand how visitors use their facility, programs and services and enable the enhancement of its visitor services.

Support Provided for the House Transition Ceremony

On October 29, 2015, CVC staff provided assistance for the transition ceremony for the new Speaker of the U.S. House of Representatives, Paul Ryan. This included wayfinding support, Capitol tours and a live-feed of the swearing-in in the Congressional Auditorium.

Hosted Preservation Day Events

On September 23, 2016, the jurisdiction hosted Preservation Day to celebrate the 50th Anniversary of the *National Historic Preservation Act*. In collaboration with multiple parties, the jurisdiction developed a robust slate of talks, programs and tours highlighting Capitol campus preservation.

What's Next? FY 2017 Priorities

Resumption of U.S. Capitol Dome Tours

After a two-year hiatus, Capitol Dome tours will resume in December 2017. Collaboration with multiple parties — including the Capitol Building Superintendent, the House and Senate Sergeants at Arms and others — will be critical to the smooth resumption of tours.

Support for the 2017 Inauguration

During fall 2016, the jurisdiction will prepare for the Inauguration, in collaboration with the Joint Congressional Committee on Inaugural Ceremonies. Past support roles have included wayfinding, checkpoint assistance and shuttle service.

Capital Construction and Operations

Key Accomplishments in FY 2016

Implemented New Snow Management Plan

The AOC developed a coordinated snow management plan to improve its effectiveness and efficiency in responding to snow emergencies. The plan and system, including the first-time use of a virtual emergency operations center to manage resources, were successfully implemented during the January 2016 blizzard.

Created New Employee Training Programs

The AOC created a number of new employee training programs, and expanded existing programs, to broaden agency employee learning opportunities. Offerings emphasize career development and include CareerPath, a multi-series course for navigating the AOC vacancy application process.

Implemented New Construction Management System

The AOC developed and implemented a new Construction Division Management System to ensure overall integrity of the project management process, portfolio analysis capabilities and reporting consistency.

Documented the Dome Restoration Project

The AOC assigned a photographer to document all phases of the daily project work on the Capitol Dome Restoration. In addition, to keep stakeholders informed of the project's progress, selected images were shared with congressional oversight and the public.

What's Next? FY 2017 Priorities

Implement Revised Project Metrics

The AOC is assessing the body of metrics and systems for recording, reporting and improving the accuracy of construction project reporting. In addition, tools are being developed to validate staffing models and improve the resource requirement estimation process on future projects.

Employ Lead-in-Drinking Water Program Modifications

The agency will implement modifications to the lead-in-drinking-water program to ensure the efficient use of the AOC's resources. The agency will maintain a sampling presence in all AOC-managed facilities, while focusing its monitoring on the highest risk populations.

APPENDIX B: LIST OF THE MAJOR FACILITIES UNDER THE AOC'S CARE

The AOC serves as builder, caretaker and curator of many of the nation's most iconic landmark buildings in the U.S. government's legislative branch. The major AOC facilities, organized by jurisdiction, are listed in **Table 35** with their location and the date the AOC assumed responsibility for them, whether through construction completion, acquisition, transfer or lease.

TABLE 35: List of Major AOC Facilities

Facility	Location	Year Built or Acquired (The AOC's acquisition date appears in parentheses if acquired after the year built)
Capitol Building		
U.S. Capitol	Washington, DC	1793 (construction started) and various dates (later expansions)
Capital Construction and Operations		
Construction Division Shops	Washington, DC	1982
Construction Division Warehouse	Landover, MD	Leased a portion of facility since 2016
Capitol Grounds		
Summerhouse	Washington, DC	1881
Capitol Square	Washington, DC	1894
Union Square	Washington, DC	Transferred from National Park Service in 2011
Capitol Police Buildings, Grounds and Security		
Eney, Chestnut, Gibson Memorial Building (U.S. Capitol Police Headquarters)	Washington, DC	1930 (1986)
Vehicle Maintenance Facility	Washington, DC	1930
Courier Acceptance Facility	Washington, DC	1996
Canine Facility	Washington, DC	1996 (2004)
Fairchild Building	Washington, DC	Leased a portion of facility since 2004
Alternate Computer Facility	Location Withheld	1983 (2005)
Interim Offsite Delivery	Washington, DC	2006
Capitol Power Plant		
Generator Building	Washington, DC	1909
Main Boiler Plant	Washington, DC	1909
East Refrigeration Plant	Washington, DC	1937
Administration Building	Washington, DC	1978
West Refrigeration Plant	Washington, DC	1978 and various dates
Coal Facilities	Washington, DC	1990
House Office Buildings		
Cannon House Office Building	Washington, DC	1908
Longworth House Office Building	Washington, DC	1933
Rayburn House Office Building	Washington, DC	1965
East and West House Underground Garages	Washington, DC	1968
Ford House Office Building	Washington, DC	1939 (1974)
House Page Dormitory	Washington, DC	1940 (1986)
Thomas P. O'Neill, Jr. Federal Building	Washington, DC	Leased a portion of facility since 2013

Library Buildings and Grounds		
Thomas Jefferson Building	Washington, DC	1897 (1922)
John Adams Building	Washington, DC	1938
James Madison Memorial Building	Washington, DC	1980
Special Services Facilities Center	Washington, DC	1990 (1991)
Congressional Campus, which includes:		
Ft. Meade Warehouse Buildings	Columbia, MD	1942 (Transferred from the U.S. Army in 1993)
Ft. Meade Collection Storage Modules	Columbia, MD	2002 (Module 1), 2005 (Module 2) and 2009 (Modules 3 and 4)
Packard Campus	Culpeper, VA	2007
Senate Office Buildings		
Russell Senate Office Building	Washington, DC	1909
Senate Underground Garage	Washington, DC	1932
Dirksen Senate Office Building	Washington, DC	1958
Robert A. Tart Memorial	Washington, DC	1959
Hart Senate Office Building	Washington, DC	1982
Webster Hall Page Dormitory	Washington, DC	1930 (1993)
Senate Child Care Center	Washington, DC	1998
Senate Mail Handing Facility	Landover, MD	2008
Supreme Court Building and Grounds		
Supreme Court Building	Washington, DC	1935
Thurgood Marshall Federal Judiciary Building	Washington, DC	1992
U.S. Botanic Garden		
Administration Building	Washington, DC	1931
Bartholdi Park and Fountain	Washington, DC	1932
Conservatory	Washington, DC	1933
Production Facility Greenhouse and Headhouse	Washington, DC	1993
U.S. Capitol Visitor Center		
U.S. Capitol Visitor Center	Washington, DC	2008

View of the Capitol as the Capitol Dome Restoration Project neared completion. This project restored the Dome to its original, inspiring splendor and ensured it can safely serve future generations of visitors and employees.

APPENDIX C: WEBSITES AND MEDIA PLATFORMS

TABLE 36: Websites of Interest

Name	Website
Architect of the Capitol	www.aoc.gov
Library of Congress*	www.loc.gov
The Supreme Court of the United States*	www.supremecourt.gov
U.S. Botanic Garden	www.usbg.gov
U.S. Capitol Police*	www.uscapitolpolice.gov
U.S. Capitol Visitor Center	www.visitthecapitol.gov
U.S. House of Representatives*	www.house.gov
U.S. Senate*	www.senate.gov

Note: Asterisk (*) denotes a non-AOC website that may be of interest to the reader.

TABLE 37: Media Platforms of Interest

Name	Website
Facebook	www.facebook.com/architectofthecapitol
Flickr	www.flickr.com/photos/uscapitol
Flipboard†	www.flipboard.com/@uscapitol
Instagram	www.instagram.com/uscapitol
RSS Feeds	feeds.feedburner.com/architectofthecapitol
Twitter	www.twitter.com/uscapitol
YouTube Channel	www.youtube.com/aocgov

† The AOC has online magazines available in Flipboard, a popular social media app. These include: *Restoring the Capitol Dome, Renewing the Cannon House Office Building* and *Caring for America's Capitol.*

The AOC publishes a quarterly employee magazine, *Tholos,* to spotlight the staff who work behind the scenes 24 hours a day, 7 days a week as the stewards of the buildings and grounds on the Capitol campus. This magazine may be found at **www.aoc.gov/tholos-magazine** or via Flipboard.

We have Apps for that!

In addition, the AOC has developed Apps to provide U.S. Capitol information to visitors and the general public. The Apps are available in the Apple iTunes store and the Android Google Play store. These include: *Guide to National Statuary Hall, My Capitol, U.S. Capitol Rotunda* and *U.S. Capitol Visitor Guide* (for phones and tablets) and the *AOC Performance and Accountability Report* (for tablets only).

APPENDIX D: U.S. CAPITOL CAMPUS VISITATION STATISTICS

TABLE 38 (PART A): Number of Visitors to the U.S. Capitol Campus by Month, FY 2016 (Rounded to the nearest 1,000)

Month	U.S. Capitol Visitor Center	U.S. Botanic Garden	Library Buildings and Grounds
October 2015	171,000	45,000	121,000
November 2015	115,000	65,000	78,000
December 2015	92,000	210,000	79,000
January 2016	55,000	58,000	44,000
February 2016	80,000	39,000	61,000
March 2016	251,000	108,000	148,000
April 2016	255,000	121,000	157,000
May 2016	277,000	81,000	159,000
June 2016	311,000	107,000	171,000
July 2016	262,000	145,000	167,000
August 2016	182,000	124,000	167,000
September 2016	154,000	81,000	205,000
Monthly Average	**184,000**	**99,000**	**130,000**
Total	**2,205,000**	**1,184,000**	**1,557,000**

TABLE 38 (PART B): Number of Visitors to the U.S. Capitol Campus by Year, FY 2011–FY 2016 (Rounded to the nearest 1,000)

Month	U.S. Capitol Visitor Center	U.S. Botanic Garden	Library Buildings and Grounds
2011	2,156,000	640,000	1,675,000
2012	2,190,000	1,232,000	1,655,000
2013	2,122,000	1,696,000	1,600,000
2014	2,054,000	1,185,000	1,450,000
2015	2,001,000	1,317,000	1,586,000
2016	2,205,000	1,184,000*	1,557,000
6-Year Average	**2,121,000**	**1,209,000**	**1,587,000**

*Note: For FY 2016, USBG visitor counts were lower than normal due to the closure of much of Bartholdi Park for renovation.

The AOC welcomes millions of visitors each year. At the Capitol Visitor Center, the main entrance to the U.S. Capitol, visitors may explore several educational programs about Congress and the legislative process.

APPENDIX E: MAJOR EXHIBITIONS AND PROGRAMS

The U.S. Botanic Garden and U.S. Capitol Visitor Center are committed to creating and offering extraordinary exhibitions and programs that delight, educate and inspire the public. This Appendix summarizes the exhibitions and programs held during FY 2016.

U.S. BOTANIC GARDEN

Exposed: The Secret Life of Roots: February–October 2015
This exhibit showcased the importance of roots through visually stunning root samples and representations using the work of agricultural ecologist Dr. Jerry Glover, sculptor Steve Tobin, and photographer Jim Richardson.

Illustrating Hidden Treasures: Botanical Art by Wendy Hollender:
September–October 2015
This exhibit explored the belowground structures of plants through the botanical art of Wendy Hollender. On display in the West Gallery were several pieces by this celebrated artist who owns her own farm in the Catskills where she lives, farms and draws.

Seasons Greenings: Pollination Station:
November 2015–January 2016
The annual holiday show featured scenes of plants and their pollinators and a collection of D.C. landmarks (such as the U.S. Capitol, the Washington Monument and the Lincoln Memorial) made from plant materials. The exhibit included a whimsical model train show celebrating plant pollinators, one of the largest indoor decorated trees in the area, and a dazzling display of poinsettia varieties.

Flora of the National Parks: February–October 2016
In celebration of the 100th anniversary of the National Park Service, this art exhibit showcased some of the plant species and communities found throughout the more than 400 national parks. From giant redwoods and aspen forests to endangered Virginia spiraea and water lilies, the national parks contain a diverse representation of the North American flora. Illustrations, paintings and photography took visitors on a tour of the beauty and importance of the American flora.

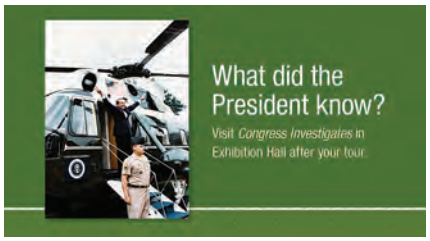
Orchids in Focus: February–April 2016

Orchids in Focus, in partnership with Smithsonian Gardens, highlighted the world's largest plant family and the USBG's most extensive plant collection. Found on every continent except Antarctica, orchids amaze with their diversity of forms and colors. This exhibit showed why these exotic beauties have inspired artists and photographers for centuries.

Flourish Inside and Out: May 2016–October 2016

This exhibit, a collaboration with the Chicago Botanic Garden's Buehler Enabling Garden, was designed to excite and motivate visitors to find their place through nature. Demonstrated through accessible gardens, adaptive tools, engaging programs and vignettes showcasing the intersection of humans and nature, a visit to the exhibit highlighted how people flourish through interactions with plants.

U.S. CAPITOL VISITOR CENTER



Congress Investigates Part 2: September 2015–March 2016

The power to investigate, implied by the U.S. Constitution, is one of Congress's most important tools for developing effective public policy, conducting oversight, and informing the public. Congress has investigated issues throughout its history via formal investigations and fact-finding inquiries with wide-ranging results, often significantly affecting the history of the United States.

Congress and the Progressive Era: March 2016–September 2016

From the 1890s to the 1920s, a period known as the Progressive Era, the United States experienced dramatic social, cultural and political change. Confronted with domestic and international challenges, Congress reexamined the government's role in the economy and the environment and the nation's place in the world.

Building a More Perfect Union: Special Civil War Online Exhibition

Congress hoped to prevent a civil war by using legislative compromises to settle contentious issues. When those compromises broke down and war erupted, Congress' focus turned to winning the war, restoring the Union, ending slavery and readmitting to representation the southern states that had supported the Confederacy.

In addition to the above, current and past exhibitions may be viewed online at: **www.usbg.gov/exhibits** and **www.visitthecapitol.gov/exhibitions.**

APPENDIX F: REIMBURSABLE ACCOUNTS SUMMARY

The AOC has stewardship responsibility for a number of trust and revolving funds, along with reimbursable accounts. The trust and revolving funds are identified and described in *Section III: Financial Information* under financial statement note 1.F. The assets, liabilities and transactions associated with the reimbursable accounts are included in the AOC's audited financial statements.

AOC Reimbursements Collected and Posted to a Specific AOC Appropriation

Battery Recharging Stations *(2 U.S.C. §2170, P.L. 112-167 (Senate); 2 U.S.C. §2171, P.L. 112-170 (House), and §2171a, P.L. 114-113 (Library))*. In 2012, the AOC was authorized to establish battery recharging stations for privately owned vehicles in parking areas under the jurisdiction of the U.S. Senate and the U.S. House of Representatives at no net cost to the federal government. Similarly, in 2015, the AOC was authorized to establish battery recharging stations for privately owned vehicles in parking areas under the jurisdiction of the Librarian of Congress at no net cost to the federal government. Any fees, charges or commissions collected by the AOC shall be deposited to the credit of the appropriations account for the Capitol Power Plant (CPP). Monies deposited are available for obligation in the fiscal year collected or the fiscal year following the year collected.

Capitol Complex E–85 Refueling Station *(2 U.S.C. §2169; P.L. 110-140, Title V, §502)*. In 2007, the AOC was authorized to construct a fuel tank and pumping system for E–85 fuel at or within close proximity to the Capitol Grounds Fuel Station. The AOC's E–85 fuel tank and pumping system "shall be available for use by all legislative branch vehicles capable of operating with E–85 fuel, subject to such other legislative branch agencies reimbursing the Architect of the Capitol for the costs of E–85 fuel used by such other legislative branch vehicles."

Disposition of Surplus or Obsolete Personal Property *(2 U.S.C. §1817a; P.L. 111-68, Div. A, Title I, §1301)*. In 2009, the AOC was authorized, "within the limits of available appropriations, to dispose of surplus or obsolete personal property by inter-agency transfer, donation, sale, trade-in, or discarding. Amounts received for the sale or trade-in of personal property shall be credited to funds available for the operations of the Architect of the Capitol and be available for the costs of acquiring the same or similar property. Such funds shall be available for such purposes during the fiscal year received and the following fiscal year."

Utility Reimbursements for Steam and Chilled Water *(P.L. 114-113, Div. I, Title I, and prior year Appropriations Acts)*. The Capitol Power Plant may collect amounts for providing steam for heating the Government Publishing Office and Washington City Post Office, and providing steam for heating and chilled water for air conditioning for the Supreme Court Building, the Union Station complex, the Thurgood Marshall Federal Judiciary Building and the Folger Shakespeare Library, expenses for which shall be advanced or reimbursed upon request of the Architect of the Capitol. Amounts so received shall be deposited into the Treasury to the credit of the Capitol Power Plant appropriation.

AOC Reimbursements Collected and Transferred to the U.S. Treasury

Flag Flying Fees *(2 U.S.C. §1867; P.L. 104-53, Title I)*. Congress has directed "On and after November 19, 1995, expenses, based on full cost recovery, for flying American flags and providing certification services therefore shall be advanced or reimbursed upon request of the Architect of the Capitol, and amounts so received shall be deposited into the Treasury (General Fund)."

Rent — The Monocle Restaurant *(P.L. 91-382)*. In 1970, as part of the extension of the Senate Office Building site (including square 724 in the District of Columbia — which includes the lot on which The Monocle Restaurant is located), the AOC was authorized "to lease any or all of such property for such periods and under such terms and conditions as he [the Architect of the Capitol] may deem most advantageous to the United States and to incur any necessary expenses in connection therewith." No specific appropriation for the deposit of such lease revenue was provided and, as a result, lease revenues are deposited into the Treasury (General Fund).

In the U.S. Capitol Visitor Center, model makers removed and re-painted the 1/20th scale model of the Capitol Dome on display in Exhibition Hall. The touchable model features new paint colors to match those used in the Dome and Rotunda restoration.

APPENDIX G: PERFORMANCE INDICATORS ADDED OR NO LONGER USED

Performance Indicator Removed	Mapped to Strategic Goal	Revision and Explanation
Perception of Internal Service Provider Improvement	4	**Removed**. The ISP survey was temporarily suspended in FY 2015 and the related performance indicator was removed.

The AOC has no performance indicators to report as added in this year's PAR.

APPENDIX H: PERFORMANCE INDICATOR ASSESSMENT TABLE

This table provides information on each of AOC's indicators specifically focusing on two main areas: the quality or validity of the indicator and the quality of the data collected for reporting results data.

Indicator Profile			
Description / Objective	**Calculation**	**Indicator Validation**	**Data Source and Frequency**
Sustain Investment in Learning (1.1)	Amount spent in training activities divided by the average number of employees	This measure in an important indicator to monitor AOC's training commitments.	**Data Source:** AOC FMS and NFC Files **Frequency:** Yearly
Adherence to Hiring Cycle Time (1.2)	Total number of days from request to fill a vacancy to date new employee is on boarded, divided by the total number of positions filled	This measure is an important indicator to assess the timeliness of filling recruitments and direct hire actions within set standards.	**Data Source:** HCMD Employment Classification Branch statistics **Frequency:** Monthly
Reduction in Usage of Overtime (OT) (1.2)	Sum of hours of overtime recorded in the time and attendance system (excludes Office of the Attending Physician)	This measure is an important indicator of the organization's operating efficiency.	**Data Source:** AOC Payroll System via ODS, extracted from the Executive Dashboard **Frequency:** Bi-monthly
Adherence to Procurement Acquisition Lead Times (PALT) (1.3)	Number of requisitions awarded within PALT divided by total requisitions awarded (excludes interagency agreements).	Measures how well the contractual process is operating. Data are utilized to determine if certain processes or procedures are impediments to timely procurement awards.	**Data Source:** AOC Financial Management System **Frequency:** Monthly
Participation in the Architect's Mobility Program (2.1)	Number of available AMP positions in the Architect AMP that are filled	Tracks how well AOC creates and fills AMP positions — providing professional growth.	Data Source: HCMD Reporting Frequency: Yearly
Volume of Honor Awards (2.2)	Number of Awards bestowed through the Architect's Honor Award Program	Monitors the extent to which AOC recognizes its employees by the Architect	**Data Source:** HCMD Honor award records **Frequency:** Yearly
Improved Organizational Assessment Position (2.3)	Conduct the Federal Employment Viewpoint Survey (FEVS), generate recommendations and implement corrective actions	This measure in an important indicator of the AOC's commitment to make the agency one of the best places to work.	**Data Source:** FEVS Survey **Frequency:** Every two years
Preventive Maintenance Work Orders Timeliness (3.1)	PM work orders closed as planned, divided by total PM's scheduled	The measure is important for how well preventative maintenance is completed in a timely manner.	**Data Source:** WebTMA, work order management system **Frequency:** Daily
Adherence to Cleaning Standards (3.1)	Number of item cleaned successfully, divided by total number of items inspected	Tracks how well the cleaning and custodial teams operate and where improvement may occur.	**Data Source:** Formal Team Inspections **Frequency:** Daily
Customer Satisfaction with Cleanliness (3.1)	Number of satisfied responses divided by number of significant responses (excludes "N/A" and null responses)	Tracks how well the cleaning and custodial teams operate and where improvement may occur.	**Data Source:** Building Services Customer Satisfaction Survey **Frequency:** Every two years
Injuries and Illnesses Rate (3.1)	Number of injury claims sent to DOL in the FY, divided by average number of employees	This measure is important in assessing the safety of AOC employees from injuries and illnesses at work.	**Data Source:** HCMD Workers Comp Claims **Frequency:** As recorded
Corrective Maintenance (CM) Work Orders Timeliness (3.2)	CM + Recurring Work Orders closed within cycle time, divided by total CM+RW due	The measure is important for how well corrective maintenance and repairs are completed in a timely manner.	**Data Source:** WebTMA, work order management system **Frequency:** Daily
Reduction in Energy Consumption (3.3)	(BTU x square feet used in current year divided by BTU x square feet used in FY 2003) minus one	Indicator important to manage the reduction of energy consumption at a 2% rate for 10 years.	**Data Source:** Utility Consumption actuals **Frequency:** Monthly
Customer Satisfaction with Projects—Design & Construction (3.4)	Number of projects rated as satisfactorily completed, divided by total evaluated	This measures how well customers perceive design and construction projects.	**Data Source:** PPM Customer Survey **Frequency:** Project Basis
Service Request (SR) Work Orders (WO) Timeliness (4.1)	Service requests closed with cycle time, divided by total service requests due	The measure is important for how well customer's service calls are resolved in a timely manner.	**Data Source:** WebTMA, work order management system **Frequency:** Daily
Building Services Customer Satisfaction Survey Results	Number of satisfied responses divided by number of significant responses (excludes "N/A" and null responses)	The measure gauges customer satisfaction with the agency's facility management services.	**Data Source:** Building Services Customer Satisfaction Survey **Frequency:** Every two years

Data Quality			
Accuracy	**Reliability / Comparability**	**Consistency**	**Data Limitations**
Data is derived from budget commitment and obligations for program JR91	Data are comparable between years and allocation to training can be easily identified	Data source and schedules are well defined, documented and followed	None
Data collection staff are skilled and trained in proper procedures	Data are comparable between years and deviations from targets can be identified	Data source and schedules are well defined, documented and followed	None
Timekeeping training is available online for employees while the supervisors and time keepers approve /disapprove OT on timecard	Data are compared between month and previous years where hours and cost can be assessed through the Executive Dashboard	Timekeeping reporting procedures are documented and strictly adhered to and data is automatically filtered from the payroll database	None
Staff are provided with annual training and manuals to enable accurate FMS data entry. Also, quarterly data samples are calculated for error.	Data are comparable between months and years, thus impacts of process or workload changes can be easily identified	Data source and schedules are well defined, documented and followed	None
Data collection staff are skilled and trained in proper procedures	Supporting documentation is maintained and readily available	Source data are well defined and documented; definitions are available and used	None
The award manifest is kept in HCMD and recorded as the individuals are nominated	The number of awards are up to the Architect's and leadership, based on category and merit	Awards categories are consistent, but the number varies every year based on exceptional service or circumstance	None
Data collection staff are skilled/ trained in proper procedures	The AOC uses the FEVS, plus additional questions to assess progress and aid comparison with the previously used Organizational Assessment Survey	Collection standards are documented, available and used	None
Staff who enter and close work orders are provided WebTMA training	Data are compared between months and years where hours and cost are assessed through the Executive Dashboard	Data is updated as work orders are closed in the system	None
Independent inspectors assess cleaned surfaces and capture results in a form	Data is comparable between months and years to assess performance	Independent results are fed into tracking spreadsheets	None
Data comes directly from a survey and inputs are the client's assessment	Supporting documentation is maintained and readily available	Collection standards are documented, available and used	None
Safety and Workers Comp staff are trained in identifying and recording injuries	Data is comparable between months and years to assess trends and identify areas of improvement	Processes and schedules are defined and followed.	None
Staff who enter and close work orders are provided WebTMA training	Data are compared between months and years where hours and cost are assessed through the Executive Dashboard	Data is updated as work orders are closed in the system	None
Usage is recorded directly from utility company monthly billing	Data actuals and trends are compared between months and years	Data source and schedules are well defined, documented and followed	None
Data comes directly from a survey and inputs are the client's assessment	Each survey is examined with a follow-up to the client and overall results are assessed yearly	Data source and schedules are well defined, documented and followed	None
Staff who enter and close work orders are provided WebTMA training	Data is compared between months and years where hours and cost are assessed through the Executive Dashboard	Data is updated as work orders are closed in the system	None
Data comes directly from a survey and inputs are the client's assessment	Supporting documentation is maintained and readily available	Collection standards are documented, available and used	None

APPENDIX I: GLOSSARY

This glossary contains a select list of terms in regular use at the Architect of the Capitol that the general reader may not be familiar with, along with their definitions.

Americans with Disabilities Act (ADA) — This federal law prohibits discrimination in employment, transportation, public accommodations, communications and government activities and guarantees people with disabilities equal opportunity.

Architect's Mobility Program (AMP) — This program offers opportunities for employees who occupy "career limiting" positions and lack qualifying experience to enter other career fields. This program addresses the agency's commitment to employee development, while providing continuity of talent and critical trade skills.

Brumidi Corridors — The vaulted, ornately decorated corridors on the first floor of the Senate wing in the U.S. Capitol Building are called the Brumidi Corridors in honor of Constantino Brumidi, the 19th century Italian artist who designed the murals and other major elements.

Building Services Customer Satisfaction Survey (BSCSS) — A biennial customer survey conducted by AOC. This survey measures different aspects of facility services delivery, such as cleanliness and the overall building's condition.

Capital Construction and Operations (CCO) — Appropriation providing the essential construction, central management and operational and professional support in connection with the facilities and activities under the care of the AOC.

Capital Improvement Plan (CIP) — Projects annual funding requirements and provides an evaluation of capital projects based on key criteria including regulatory compliance (which incorporates fire and life-safety needs), security, mission accommodation, historic preservation, economic considerations and sustainability and energy.

Capitol Complex Master Plan (CCMP) — The comprehensive, long-range framework that guides the AOC in its mission to maintain, renovate and develop the Capitol complex.

Capitol Rotunda — The large, domed, circular room located in the center of the U.S. Capitol. The Rotunda is visited by thousands of people daily and is also used for ceremonial events.

Cogeneration — Using a single fuel source, cogeneration simultaneously produces electricity and heat. The Capitol Power Plant's (CPP's) cogeneration system, currently under construction, will use natural gas in a combustion turbine to generate electricity and heat.

Computer-Aided Facilities Management (CAFM) — Facilities management system used by the AOC jurisdictions to track facility maintenance work orders and preventive maintenance.

Congressional Office Moves — These are the member and committee congressional office moves and space reassignments associated with the biennial November elections for the U.S. Senate and U.S. House of Representatives. Related move activities include managing the suite selection process; developing architectural layouts; moving furniture; painting offices; removing, relocating and installing partitions; and updating the electrical, data and telecommunications infrastructure.

Construction Work-in-Process (CWIP) — Construction work-in-process is a general ledger account used to record the costs that are directly associated with constructing a fixed asset.

Corrective Maintenance — Corrective and emergency maintenance activities undertaken to identify, isolate and rectify an unscheduled deficiency of equipment or systems.

Cox Corridors — The three corridors, located on the first floor of the U.S. Capitol's House wing, were designed by renowned artist Allyn Cox. The Cox Corridors are decorated with wall and ceiling murals that depict the development and growth of the United States.

Deferred Maintenance and Repairs (DM&R) — DM&R are maintenance and repairs that were not performed when they should have been or were scheduled to be and which are delayed to a future period. Maintenance and repairs are activities directed toward keeping fixed assets in an acceptable condition, as determined by management.

Emancipation Hall — The U.S. Capitol Visitor Center hall is a central gathering place for visitors to the U.S. Capitol. The hall was named to recognize the contributions of the enslaved laborers who helped build the Capitol.

Energy Savings Performance Contract (ESPC) — These contracts are public-private partnerships for financing energy savings construction projects at several federal agencies. ESPCs were used by the AOC to finance needed energy conservation improvements for three of its jurisdictions (Capitol Building, House Office Buildings and Senate Office Buildings).

Exchange of Critical Expertise and Learning (ExCEL) — A workforce enhancement program to improve organizational efficiencies and increase employee knowledge through the exchange of skills and knowledge across the AOC's jurisdictions.

Executive Leadership Team (ELT) — The AOC's intra-agency ELT is composed of the agency's senior officials, who are dedicated to the AOC's mission to serve, preserve and inspire.

Exhibition Hall — This U.S. Capitol Visitor Center hall is home to "E Pluribus Unum — Out of Many, One," the exhibition dedicated to telling the story of the United States Congress and the U.S. Capitol through original documents and artifacts, videos and computer interactives.

Facility Condition Assessment (FCA)—A program that assesses the condition of building systems, remaining life and deferred maintenance requirements.

Facility Condition Index (FCI) — An overall assessment (excellent, good, fair or poor) of the condition of a facility. It is measured by the ratio of deferred maintenance costs to estimated building replacement costs. This value is typically expressed as a three-digit decimal value with lower numbers representing better conditions.

Presidential Inauguration — The Presidential Inauguration ceremonies are, perhaps, the most widely known of the numerous ceremonies held at the U.S. Capitol. Every four years, the AOC is responsible for 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 Inaugural Ceremonies.

Jurisdiction — The AOC has oversight responsibility for several jurisdictions across the Capitol complex. Each jurisdiction is responsible for a certain physical area, persons or a particular geographic area of the Capitol campus.

Leadership in Energy and Environmental Design (LEED) — LEED is a green building certification program, sponsored by the U.S. Green Building Council, which recognizes best-in-class building strategies and practices.

Memorial Trees — Memorial trees are living heritage assets planted to honor distinguished citizens, groups and national events. The AOC is responsible for their care. About half of the memorial trees are located on the U.S. Capitol's East Front.

National Financial Center (NFC) — The NFC is the U.S. Department of Agriculture's shared services provider for financial management and human resources services. The NFC administers personnel payroll and benefits for the AOC.

National Statuary Hall Collection — The National Statuary Hall Collection is comprised of statues donated by individual states to honor persons notable in their history. The collection is displayed throughout the U.S. Capitol, including the U.S. Capitol Visitor Center. The AOC is responsible for the care and preservation of the entire collection, which consists of 100 statues contributed by 50 states, two statues each.

Olmsted Plan — A grand landscape architecture plan for the Capitol Grounds was designed by Frederick Law Olmsted, the father of landscape architecture in America, between 1874 and 1892. Olmsted was commissioned to oversee the expansion of the Capitol Grounds and create a landscape design that appropriately reflected the U.S. Capitol's grandeur.

Preventive Maintenance — The recurring or scheduled care and servicing of equipment, systems and facilities to keep them in good operating condition by providing inspection, detection and correction of failures either before they occur or before they develop major defects.

Responsibility, Ownership and Courteous Program (ROC) — A program to train all AOC employees to deliver customer service that exceeds expectations through personalized and proactive support, respect and courtesy.

Refrigeration Plant Revitalization (RPR) — The CPP's multi-phase Refrigeration Plant Revitalization program, currently underway, will improve the efficiency and reduce the long-term operating costs of producing chilled water to cool the buildings on the Capitol campus.

Senior Advisory Team (SAT) — One of two committees providing oversight of the AOC's Internal Control Program (the Senior Management Council is the other). The SAT helps fulfill the AOC's fiduciary responsibilities by overseeing daily internal control operations.

Sustainable Sites Initiative (SITES) — SITES is an interdisciplinary partnership led by the American Society of Landscape Architects, the Lady Bird Johnson Wildflower Center at The University of Texas at Austin and the U.S. Botanic Garden to transform land development and management practices with the nation's first voluntary rating system for sustainable land design, construction and maintenance practices.

Senior Management Council (SMC) — One of two committees providing oversight of the AOC's Internal Control Program. The SMC is long-term oriented, forward-thinking about internal control, risk management and missed strategic opportunities.

Statue of Freedom — The bronze Statue of Freedom is the crowning feature of the U.S. Capitol Dome. The plaster model for the Statue of Freedom is on display in the U.S. Capitol Visitor Center's Emancipation Hall.

APPENDIX J: LIST OF ABBREVIATIONS AND ACRONYMS

A

ACF	Alternate Computer Facility
ACM	Asbestos-Containing Material
ADA	Americans with Disabilities Act
AGA	Association of Government Accountants
AIA	American Institute of Architects
AIC	American Institute for Conservation
AICPA	American Institute of Certified Public Accountants
AIF	Awe Inspiring Facilities
AMMD	Acquisition and Material Management Division
AMP	Architect's Mobility Program
AOC	Architect of the Capitol
AP	Accredited Professional

B

BAS	Building Automation System
BSCSS	Building Services Customer Satisfaction Survey
BTU	British Thermal Unit

C

CAFM	Computer-Aided Facilities Management
CAO	Chief Administrative Officer
CAP	Cross-Agency Performance
CB	Capitol Building
CCM	Certified Construction Manager
CCMP	Capitol Complex Master Plan
CCO	Capital Construction and Operations
CCR	Communications and Congressional Relations
CCRC	Central Contractor Registration Connector
CEAR	Certificate of Excellence in Accountability Reporting
CERCLA	Comprehensive Environmental Response, Compensation, and Liability Act
CFM	Certified Facilities Manager
CFO	Chief Financial Officer
CFO	Act Chief Financial Officers Act
CG	Capitol Grounds
CGFM	Certified Government Financial Manager
CIP	Capital Improvement Plan
CM	Corrective Maintenance
COO	Chief Operating Officer
CORE	Core Introductory Craft Skills Training
COTS	Commercial off-the-Shelf
CPA	Certified Public Accountant
CPBGS	Capitol Police Buildings, Grounds and Security
CPM	Capital Planning Model
CPP	Capitol Power Plant
CSRDF	Civil Service Retirement and Disability Fund
CSRS	Civil Service Retirement System
CVC	U.S. Capitol Visitor Center
CWIP	Construction Work-in-Process

D

DATA ACT	Digital Accountability and Transparency Act
DM&R	Deferred Maintenance and Repairs
DOL	U.S. Department of Labor

E

ELT	Executive Leadership Team
EPA	U.S. Environmental Protection Agency
ERM	Enterprise Risk Management
ESPC	Energy Savings Performance Contract
EXCEL	Exchange of Critical Expertise and Learning

F

FAIA	Fellow, American Institute of Architects
FAMP	Facility Asset Management Plan
FASAB	Federal Accounting Standards Advisory Board
FBO	Federal Business Opportunities
FBWT	Fund Balance with Treasury
FCA	Facility Condition Assessment
FECA	Federal Employees Compensation Act
FERS	Federal Employees Retirement System
FEVS	Federal Employee Viewpoint Survey
FFMIA	Federal Financial Management Improvement Act
FISCAM	Federal Information System Controls Audit Manual
FISMA	Federal Information Security Management Act
FMFIA	Federal Managers Financial Integrity Act
FMS	Financial Management System
FSD	Financial Systems Division
FTE	Full-Time Equivalent
FY	Fiscal Year

G

GAAP	Generally Accepted Accounting Principles
GAO	U.S. Government Accountability Office
GC	General Counsel
GPO	U.S. Government Publishing Office
GPRA	Government Performance and Results Act
GPRAMA	GPRA Modernization Act
GSA	U.S. General Services Administration

H

HCMD	Human Capital Management Division
HOB	House Office Buildings
HRIS	Human Resources Information System
HVAC	Heating, Ventilation and Air Conditioning

I

I&I	Injuries and Illnesses
ICOFR	Internal Control over Financial Reporting
ICS	Inventory Control System
IDIQ	Indefinite Delivery, Indefinite Quantity
IEW	Innovative and Empowered Workforce
IG	Inspector General
IPERIA	Improper Payments Elimination and Recovery Improvement Act

IPIA	Improper Payments Information Act
IPP	Invoice Processing Platform
ISP	Internal Service Provider
IT	Information Technology
ITD	Information Technology Division

J

JAC	Job Order Contract
JCCIC	The Joint Congressional Committee on Inaugural Ceremonies
JEMNS	Joint Emergency Mass Notification System
JMMB	James Madison Memorial Building

L

LBFMS	Legislative Branch Financial Management System
LBG	Library Buildings and Grounds
LED	Light-Emitting Diode
LEED	Leadership in Energy and Environmental Design
LICP	Line Item Construction Program
LOC	Library of Congress

M

MAC	Multiple Award Contract
M&R	Maintenance and Repairs
MD&A	Management's Discussion and Analysis

N

NCOO	Net Cost of Operations
NFC	National Finance Center
NIST	National Institute of Standards and Technology

O

OAS	Organizational Assessment Survey
ODS	Operational Data Store
OIG	Office of Inspector General
OMB	Office of Management and Budget
OOC	Office of Compliance
OPM	U.S. Office of Personnel Management
OSH	Occupational Safety and Health
OSP	Office of Security Programs
OTOM	One Team, One Mission

P

PALT	Procurement Acquisition Lead Time
PAR	Performance and Accountability Report
PDF	Portable Document Format
PE	Professional Engineer
PIC	Project Information Center
PL	Public Law
PM	Preventive Maintenance
PMM	Project Management Manual
POS	Point of Sale
POWER	Protecting Our Workers and Ensuring Reemployment
PP&E	Property, Plant and Equipment
PPM	Planning and Project Management
PWGSC	Public Works and Government Services Canada

Q

QR	Quick Response code

R

REAL	Reinforcing, Enriching, Applying and Learning
RMAB	Records Management and Archives Branch
ROC	Responsibility, Ownership and Courteous program
RPR	Refrigeration Plant Revitalization
RSI	Required Supplementary Information
RSOB	Russell Senate Office Building
RSS	Rich Site Summary
RSSI	Required Supplementary Stewardship Information

S

SAM	System for Award Management
SAT	Senior Advisory Team
SBR	Statement of Budgetary Resources
SCBG	Supreme Court Building and Grounds
SCNP	Statement of Changes in Net Position
SEIM	Security Event and Information Management
SFEP	Safety, Fire and Environmental Programs
SFFAS	Statement of Federal Financial Accounting Standards
SHARE	Safety, Health and Return-to-Employment
SITES	Sustainable Sites Initiative
SMC	Senior Management Council
SNC	Statement of Net Cost
SOAR	Safety Observations and Reflections
SOB	Senate Office Buildings
SOP	Standard Operating Procedure

T

T&A	Time and Attendance
TMFJB	Thurgood Marshall Federal Judiciary Building
TSP	Thrift Saving Plan
TREASURY	Department of Treasury

U

UDO	Undelivered Orders
UESC	Utility Energy Service Contract
USBG	U.S. Botanic Garden
USC	United States Code
USCP	U.S. Capitol Police
USSGL	U.S. Standard General Ledger

V

VFD	Variable Frequency Drive

W

WCF	Working Capital Fund
WEBEOC	Virtual Emergency Operations Center
WRP	West Refrigeration Plant

Y

YTD	Year-to-Date

APPENDIX K: ONE TEAM, ONE MISSION

The following individuals (see employee portraits on pages 62 – 63) have been recognized by their jurisdictions for exemplifying the AOC's mission to serve, preserve and inspire. Together, the AOC has embraced the vision of fostering a culture of learning, sharing, cooperation and teamwork that improves efficiency and effectiveness throughout the AOC.

Lamenthia Davis (1), Senate Office Buildings; Special Functions Coordinator: Lamenthia, with 21 years of AOC service, masterfully co-leads a 15-member Special Functions Team which coordinates over 4,000 annual events in the Senate office buildings.

Joshua Butcher (2), Supreme Court Building and Grounds; Maintenance Mechanic Supervisor: Josh rejuvenated the jurisdiction's maintenance shop by exemplifying the AOC's core values and providing leadership worthy of recognition, leading to an increase in work order completion rates from 84 percent in May 2015 to 98 percent in May 2016.

Edward Kessie (3), Library Buildings and Grounds; Project Manager: Eddie has taken on a wide range of challenging projects including the design and installation of interior and exterior wayfinding for the Library of Congress' buildings and the management of exterior stone surveys.

Peggy Hernandez (4), Human Capital Management Division; Training and Employee Development Branch Chief: Peggy implemented new and innovative approaches to enhance personal and professional growth opportunities for the AOC's employees, including the Supervisory Academy and CareerPath series.

Gregory Meyer (5), Capitol Power Plant; Assistant Shift Supervisor: Greg's ability to continually evaluate plant performance and adjust plant operations has made him a key contributor to the success of achieving the AOC's energy reduction goals.

Kathleen Stisted (6), Library Buildings and Grounds; General Engineer: Kathy oversees her jurisdiction's energy reduction program and has been recognized for her commitment to customer support. Kathy also supports operational projects and historic preservation efforts for the Library's buildings.

Donald Wood (7), Capitol Grounds; Mechanic: In addition to his routine duties, Donald has consistently exceeded expectations while supporting equipment selection for the Garden Division staff and working to de-list excess property.

James Lowe (8), Library Buildings and Grounds; General Engineer: James' technical understanding of a variety of systems allows him to manage a large number of complex and challenging projects in way that ensures all technical, operational and safety issues are addressed.

Al Kaminsky (9), Safety, Fire and Environmental Programs; General Engineer: Al was instrumental in developing the AOC's updated Snow Management Plan, developing the new web-based Emergency Operations Center and supporting plan execution during the blizzard in January 2016.

Harvey Mackey (10), U.S. Capitol Visitor Center; Visitor Assistant: Harvey was recognized as the CVC Employee of the Year for 2015 for exemplifying service excellence through his consistently positive attitude under any circumstance and humbly assisting his colleagues throughout the day.

Jocelyn Travers (11), Curator Division; Archives Technician: With over 18 years of service in the Records Management and Archives Branch, Jocelyn is well known for her positive outlook, outstanding customer service and systematic approach to the AOC archival collection.

Betsy Johnson (12), Planning and Project Management; Construction Support Manager: Betsy turned the Construction Division's material and equipment accountability processes into a model for AOC-wide emulation and successfully managed the move to a new warehouse in the summer of 2016 to create a more efficient logistics operating environment.

Paul Miller (13), House Office Buildings; Elevator Mechanic General Supervisor: Paul's commitment to excellence and development of the Individual Development Plan Academy assisted his fellow employees to become better mechanics.

Richard Dykes (14), Capitol Building, Electric Shop; Electronics Mechanic: Richard assumed the duties of the former Fire Protection Engineer, working with contractors, coordinating inspection work and related items to ensure annual testing requirements are met.

Laura Anthony (15), U.S. Botanic Garden; Special Events Coordinator: Laura has done an outstanding job of managing congressional and special events at the Botanic Garden and is an active member of the AOC morale committee.

Andy Gayne (16), Safety, Fire and Environmental Programs; Environmental Engineer: Andy provides valuable assistance to various audiences on stormwater issues and is establishing the requirements and completing the applicability determinations for these projects.

Daryl Ann Hartung (17), Senate Office Buildings, Special Functions Coordinator: Daryl Ann ("Tuddie"), with 16 years of AOC service, masterfully co-leads a 15-member Special Functions Team which coordinates over 4,000 annual events in the Senate office buildings.

Shane Gallagher (18), Planning and Project Management; Construction Representative: As the project manager for the Capitol Dome Rotunda Restoration, Shane worked tirelessly to oversee the construction contractor and evaluate quality to achieve a superb result that will endure for decades.

Priestly Williams (19), Senate Office Buildings; Floor Maintenance Mechanic: Priestly's energy, enthusiasm and commitment to excellence sets the pace for his work unit, which is responsible for the marble, terrazzo and tile floors in the Senate office buildings.

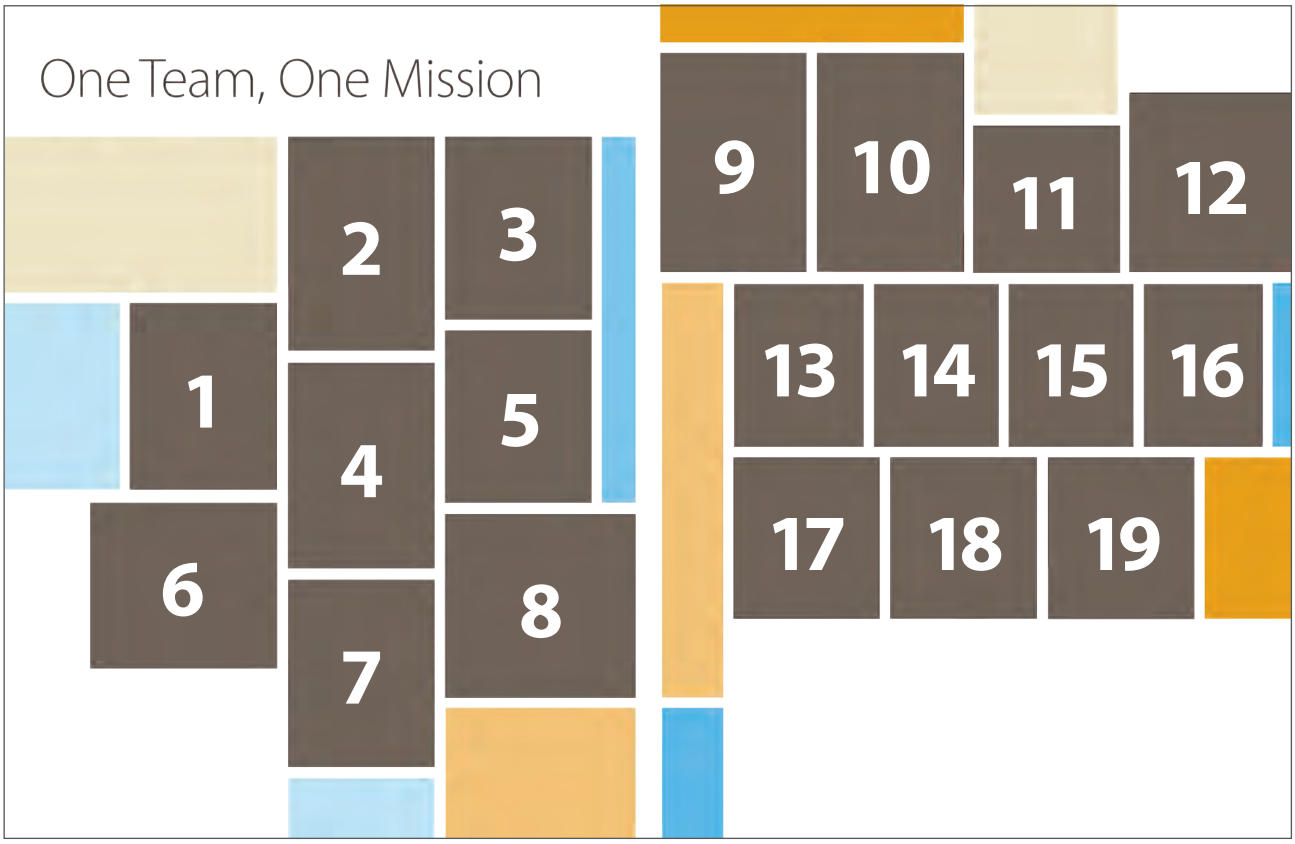
Not Pictured

David McCormick, Safety, Fire and Environmental Programs; General Engineer: David was instrumental in developing the AOC's updated Snow Management Plan, developing the new web-based Emergency Operations Center and supporting plan execution during the blizzard in January 2016.

Timothy Minner, Library Buildings and Grounds; Facility Manager: Tim has direct oversight for off-site facilities, which include the Packard Campus and Fort Meade facilities, and has been recognized for his responsive and proactive approach to meet client needs.

Lindsey Ural, Capitol Power Plant; Utility Systems Operator: Through his 35 years of service, Greg has demonstrated a positive "can do" attitude, tireless dedication and willingness to always lend a hand, helping the power plant to provide reliable and efficient utility service around the clock.

Jason Vandervliet, Capitol Police Buildings, Grounds and Security: Jason developed and implemented an innovative method for resolving vehicle barrier noise issues that had disturbed local D.C. residents.



APPENDIX L: ACKNOWLEDGEMENTS

This *Performance and Accountability Report* was produced with the energies and talents of the AOC's staff. To these dedicated individuals, we offer our sincerest thanks. In particular, we recognize the following individuals for their hard work and contributions:

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

Christine A. Merdon, PE, CCM, Chief Operating Officer

Thomas J. Carroll, CFM, Chief Financial Officer and Acting Chief Administrative Officer

Susan Adams
Mona Amatie, CGFM, PMP
Charles Badal
Teresa Bailey
Jason Baltimore
Natalie Barnes
Lawrence Barr
Diane Battistella
Theodore Bechtol
Thomas Bergeron
Mamie Bittner
Jennifer Blancato
Jessica Blanche
Susanne Bledsoe
Franklin Bradley
Larry Brown
Nina Bryant
Sarah Bublitz
Liz Buday
Alesia Call
Michael Cason
Trista Claxon
Kimberly Coats
Michele Cohen, Ph. D.
Laura Condeluci
Tom Costello
William Curley
Migdali Delgado
Sherry Deskins
Manela Diez
Michael Dunn
Kenneth Eads
Patrick Easton
Michelle Flaherty
Tom Fontana
Kristen Frederick
Derek Gleich
Jason Hendricks
Peggy Hernandez
Amy Heslep
Anthony Hutcherson
Charles Iliff
Corry Isaac
Ramon Jimenez
Nardra Johnson
Jonathan Kavalier
Michelle Kayon
John Kelly
Shalley Kim
Brian Kohler
Cesar Korzeniewicz
Kristy Long
Eva Malecki
Pam McConnell
Yakira McLaughlin
John McPhaul
Kristy Miller
Peter Mueller, PE, PMP
Kevin Mulshine
Erin Nelson
Ari Novy, Ph.D.
James O'Keefe
Ramon Odom
Mary Oehrlein
Eric Paff
Mary Jean Pajak
Tina Pearson
Joseph Peter, CPA, CGFM
Beth Plemmons
Christopher Potter
Mark Reed, PE, CFM
James Rosenthal
Beth Schnakenberg
Kristin Schmehl
Marlene Sherman
Mark Siegelman
Nancy L. Skinkle, AIA, LEED AP
Diane Soriano
Jessica Suarez Bonilla
Deatra Trinidad
Takis Tzamaras, PE
Victoria Villano
Kyle Wallick
Terry Watson
William Weidemeyer, PE, CFM
Jay Wiegmann
Darryl Williamson
Trent Wolfersberger
Elizabeth Yoder

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Thank you for your interest in the Architect of the Capitol and its Fiscal Year 2016 Performance and Accountability Report. We would like to hear from you. Suggestions or comments on how we can make this report more informative may be directed to the AOC by phone (202.226.2552) or email (aocpar@aoc.gov). If you prefer, written comments may be submitted to:

Architect of the Capitol
ATTN: AOC Chief Financial Officer — PAR
Ford House Office Building, Room H2-205
2nd & D Street, SW
Washington, D.C. 20024

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