

NYS Office of General Services

ANNUAL

REPORT

1999-2000

*Serving New York*

GEORGE E. PATAKI  
*Governor*

JOSEPH J. SEYMOUR  
*Commissioner*

EDMOND F. SCHORNO  
*First Deputy Commissioner*

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*Serving New York*



*Letter from the Governor*

*As we begin this new century, State government must continue to adapt to the changing demands made for services, without imposing additional financial burdens on taxpayers. To accomplish this, I have consistently promoted the need for government to become more efficient and effective, not only serving public needs, but doing so in a way that makes the most productive use of available resources.*

*I am pleased that the Office of General Services has taken up this challenge. Their success demonstrates that we can make a positive difference and improve the way State government does business. As a multifaceted agency handling duties as diverse as the design of new buildings to delivering food supplies to schools across the State, OGS plays a crucial role in the effort to make our State more productive and prosperous.*

*Through its work with other State agencies as well as public and private organizations, OGS provides the support needed to facilitate progress. OGS understands both the limitations of government and also the opportunities – and is leading the way in helping us redefine the role of State government.*

*I commend Commissioner Seymour and all the employees of OGS for also focusing attention on internal aspects of their organization. Their efforts to improve customer service and make their agency more responsive to the needs of their clients will greatly benefit the people of New York.*

*In this report, OGS reviews many of its recent accomplishments and current activities, and you will see that it is a very full and important agenda. We look forward to OGS' continued success in helping us build a better New York.*

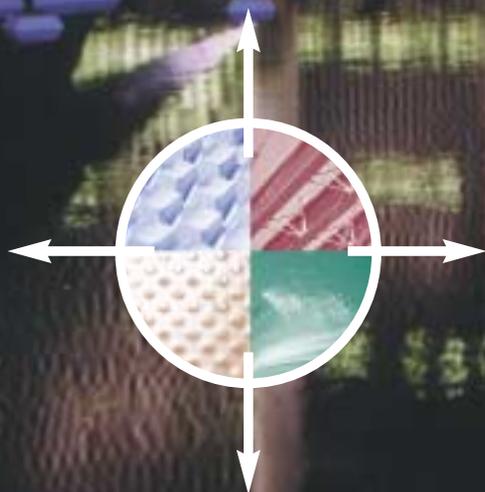
*Very truly yours,*

*George E. Pataki*  
Governor

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*Letter from the Commissioner*

*The Year 2000 is an exciting time for New Yorkers. We are entering the new millennium with a strong and promising economy, and remarkable advances in technology are transforming both business and government. Among so many other things, 2000 also marks the 40<sup>th</sup> anniversary of the Office of General Services. This anniversary finds OGS a full participant in propelling change in New York State, as envisioned and led by Governor George Pataki.*

*The agency is in the midst of a major new capital investment program in the Capital District featuring two new office buildings and a 2,300-car parking garage. Moreover, we are renovating facilities throughout the State, putting new technology to work to improve procurement and support services, implementing forward-looking energy-conservation strategies including an alternative fueled vehicles initiative, and reinventing how the State manages its exposure to losses. By collaborating with other State and local entities - a hallmark of our approach to these projects and others - OGS has broken through many old barriers.*

*While celebrating four decades would be justification enough to put together a record of recent accomplishments, this Annual Report has a broader purpose. In May 1999, OGS published its first Strategic Plan, and that Plan is reshaping the way OGS operates. It communicates a management philosophy where the fundamentals include delivering value for the public good, continually improving customer service, cultivating an exceptional work force, and sharpening the way we measure performance. We all know that plans are pointless in the absence of follow-through and accountability. During the past year, OGS has shown its determination to be accountable to the Plan and to systematically track results in every area of our business.*

*I am proud that OGS is forging a new era of delivering quality services and products to our customers, providing value and accountability to the public, and demonstrating a commitment to our State work force. Tremendous credit goes to OGS employees who, while sustaining extensive day-to-day operations, are also pursuing innovation throughout our programs.*

*It is my pleasure to offer this review of our agency's achievements during the last twelve months and a perspective for the important and challenging work ahead.*

*Sincerely,*

*Joseph J. Seymour  
Commissioner*



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## *Introduction – A Picture of Progress*

As the Office of General Services celebrates its 40th anniversary, our agency is undergoing substantial transformation to become more effective and efficient in fulfilling its role within State government. The business results that OGS has achieved in Fiscal Year 1999-00 are positive and it is our intent with this report to make our services and results better known to our customers, work force, and other interested parties. This publication, the first of its kind from OGS, is designed to bring together and showcase under one cover many important OGS programs, activities, milestones, and measurable results. At the same time, it previews the work that lies ahead in our efforts to meet the needs of our customers and the public.

The first section, “OGS in Profile,” provides basic information about the organization today. The heart of the report is the section called “A Year of Achievement,” where notable OGS achievements directly affecting our customers are described in relation to themes that Governor Pataki believes are important to the people of the State. In the section “Improving Organizational Capabilities,” interested readers will find an update on initiatives aimed at strengthening internal operations and making the agency a better place to work. During 1999-00, OGS was honored with a number of awards; these proud moments are recalled in a section called “A Spirit for Innovation.”

It is doubtful that a published account, a snapshot in time, could ever do justice to the scope of services delivered, projects initiated and completed, and issues encountered and resolved that are part of daily operations in the world of OGS. Yet, through these words and images we hope that the reader can glimpse the larger picture of progress.

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# *OGS in Profile*

## OGS in Profile

### MISSION OF OGS

The New York State Office of General Services:

- *Manages Real Property,*
- *Designs and Builds Facilities,*
- *Provides Information Technology,*
- *Contracts for Goods and Services, and*
- *Delivers Diversified Support Services.*

*OGS provides innovative solutions in the delivery of essential support services, thereby enabling our customers to concentrate on their primary missions.*

As captured in this official mission statement, OGS takes care of the physical plant, real estate, telecommunications, procurement contracting, and a host of other operational needs for the State of New York's government, as well as many other public and nonprofit organizations.

In doing so, OGS relieves other public entities of many administrative and infrastructure matters so those organizations may focus their resources on fulfilling their core purpose.

### STRATEGY FOR PERFORMANCE EXCELLENCE

The following vision statement conveys our aspirations.

*We want to become:*

- *Creators of the best infrastructure to support State government.*
- *The best source for solutions to our customers' needs.*
- *An exciting place to work.*

Consistent with this vision, OGS' Strategic Plan, first issued in May 1999, sets forth three primary goals:

1. *Public Benefits From Outstanding Performance*

*OGS will contribute to the public good by using our specialized talents to achieve outstanding performance in pursuit of efficient and effective government.*

2. *Gaining Competitive Advantage Through Customer Focus*

*OGS' array of services and products will offer value and customer service superior to other organizations that compete, or might compete, for the work we do.*

3. *An Exciting Place To Work*

*All OGS employees will share in a sense of challenge, opportunity, and*

*success. Our work force will have the necessary skills, information, work environment, tools, flexibility, and motivation to get the job done for the customer.*

During the past year, OGS has used these statements about the agency's mission, vision and goals to direct our energies toward projects and improvements that will set OGS apart as an outstanding model for how government should work. The agency is stressing performance that meets the critical concerns of our customers – such as highly functional space at reasonable cost; 100% reliable telecommunications lines; and on-time, on-budget construction. We are stressing options in service types and levels of service, and working to increase (and measure) customer confidence that we understand their needs and are committed to developing successful solutions for them. The status quo is not acceptable. OGS is continually embarking on new projects, designing new systems, and introducing new practices to enable us to better address important customer expectations.

The OGS work force, consisting of approximately 2,100 employees, is vital to keeping government running smoothly and safely on a day-to-day basis. That role can never be taken for granted. Given the complexity of the underlying physical plant and the

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diversity of organizational needs, this responsibility would be challenge enough. However, it is these employees who are now learning and adapting to changing requirements, both of their client organizations and of the larger business and economic community. This means drawing deeply on our vast, cumulative technical knowledge while also spending more time looking outside our normal boundaries to discover and test new and better ways to fulfill the vision and goals of the agency.

### SERVICES OVERVIEW

A short tour of major OGS functions will show the scope of our present organization and provide a preview of the efforts described in later sections.

**Executive Direction** - This group provides strategic and day-to-day leadership of the agency, coordinates efforts, manages external relations, and ensures that Administration policies are reflected in OGS' programs and services. Legal Services, Public Affairs, and the Office of Organizational Effectiveness are all part of Executive Direction.

**Real Property Management and Development** - This business unit has the responsibility to provide for the safe and efficient operation of approximately 41 major and 85 ancillary State-owned and operated buildings across the State. Services provided include building management, operations, day-to-day and preventative maintenance, cleaning, and some aspects of security for facilities encompassing 17.7 million interior gross square feet with a replacement value estimated at \$4.4 billion. This program also designs space layouts for agencies, manages building renovation

projects, administers service contracts for the maintenance and operation of certain heating, ventilation and air conditioning systems, and negotiates agreements for leased space currently totalling more than 13 million square feet.

OGS' Real Property group is also making a major capital investment in office facilities in the Albany area. This effort resulted from years of under-investment and the need for State offices to accommodate modern technology. This program includes new office buildings for the Department of Environmental Conservation and the Office of the State Comptroller, a new parking garage in downtown Albany, the modernization of the Alfred E. Smith State Office Building, and plans for the potential redevelopment of the W. Averell Harriman State Office Campus.

**Design and Construction** - This business unit provides State agencies with a full spectrum of architectural, engineering, and capital construction management services, from planning and feasibility studies, through design development and working drawings, to bidding, contracting, construction management, and inspection. At any given time, D&C staff manage approximately 800 construction contracts. The unit's large portfolio of current projects reflects both new construction as well as planned and emergency rehabilitation of existing facilities. Projects in progress currently are valued at approximately \$300 million in design and \$800 million in construction. D&C's emergency contract program, with about \$60 million in contract value, provides for immediate response to crises occurring

in State agencies' facilities that must be addressed on short notice. Major initiatives include a new parking garage and connecting pedestrian walkway at the Empire State Plaza; new maximum-security correctional facilities; and historic renovation of the State Capitol.

### Information Technology and

**Procurement Services** - This business unit provides State agencies with state-of-the-art voice and data communications services, and supports the technological needs of OGS with both tools and services. It also manages the statewide procurement of goods, services and commodities having an annual value of an estimated \$1.5 billion. This includes developing detailed specifications, evaluating bids, establishing contracts, and monitoring vendor performance and quality control. Eligible local governments, schools and not-for-profit organizations may use these centralized contracts, which generally offer the best prices because of the State's purchasing power, to reduce their own operating costs.

**Support Services** - This business unit manages and provides interagency mail and freight services, printing and quick copy services, employee and visitor parking, and transfers of Federal and State surplus property. The unit also includes the Government Donated Foods program, which acquires, warehouses and distributes federally donated food for school districts, child care facilities and food pantries. In addition, Support Services is coordinating the multi-agency Clean Fueled Vehicles Program.

**Administration** - In addition to Fiscal Administration and Human Resource Management for OGS, this group oversees food service vendors operating in the Empire State Plaza and other State office buildings, helps State agencies and authorities acquire liability and property insurance, administers financing for the State equipment purchasing program (Certificate of Participation financing), and coordinates the centralized purchasing of electricity from the Power Authority of the State of New York. The Empire State Plaza Marketing and Tourism program manages the Convention Center at the Empire State Plaza, plans and administers a wide range of special events such as concerts and exhibitions at the Plaza, and provides curatorial and tour services for the Capitol, Executive Mansion, and Empire State Plaza art collection.

Administration is now working on an important initiative to improve how the State manages its exposure to real property losses and liability claims. The OGS Insurance Bureau, with the assistance of Legal Services, is coordinating the effort to establish a comprehensive approach for acquiring catastrophic insurance coverage for buildings and liability exposure, determining an appropriate level of self-insurance, and systematically reducing risks.

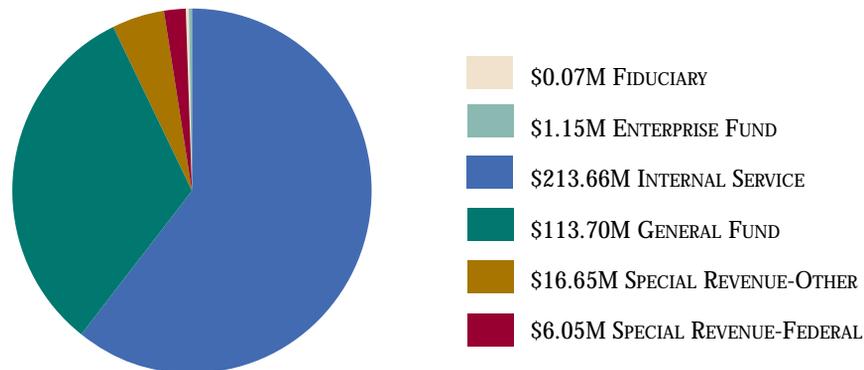
#### FINANCIAL OVERVIEW

OGS operations are funded through a General Fund appropriation of State tax dollars in combination with Special Revenue, Enterprise, Internal Service, and Fiduciary Funds. During 1999-00, \$113,687,300 was available to OGS from the General Fund, representing 32% of all resources funding the agency. The larger source of funding was user fees charged to State agencies and other governmental entities that use OGS cen-

tral and support services. Last year, these funds amounted to \$232,160,000. The agency also had available \$6,050,000 in federal funding. Most of the total \$351.9 million available supports the ongoing operation of State office buildings and the provision of centralized services to State agencies.

OGS also manages a substantial Capital Projects budget that includes support for rehabilitation and modernization of State office buildings including renovation projects at the State Capitol. Spending in this category in 1999-00 totaled \$70.5 million. Additionally, OGS administers debt service appropriations totaling \$279 million. These funds are principally for the centralized statewide lease/purchase of buildings and equipment.

### OGS Fiscal Year 1999-00 Operating Funds by Fund Type



Total = \$351.9 million



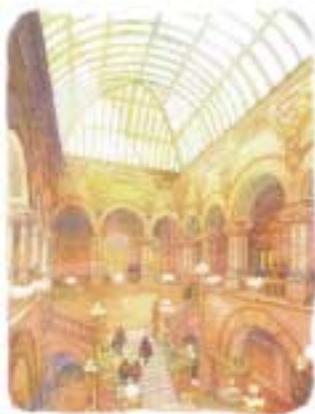


# *A Year of Achievement*

## State Buildings: History Preserved - Ready for the Future

Just as State government has to adapt to changes in society over the years, so too must the buildings that house government operations. Across the Empire State, OGS is working with individual agencies to accommodate their office needs. We are making an investment in modernizing these offices with new designs and technology so they can meet the needs of their clients – the people of New York State.

At the same time, we are also helping to preserve some of the historic and unique features of our buildings. We recognize the need to move forward, while also retaining the links to New York's proud history. During the past year, OGS has been involved in a number of projects that reflect this commitment to upgrading State facilities.



Artist's rendering of skylight over the Great Western Staircase in the Capitol.

### RECAPTURING THE PAST AT THE STATE CAPITOL

In 1899, Governor Theodore Roosevelt declared construction of the New York State Capitol complete. Now, a hundred years later, Governor Pataki has directed OGS to undertake major rehabilitation projects to restore and preserve this historic structure.

This spring, we began the first phase of an eight-year, four-phase project to rehabilitate the Capitol's massive roof. The present phase includes the installation of new roof drainage systems, replacement of terra-cotta ornamental roofing, and the detailed, historical restoration of the exterior skylight and interior light diffuser above the Million Dollar (Great Western) Staircase. The restored skylight will increase the illumination of the staircase, making it easier for visitors to view the intricate details of the original stone – one of the many features that make the Capitol a unique architectural treasure.

The Capitol roof rehabilitation project coincides with two other projects at the Capitol – restoration of the exterior masonry facade and upgrades to the building's elevators. The exterior facade restoration, which includes construction of new roofs for the porticoes and “repointing” (removing existing sealant between stones and replacing it with mortar, all of which must be done by hand for historical purposes), will not only help bring back the original beauty of the Capitol but also protect it from harsh weather. The Capitol elevators are



being upgraded with state-of-the-art technology that will make them safer and more efficient to operate.

These ongoing projects are the latest in a series of projects designed to rehabilitate, protect and preserve the Capitol, for the benefit of those who work in the building as well as visitors. In the past few years, OGS has worked with the New York Power Authority (NYPA) on energy-saving programs for the installation of exterior facade lighting to illuminate the Capitol at night and comprehensive lighting upgrades in nearly all interior areas. Other recent Capitol projects include restoration of the Governor's Reception Room, cleaning and repainting of the Assembly stairs, historic painting of public corridors, and repairs to the Legislative Law Library.

OGS is proud to be involved in the restoration and maintenance of the State Capitol, which will ensure this national

historic landmark and symbol of the Empire State can be enjoyed by generations to come.

### NEW OFFICE BUILDINGS REFLECT NEW WORK ENVIRONMENT

With the passage of Chapter 5 of the Laws of 1998, New York State initiated the largest State construction project in the Capital Region since the building of the Empire State Plaza more than a quarter century ago.

The Capital District Office Modernization Plan (also known as “the Albany Plan”), spearheaded by Governor Pataki and approved by the State Legislature, balanced the need to upgrade and modernize State office facilities with the goal of helping to revitalize downtown business districts. During the past year, this project moved forward with the groundbreaking for two new office buildings in downtown Albany, generating several hundred construction jobs.

Construction of the new headquarters for the New York State Department of Environmental Conservation (DEC) commenced with a ground-breaking ceremony in June 1999. This 13-story, 470,768 square foot building at 625 Broadway will relocate approximately 1,800 jobs to the downtown Albany area. OGS was extensively involved in negotiations regarding the cost and size of the building as well as site planning. The complex is being constructed by a private firm under a lease/purchase agreement, and will also include a 500-space parking garage.

The building will overlook the Hudson River and Corning Preserve, reflecting DEC’s mission of environmental protection, and incorporates the latest environmental standards of design and construction. A showcase for artifacts discovered as part of the archaeological study of the site prior to construction will be included. The facility is on schedule to be fully occupied by the summer of 2001.

The groundbreaking at the new site for the Office of the State Comptroller (OSC) and Common Retirement Fund at 110 State Street took place in June 1999. This project, which is being managed by the Dormitory Authority of New York State, will bring more than 1,800 State employees to a 15-story, 469,624 square foot facility in the heart of downtown. A connected, 350-space parking garage is also being constructed as part of the project. The building is scheduled to be completed by the winter of 2001-02.

OGS continues to work with the tenants for both buildings on space layouts, technology capabilities, and other issues to ensure the work spaces serve the needs of the employees who will be moving to these locations.

When these two concurrent projects are finished, more than 3,600 State employees will be located in state-of-the-art offices, providing them with the resources they need to fully serve their clients, and also boosting the economic potential of Albany’s downtown central business district.

### A NEW LOOK FOR THE EGG AND CONVENTION CENTER

When they were built in the 1970s, the Empire State Plaza Convention Center and theaters inside the building known as “The Egg” offered modern facilities

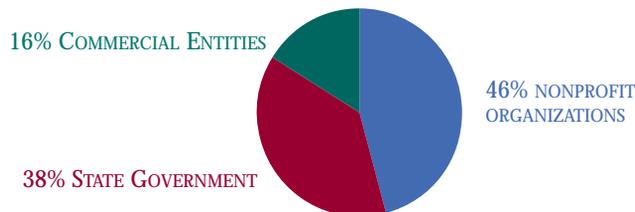


for meetings, trade shows, and musical and stage productions. Over the years, these facilities have hosted a number of memorable events for businesses, public and private organizations and the general public. But except for some minor renovations and ongoing maintenance work, neither the Convention Center nor The Egg were ever significantly upgraded in terms of their technical capabilities or interior design.

Under an initiative from Governor Pataki, OGS undertook a rehabilitation project to renovate and modernize these facilities. The goal was to create a more friendly, accommodating atmosphere that would enhance the appearance of the venues, increase the flexibility of the existing space, and expand opportunities to attract new clients.

Throughout the summer, OGS, working with outside consultants, installed a new, state-of-the-art lighting system in the Convention Hall, replaced its hard-

## Users of The Empire State Plaza Convention Center



wood floor and worn carpeting, rewired the electrical system to increase the available power supply, and painted and refurbished walls and brass fixtures. OGS also installed new seats and carpeting in The Egg's two main theatres and lounges. Now the facilities not only look better, but also offer greater amenities to their clients, helping to create new opportunities at the Plaza. Meeting planners and other local groups were given a first-hand look at the changes at a fall open house.

The annual Government Technology Conference (GTC) in September 1999, which attracted more than 7,000 visitors, was the first big event to enjoy the benefits of the improvements. The GTC is one of 209 client organizations that used the Convention Center during the past year as the venue for their exhibits, conventions, meetings, and ceremonies. Commercial entities accounted for 16% of the usage this year, while nonprofit organizations accounted for 46%. State government was the user for the remaining 38% of times when the facilities were in use. As a result of the Convention Center's facelift and marketing, we expect to attract additional business next year.

#### CONSTRUCTION PROJECTS ABOUND ACROSS NEW YORK STATE

A significant contribution to OGS' overall role as builders and caretakers of State properties is made through work performed by our Design and Construction unit, which is continuously involved in a multitude of projects that are designing, building, repairing, replacing and upgrading various State structures and components. To perform this work, D&C supplements its comprehensive in-house capabilities with private sector architectural, engineering and construction management firms.

During 1999-00, OGS awarded 1,111 new contracts, totaling approximately \$233 million. In addition to improving State facilities, these projects also create jobs and economic opportunities in local communities across the State. In fact, the contracts awarded this year went to private firms for work in 55 of New York's 62 counties, as well as six statewide contracts. Overall, 96% of OGS construction contracts were awarded to New York State firms.

These contracts include the State Capitol rehabilitation and maximum-security prison construction as well as a broad range of other less prominent yet equally vital projects that are steadily improving the State's infrastructure of buildings and properties. A representative sampling of D&C projects from this past year around the State includes: elevator replacements at SUNY Stony Brook; environmental cleanup of facilities at Pilgrim Psychiatric Center in West Brentwood; renovation of a skilled nursing facility at Helen Hayes Hospital in West Haverstraw; construction of a regional medical hospital at Fishkill Correctional Facility; perimeter security and adaptive reuse at the Willard Drug Treatment Center; capping a landfill in the Town of Rush; and a new salt storage facility and reload structure for the Department of Transportation's Region 5 Office in Steamburg.

In conjunction with the agency's performance measurement initiative, D&C has recently focused attention on improving several aspects of contract development and administration. For example, through measuring and studying key indicators such as its percent compliance with contract award targets and percent compliance with construction contract completion dates, the unit is striving to increase its overall effectiveness in undertaking and completing projects.

#### DELIVERING NEW PRISONS

The design and construction of maximum-security State prisons requires specialized skills to meet the unique requirements of such facilities. Over the years, OGS Design and Construction (D&C) has teamed with the Department of Correctional Services (DOCS) to build new prisons that reflect the highest standards of construction and provide maximum safety to State residents. During the past year, D&C was involved in two major prison construction projects, which together will add approximately 3,000 new maximum-security beds to the New York State corrections system.

The Upstate Correctional Facility on a 90-acre site in Malone opened on July 6, 1999. This \$125 million, 780,000 square foot facility was built using prefabricated concrete cells, the first time DOCS has used this type of construction. In spite of unexpected weather setbacks from the 1998 North Country Ice Storm, the facility was completed ahead of schedule.

D&C currently has a second new maximum-security prison under construction in Seneca County, to be known as "Five Points Correctional Facility." This new \$150 million project includes 26 new buildings and structures and again uses precast cells. Originally slated for an August 2000 opening, it is being completed more quickly than envisioned and will be available for use ahead of schedule, to the delight of our customer.

OGS has been successful with the innovative design and construction of these new facilities, and will continue to team with DOCS and private firms on future projects that will make New York State a safer place to live.



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## Solutions for the Capital Region

*As a former mayor, Governor Pataki is familiar with some of the struggles facing cities across the State: the exodus of jobs, tax dollars, and residents from the downtowns. The premise behind his commitment to halt the decline in urban areas is to provide business opportunities through tax cuts and the strategic relocation of jobs.*

*In its roles as both landlord and tenant, OGS has helped carry out this vision and provided solutions to the aging infrastructure and technological limitations of the State's older office buildings. OGS is playing a part in revitalizing the Capital District and providing solutions for our cities. This strategy reverses the trend of jobs flowing out of urban centers, upgrades working environments, and improves facilities for State employees.*

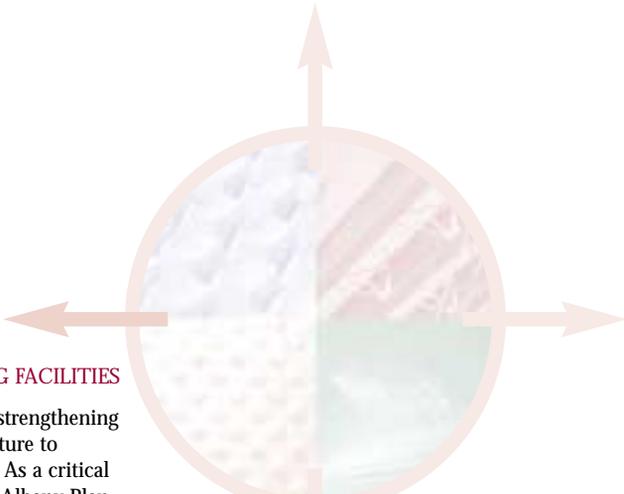
*The benefits of this ambitious endeavor have become apparent quickly. Plans and blueprints of the Governor's first term have been transformed into tangible new construction of buildings, expansion of much-needed parking, and rehabilitation of existing structures. These state-of-the-art facilities currently under construction are already changing the face of downtown Albany and will bring with them several thousand employees.*

### EXPANSION OF PARKING FACILITIES

An influx of jobs requires strengthening the surrounding infrastructure to accommodate this growth. As a critical part of the comprehensive Albany Plan, OGS is addressing the associated parking needs through the construction of a new 2,300-space parking lot adjacent to the Empire State Plaza, two pedestrian walkways, parking decks for the new office buildings, and 721 surface lot spaces on Water Street, for a total of 3,871 new spaces in the city. These projects were undertaken through close consultation with the Mayor's Office and affected neighborhood representatives.

Signaled by the non-stop action of the large pile drivers and, later, the mammoth red crane lifting the components into place, the Plaza garage site sprang to life last summer and is slated to receive the first cars ahead of schedule this August. OGS Design and Construction has served as the design and construction agent for the entire project, which utilizes precast concrete to achieve efficient and cost-effective construction. Currently, as we prepare to open the new garage, OGS has been assisting the Governor's Office of Employee Relations on the plans for allocating spaces to State employees.

This new project was not the only OGS initiative to address parking needs. OGS partnered with the Capital District



Transportation Authority, Albany Downtown Business District, Albany City and Albany County to introduce a new shuttle service to downtown parking lots that serve State, city and county employees as well as Albany's downtown business patrons. Last year, more than 100,000 riders took advantage of this service.

### INITIATION OF A LONG RANGE PLAN FOR THE HARRIMAN CAMPUS

At the Governor W. Averell Harriman State Office Campus just a few miles away, the 350-acre site hosts 16 major State facilities, comprising more than 3 million square feet of office and related space housing 9,000 employees. Because most of the structures were built 30 to 40 years ago, significant renovation and upgrade work is now necessary throughout to meet the requirements of new technology and other changes. With the planned relocation of the Department of Transportation to 50 Wolf Road and the anticipated shifting of other agencies as renovations begin at the Alfred E. Smith State Office Building, it is critical that the condition and future of the Harriman Campus be carefully evaluated.

Recognizing the need for a large-scale overhaul to these existing structures as part of the overall plan for the Capital Region, OGS initiated a utilization study for the Campus to assess its utility and identify future uses. The study, which is being conducted by a team of private sector professional firms selected as a result of competitive proposals, is addressing possible privatization, the costs to rehabilitate the buildings, potential research and development linked with the State University of New York at Albany, and general development opportunities. The consultants' detailed analysis and report on these topics is expected to be completed in early fall of 2000.

#### NEW STATE OFFICES IN NEIGHBORING CITIES

The cities of Albany, Rensselaer, Schenectady, and Troy are all benefiting from the Governor's strategy for addressing infrastructure needs facing State government while stimulating economic development in downtown areas. Thousands of State employees have already been relocated to better working environments and modern efficient, offices, with more moves upcoming. The ongoing projects discussed earlier will increase the number of State employees based in downtown Albany by more than 3,000. Meanwhile, plans are well underway for a new downtown building to be built in Schenectady for the Department of Transportation's regional headquarters, serving several hundred employees and visitors. This follows on the successfully completed relocation of the entire staff of the Commission on Quality of Care for the Mentally Disabled to Schenectady's central business district.

Troy has recently welcomed to several city locations more than 1,000 employees from State agencies including the Department of Health, Department of Labor, and the Department of Law. In Rensselaer, a project is ongoing to expand the leased property that serves as the headquarters for the Office of Children and Family Services, doubling the amount of space and the number of State employees based at that location.

Residents and merchants throughout the Capital Region can now clearly see the Governor's vision taking shape.

#### LAND TRANSACTION PROMOTES CONSERVATION AND SMART GROWTH

Under the leadership of Governor Pataki, OGS has played an important role in brokering agreements that facilitate the most productive use of State properties. Illustrating the diverse benefits that can result, the State of New York has just acquired a 46-acre parcel of environmentally sensitive land in Albany's Pine Bush area in exchange for an isolated 19-acre, undeveloped parcel

on the Harriman State Office Building Campus. The Pine Bush land will be added to the existing Preserve, which is home to endangered plant and animal species. With the new addition, the Pine Bush Preserve will expand to more than 2,600 acres.

The site at the edge of the Harriman Campus, which the State was not using, will be developed into new corporate headquarters for the Capital District Physicians' Health Plan (CDPHP), a major employer in the Capital Region. The new complex is expected to lead to additional job growth as the company expands its operations, and also adds a new parcel to the local tax rolls. In addition, the developer will undertake necessary roadway, utility and sewer line upgrades as part of its pre-construction site preparation, with these infrastructure improvements being accessible for any future development of Campus parcels.

Overall, this project balances the goals of environmental conservation and economic development, while finding a beneficial use for surplus property held by the State.



## Reducing the Cost of Government

*OGS has increased our employees' awareness that optimizing value to clients and customers, and ultimately the taxpayers, is an important objective. This responsibility is driving a constant search for options and innovative practices that will make operating government less costly without detriment to its effectiveness. Agency wide, we have set an expectation that costs of options will be carefully compared before going forward. As reflected in the successes highlighted below, when OGS makes its own spending decisions, as well as when it makes decisions involving other agencies' spending, there has been a clear shift in emphasis away from short-term expediency toward a broader and longer range view.*

### ADAPTING TO THE DYNAMICS OF NEW YORK CITY REAL ESTATE

In July 1999, OGS put the Arthur Levitt State Office Building up for sale through a sealed bid process. The building, located at 270 Broadway in Manhattan, dates back to 1929 and is in need of extensive repairs and upgrades. The decision to dispose of the building was based on a review of costs versus benefits of various options. An independent engineering study conducted in 1997 estimated that the costs for rehabilitation work, debt service payments and operating costs associated with continued State ownership far exceeded the cost of relocating workers to new offices under conventional leases. Less than 50 percent of 270 Broadway was occupied by State entities, and it was estimated that New York State could avoid approximately \$5 million in annual costs by transferring these offices to rented space.

Insignia/ESG, a broker selected through a request for proposals process, marketed the building on the State's behalf. The minimum bid requirement was \$25 million for the 28-story, 371,000 square foot property. This spring, the building was sold for more than \$38 million to a private developer, 270 Broadway Associates, LLC. As a result, the building, which occupies a prime location in downtown Manhattan, will be revitalized and added to the tax rolls.

As OGS Legal Services staff were preparing for the closing, our Real Estate staff worked throughout the year to identify and lease additional sites in New York City to accommodate the needs of the State agencies and legislative offices formerly occupying 270 Broadway. Their assistance also included design of layouts for the new offices and coordination of the relocations.

Moving forward, OGS will continue to take strategic steps to improve our effectiveness in securing affordable and suitable locations for our clients in the very challenging New York City real estate leasing arena.



## PUTTING STATE ARMORIES TO MORE PRODUCTIVE PURPOSE

During 1999-00, OGS completed the sale of two large armories that were no longer needed. The 14th Street Armory in Manhattan was sold to a consortium for \$15 million. The building had been previously vacated by the Division of Military and Naval Affairs and had not served a vital purpose in some time. The new owners will rehabilitate the facility for a mixed-use program that includes retail spaces, elderly housing, and entertainment venues. Later in the year, New York State sold the New Scotland Avenue Armory in Albany for \$2 million to a nonprofit organization, the University Heights Association. It was determined that the Association would put this historic property, located in a unique Albany neighborhood comprised of health care and educational institutions, to much better use than the State. Transfer of the property benefits the Association, preserves the historic nature of the structure, and also creates five acres of open space for public use. At the same time the State was unburdened of the operating costs for an obsolete building.

## USING REAL ESTATE FINANCING ALTERNATIVES TO ADVANTAGE

Faced with the need to provide new office facilities that are more efficient and suitable for evolving technology, but mindful of its responsibility to keep short-term and long-term real estate costs down, OGS fashioned a solution that makes innovative use of alternative financing mechanisms to save taxpayers money. The Albany Plan involves the use of private developers to accomplish

design and construction of the major new building under construction at 625 Broadway in Albany for the Department of Environmental Conservation — thereby lowering construction costs and expediting the project. A lease/purchase mechanism provides the developer with tax exempt financing that lowers debt service payments and will result in lower base rent payments for the State when DEC occupies the building. The annual lease/purchase costs for what will be Class A space will be \$9.22 per sq. ft., exclusive of operating costs and taxes, which compares favorably against conventional leasing rates in the Albany area.

Last year, OGS also entered into lease/purchase agreements at two rented properties long used by the State: 50 Wolf Road in Colonie and 44 Holland Avenue in Albany. At 50 Wolf Road, the current home of DEC and future site for DOT's headquarters, the new lease/purchase contract has lowered monthly rental costs from \$13 per sq. ft. to \$10.30 per sq. ft., thereby allowing New York State to avoid \$985,500 in annual expenditures. The 386,000 sq. ft. building will be renovated for DOT's special needs after DEC moves to its new downtown headquarters in 2001.

Similarly, OGS negotiated a new lease/purchase contract for 44 Holland Avenue, headquarters for both the Office of Mental Health and the Office of Mental Retardation and Developmental Disabilities. This contract reduced the State's monthly rents in the building from approximately \$13 per sq. ft. to \$10.20 per sq. ft. Overall, this allows the State to avoid \$771,500 in annual rent expenditures. In addition, by reworking space at the site,

OGS was able to move some other existing leases into the building, avoiding an additional \$400,000 in annual lease costs.

## INNOVATIVE CONTRACTING

Fresh approaches to procurement practices offer a significant opportunity to reduce government costs. During the year, OGS' Procurement Services Group (PSG) demonstrated this principle in several notable newly bid or renegotiated contracts that are benefiting a wide variety of State agencies, local governments, libraries, and certain not-for-profit organizations eligible under State law.

Widespread efforts to automate government processes, coupled with upgrades needed to mitigate Y2K issues, are driving unprecedented demand for new computer technology purchases and related services. To accommodate this demand most economically, PSG established new contracts this year with 14 manufacturers, covering their entire microcomputer line. These include several national vendors such as Dell, Gateway, Hewlett Packard, and IBM, as well as several New York State small businesses including Upstate Wholesale Supply, Hertz, and Seneca Data. An innovative feature is that each contractor maintains a website specific to its New York award, with real-time prices and information on products. PSG estimates the discounts will result in approximately \$2.6 million in combined annual savings to customers (above previous contract discounts), or \$13 million over the life of these five-year contracts.

In response to a request from the New York State Department of Health (DOH), OGS developed a new contract to facilitate distribution of publicly funded vaccines to public and private providers for the purpose of attaining higher levels of childhood immunizations. PSG worked with DOH and the United States Department of Health and Human Services Center for Disease Control Prevention to develop this multi-state contract, with eight other states participating in the development of the bid document. The total savings for New York is expected to be at least \$100,000.

As a third example, two recent electricity contracts resulted in savings of \$300,000 for State locations in the NYS Electric and Gas utility territory. These contracts provide for 5% savings over previous electricity rates paid by 16 Department of Correctional Services facilities and two Office of Mental Health facilities.

In the context of its participation in the agency's Performance Measurement initiative, the Procurement Services Group has been developing a method for summarizing the savings achieved for customers. Prices in each of the five largest new contracts each year are compared to the customer cost prior to contract establishment. Using this indicator, new 1999 contracts offered prices that are, on average, 22.4% better than the pre-contract price.

This past year, PSG worked closely with OGS Legal Services to make the overall contracting process more efficient. For example, the Terms and Conditions sec-

tion that is standard to all contracts was thoroughly updated and revised to better reflect the current contracting environment, and annual review of content was instituted to ensure ongoing relevance. In addition, a contract template was designed to help streamline contract development.

Finally, a major opportunity with respect to reducing government procurement costs lies in the domain of e-procurement. PSG has begun laying groundwork for offering vendors the alternative of on-line registration, which will create efficiencies for both vendors and OGS. We have also begun designing a process that will enable electronic, Internet-based bidding for procurement contracts.

#### EQUIPMENT REUSE

Just like private citizens often do, the State reduces public costs through reuse or sale of furniture, vehicles and other equipment no longer needed by the programs that originally acquired the items. An excess ski lift, sold for \$21,000, was among the more distinctive items that OGS helped an agency dispose of this year.

While OGS has long administered programs to transfer or sell State and Federal surplus items, improved planning, marketing and sales strategies have made these programs more successful recently, both in terms of revenues and cost avoidance for customers.

For example, OGS initiated website-based advertising of available property, featuring pictures of items. This provides potential buyers with a chance to "inspect" the items from a distance. The State Surplus section of the OGS web site is very popular. A more aggressive

vehicle and equipment auction schedule – 55 auctions during an eight-month period this past year – resulted in record revenue. Over 4,900 items, including 2,400 vehicles, were sold and the yield was \$4.82 million, about 13% better than the previous year. Highlighting the season was an auction in November that grossed \$372,590, a record for a single auction. Eighty-two sealed bid sales generated an additional \$282,000.

Savings for State agencies through the transfer of used equipment facilitated by OGS are calculated to be more than \$3 million. This figure is reached using a conservative factor of 25% of what the agencies would have had to spend to acquire comparable items if they did not obtain them free through the Surplus program.

In the Federal Property Assistance program, OGS identifies and transfers items surplus by Federal agencies to public entities in New York State that have a useful purpose for them. In 1999-00, OGS helped 161 organizations save more than \$3 million through participation in this program. One instance was particularly unusual: the Herkimer-Fulton-Hamilton-Otsego Board of Cooperative Educational Services (BOCES) acquired a 46-foot former Coast Guard boat to be turned into a "floating classroom" on the Erie Canal. OGS delivered the boat, originally purchased by the federal government for \$82,000, to BOCES at a cost of only \$3,000 for transport.

## INTERAGENCY MAIL SYSTEM IMPROVEMENTS

Each month, OGS Interagency Mail and Intercity Courier Services (IMICS) handles between 70,000 and 90,000 pounds of regular mail and 250,000 to 350,000 pounds of freight. "Interagency Mail" has been in place for so many years that people may miss the fact that it saves agencies money, and continues to find new ways to keep customers' costs down.

IMICS' flat rate is \$0.82 per pound of regular mail; if the United States Postal Service were to deliver the mail that IMICS handles, the cost would be an additional \$200,000 or more per month. Our freight service business, which has grown substantially in the past year, is also a bargain for customers compared with private carriers. For example, to ship a 2,000 pound pallet next-day-guaranteed from Albany to Buffalo, IMICS charges \$72, compared with \$160 if a State agency were to use United Parcel Service (UPS), or considerably more for a private trucking service.

During 1999-00, the unit began using a new Mail Manager 2010 program that enables us to bar code outgoing OGS mail and break it down by zip codes before it is placed in the US Mail, realizing a 50% savings on the normal \$0.33 rate. We are also avoiding costs as a result of a negotiated rate with United Parcel Service (UPS) Ground Track, which we use for the delivery of D&C document packages. For this service, OGS pays \$2.63 for next-day delivery on a one-pound package — far better than comparable rates available through other private carriers.



## FLEXIBLE AND EFFICIENT PRINTING SERVICES

OGS Central Printing and Copy Center changed its business strategy in the last few years to provide better customer value. Rather than view itself strictly as a competitor with private printing companies, the Print Shop now focuses on providing its customers with the best results (timeliness, quality, and price) whether it performs the work in-house or partners with outside providers. By strengthening its own production capabilities and at the same time establishing a network of relationships with independent providers who specialize in various graphics and printing services outside the capability of in-house equipment, OGS Printing Services has improved its ability to ensure that customers' requirements are met as expediently and inexpensively as possible.

A new computerized job tracking system introduced this year enhances efficient management and coordination of the work. Internal control procedures have reduced waste, while cross training of staff to operate multiple machines has reduced production backlogs.

Measures are in place to enable precise accountability on critical-to-customer performance indicators like timeliness of deliveries, comparability of prices, and customers' acceptance rate on finished jobs.

The OGS Copy Center continued to invest in state-of-the-art high speed photocopying machines and offers convenient reproduction services to agencies at 40% less than the leading vendors. Economical pick up and delivery, provided through OGS Mail and Freight Services, makes the program an attractive resource for agencies.

Recently, OGS' own Design and Construction (D&C) program found a way to take advantage of Copy Center services to significantly reduce costs associated with its sales of architectural plans. Rather than purchase replacement copiers for old equipment that has been costing D&C about \$20,000 a year to service and maintain, the task was transferred to the Copy Center where trained staff will handle these large volume outputs more economically. In addition, OGS will acquire new digital copying equipment capable of "printing-on-demand" at the Copy Center the sets of computer-aided (CAD) drawings produced at D&C's workstations. This change yields time and cost efficiencies, and will also enable D&C to diminish its practice of using externally contracted copy services for a large portion of this work.

## Contributions to Environmental Quality

*New York State has developed a comprehensive and effective agenda to promote environmental protection. OGS has been responsive to Governor Pataki's call for proactive programs and is making a difference by applying the principles of conservation in significant areas within State operations.*

*While we continue to facilitate recycling of office waste, we have also introduced a new strategy in the area of State vehicle acquisition and operation, and expanded projects to reduce energy consumed in heating, cooling and lighting State buildings. OGS also aided the State's environmental goals when it facilitated expansion of the Pine Bush Preserve, as detailed earlier.*

### CLEAN FUELING THE STATE'S FLEET

As Governor Pataki noted in his 2000 State of the State Address, "The pursuit of clean air remains one of our greatest challenges." Through the efforts of the New York State Clean Fueled Vehicles Council, chaired by Commissioner Seymour, OGS and other State agencies have taken up that challenge. New York has become a leader in the acquisition and use of alternative fueled vehicles (AFVs), far surpassing federal guidelines for the purchase of AFVs as required under the Energy Policy Act of 1992 (EPACT). Last year, New York State agencies, authorities and the university system acquired 368 light-duty (less than 8,500 lbs.) AFVs, or 40% of all vehicles covered under EPACT. This was well above the federal requirement of 25%. An additional 42 AFVs not mandated under EPACT were also added to the State fleet.

Although EPACT requirements rise each year (50% in 2000, up to 75% in 2001), Governor Pataki has set an even more ambitious goal, that "by the end of this decade, every non-emergency vehicle purchased by State agencies

[will be a] clean-fueled vehicle." OGS, working with the State Department of Transportation (DOT) and other agencies, is well prepared to fulfill that commitment.

Representatives from OGS and DOT visited five of the major motor vehicle manufacturers this past year (Honda, Ford, DaimlerChrysler, General Motors, and Toyota) and have strengthened the State's working relationship with these AFV providers. In fact, these companies have stated that New York is ahead of other states in terms of our clean fueled vehicle program. Last fall, the Clean Fueled Vehicles Council was presented the First Annual Honda Environmental Leadership Award in recognition of New York State's efforts to purchase AFVs, promote fuel diversity, and establish a statewide AFV fueling network.

As an important component of our efforts, we have developed a comprehensive plan to expand the State's infrastructure to accommodate clean-fueled vehicles. This plan includes the construction of 48 new compressed natural gas (CNG) fueling sites to supplement the 52 existing CNG sites across New York State. The new facilities will include 30 "FuelMaker" CNG stations (100 gallons/day fast fill units which

can be expanded as needed) and 18 high volume CNG stations (1,000-2,000 gallons/day, fast fill). They will be located in high volume traffic areas to ensure easy access for AFV refueling.

### ENERGY CONSERVATION IN STATE BUILDINGS

This year marked another important phase in OGS' partnerships with the New York Power Authority (NYPA) and with the New York State Energy Research and Development Authority (NYSERDA), which are improving energy consumption in State office buildings in support of two of Governor Pataki's goals: reducing the cost of government and providing a cleaner, healthier environment.

In conjunction with its Energy Services Program, NYPA has completed numerous energy efficiency projects at OGS buildings and facilities, and 11 are in progress now, without any new cost to taxpayers. NYPA finances the upfront costs, which will subsequently be repaid through a portion of OGS' energy savings resulting from the improvements. OGS' participation in NYSERDA's State Energy Investment Program (ENVEST), which utilizes similar financing arrangements, has allowed us to undertake additional projects with comparable objectives.

One set of energy-saving projects focuses on replacing inefficient lighting. A previously completed multiphase lighting project, which replaced more than 20,000 fixtures at the Harriman Campus, now saves \$750,000 yearly. Key sites for lighting improvement projects this past year were the Empire State Plaza and the Powell State Office Building in Harlem, which together will yield approximately \$700,000 in annualized savings.

A second set of projects are comprehensive upgrades to the buildings' utilities and mechanical systems as well as the lighting. Current examples are found at the State office buildings in Poughkeepsie, Buffalo, Watertown, and Utica. The annual savings from these four projects alone will be about \$865,000 when they are complete.

Combining completed and in-progress work initiated through these innovative cooperative ventures with NYPA and NYSERDA, the total annual reduction in costs to operate State office buildings will be approximately \$4.2 million. The programs have enabled OGS to significantly lower its energy consumption as a guard against rising prices, produce environmental benefits, and redirect resources to crucial capital improvements.



## Public Systems Preparedness

*Two of the most basic expectations that citizens have of their government are protection from harm and swift, expert response when public emergencies do occur. While public protection and disaster response are primary missions for other agencies, OGS shares an important responsibility in these areas because it is the caretaker of properties and systems on which so many people depend, both every day and in times of crisis. Accordingly, it is incumbent on us to anticipate what could go wrong and be proactive in taking necessary precautions.*

### RISK MANAGEMENT

As building managers, OGS must be vigilant about the safety of employees and visitors to State properties, and to minimize costs resulting from accidents occurring on these properties. Presently, in New York State we have three primary sources of funds to cover such losses: 1) the Court of Claims fund from which judgments in lawsuits are paid; 2) the Public Officers Law Section 17 fund from which damages caused by our employees are paid; and 3) operational funds as needed, otherwise known as "self retention." Working with the Governor's Office and the State Insurance Department, our Insurance Bureau is preparing a new program that will include three essential components: catastrophic statewide insurance coverage for buildings and liability exposure; self-retention administration; and a comprehensive risk management program.

The risk management component is important because by taking systematic steps to reduce the likelihood of incidents occurring that would result in insurance claims, organizations can achieve better overall results. For example, national estimates are that as many as 70% of all accidents are attributable to human error. Thus, by providing increased training for employees and requiring contractors to follow strict

safety procedures, we can reduce the frequency and severity of accidents, overall real property losses, and liability claim exposure costs to the State.

Appropriation to the Court of Claims fund for this past year was \$90 million, and the Section 17 fund appropriation was \$26 million. Other states that have implemented comprehensive risk management programs have generated savings in excess of 10% of claims previously paid. On this basis, we are confident that the claims the State must pay in the future can be significantly diminished through these new strategies. We have presented a proposal to the Legislature for consideration in their 1999-2000 session.

### THE Y2K CHALLENGE FOR SYSTEMS

While efforts had been underway since 1997 to prepare for the transition into the new millennium, 1999-00 marked the height of the agency's Y2K-related activities. Whether it was OGS' internal systems or the systems we install or administer for other agencies (such as telecommunications networks or the building systems of State office facilities) we recognized the importance of our role in the statewide Y2K project coordinated by the Office for Technology.



As part of the preparedness strategy, each business unit in OGS conducted an inventory to determine date sensitivity, a process that often involved contact with the original equipment manufacturers. Then, an assessment was made whether to remedy problems with a software fix, replace the equipment or system in consideration of business unit requirements, or retire the item. Remediation efforts were completed and contingency plans were developed for all systems determined to be high priority.

One behind-the-scenes aspect of our Y2K precautions, in the public's interest, was the development of standard contract language to guarantee Y2K readiness of products and services acquired from vendors. The magazine *Public Purchaser* cited New York's language as a good model to follow.

After three years of extensive planning, OGS happily reported a clean bill of health following the Y2K transition. OGS had its own "command center" in the Empire State Plaza Concourse that was staffed around the clock during the

transition into January 1. The agency experienced no Y2K-related interruptions in high-priority systems, computer applications or infrastructure. Program staff from across the agency were on site during the transition period and monitored operations of all OGS-managed building systems, telephone systems, information technology hardware and data networks, with not a single problem reported.

#### THE SEMO CONNECTION

In addition to our extensive Y2K work, OGS has several liaisons to the State Emergency Management Office (SEMO) who stand ready to match emergency needs from anywhere in the State with resources available through our agency. These activities include identifying manufacturers and suppliers of commodities critical in emergency situations. In the past, this team found generators and food during the Northeast ice storm and supplied office equipment for the emergency office that handled the TWA Flight 800 crash on Long Island. Recently, the Procurement Services Group aided the efforts of both

our liaisons and SEMO by implementing a series of emergency services contracts. These contracts are with firms that specialize in the supply of a wide range of products and services needed in the event of an emergency, such as water, food, tents, and toilet facilities.

Last year, liaison efforts were focused on Y2K preparedness. Some of the diverse supply sources identified in preparation for Y2K-related emergencies included food pantries and emergency water sources. Thankfully, these arrangements were not needed during the Y2K transition, but OGS continues to stand ready for assisting agencies with other types of unexpected emergency situations.

#### HEATING OIL SUPPLY

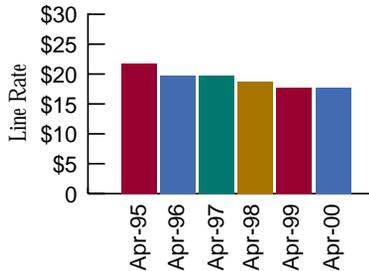
More than 800 State and local government customers purchase approximately \$60 million worth of heating fuel from OGS contracts annually. To ensure customers received critical supplies in the face of threatened scarcity and considerable price fluctuations this past winter, OGS undertook innovative contracting measures and price adjustments to prevent shortages in heating fuel.

## 21st Century Telecommunications for Government

*Meeting the public's expectations for increasingly rapid access to government information and assistance is at the core of anyone's current definition of efficient and effective public service. Reliable and fast voice and data telecommunication networks, capable of handling the huge amount of information to be exchanged, are a must.*

*OGS has recognized that status quo telecommunication systems and services cannot possibly support new and changing requirements of government programs. While pursuing regular upgrades and innovations, our agency also strives to keep the costs for its telecommunications networks and services competitive compared with private-sector-provided options.*

### CAPNET Line Rates



### SYSTEM IMPROVEMENTS

The need to achieve Y2K compliance became a special catalyst that influenced much of OGS' plans and activities during the past year related to telecommunication system enhancements. The most comprehensive improvements in 1999-00 occurred in CAPNET, the telephone system for State government in the Capital District.

CAPNET was first implemented in 1987 and is presently managed by State personnel working side by side with technicians from Lucent Technologies. During October 1999, the last of four CAPNET system upgrades and reconfigurations was successfully accomplished. When phone lines are "cut over" from an old to a new system, there is always the risk of users being faced with non-working lines on the next business day. The goal was to keep the trouble ratio to less than 3%, which the industry considers excellent performance in these situations. OGS Telecommunications and Lucent beat that goal in all four cutovers.

The CAPNET changes improved telephone services for a total of 56,000 government employees throughout the Capital District. Enhancements included the addition of incoming caller identification, six-party conferencing, and standardization of switching and system administration platforms across the entire CAPNET network.

Agency call centers are particular beneficiaries of these CAPNET improvements. There has been major growth in government-operated customer call center programs recently and CAPNET changes have enabled new call center functions valued by our agency customers. The expertise OGS acquired when adding call center features for operations in Albany was put to further use when we were called upon to assist the Department of Motor Vehicles with implementation of similar technology at their downstate call center locations.

In May 1999, OGS Telecommunications installed a new telephone system in the Utica State Office Building, providing the over 500 users in that location with an enhanced feature set equal to those found in the Albany CAPNET system. In December, OGS installed a similar system in Watertown's Dulles State Office Building.

OGS has also been active in improving EMPIRE-NET, a contractor-provided system currently supporting data networking needs of over 50 state agencies. OGS negotiated with the supplier, Intermedia, to include in the contractual agreement well-defined performance-based metrics such as timeliness of installations and service response. These modifications help to encourage improvements in key operational areas and increase overall supplier accountability.

One of the most exciting projects that OGS Telecommunications is involved with is the new government-wide intranet being coordinated by the Office for Technology (OFT). OFT selected OGS to implement and manage the day-to-day operations of the fiber network over which this intranet, recently given the name "NYeNet," will run. By year's end, installation of the fiber and associated equipment for the entire system was complete and pilot circuits were already operating on it.

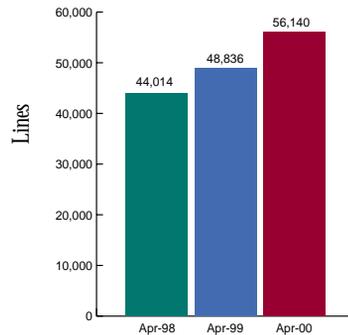
### PRICING IMPROVEMENTS

Because OGS Telecommunications operates entirely out of an internal service fund, each service is a separate cost center and must be operationally and financially efficient to remain viable. In the past year, OGS continued its decreasing trend in CAPNET rates charged to agency customers. These rates are currently 20% below the tariffed rate of Bell Atlantic, a comparable private service provider. OGS also recently negotiated with Intermedia to achieve rate reductions for data services provided on EMPIRE-NET. The value of these reductions is nearly \$3 million annually. Over the past five years, OGS has effected over 30 separate rate reductions with an estimated total savings to customers of \$17 million per year.

### GROWING THE BUSINESS

The number of voice lines in the OGS-maintained State telecommunications system continues to grow steadily, increasing at a rate of approximately 14% for the prior fiscal year, with 85% of that growth occurring in CAPNET. The present level is more than 71,000 lines. Agency customer requirements for more voice mailboxes have led to

## Growth in CAPNET System



even more significant growth. In fact, OGS installed an additional 2,500 voice mailboxes in 1999-00, continuing the 30% annual growth trend that we have experienced since 1995.

OGS also achieved healthy growth in data services, with a 9% increase over the previous year. Overall, OGS now supports an installed base of over 20,000 data circuits.

For the first time, OGS has begun to extend its telecommunications networks and services beyond OGS-operated State office buildings to sites operated independently. In 1999, Telecommunications acquired the State Lottery Division as a new customer. We converted the phone system at Lottery headquarters in a privately operated building in Schenectady to operate as part of CAPNET.

Another new customer is the New York State Central Register of Child Abuse and Maltreatment administered by the Office of Children and Family Services (OCFS). Previously, OCFS managed its own call center for the Central Register

at the Ten Eyck Building in Albany. When OCFS physically moved the operation to its headquarters in the Capital View building in Rensselaer, they decided to take advantage of the call center enhancements that OGS is now able to offer.

### A NEW STRUCTURE PREDICATED ON SERVICE

The challenges of providing services to so many customers, keeping prices competitive, and continuing to grow and adapt services and systems meant that Telecommunications' longstanding internal organizational structure was no longer effective or efficient. In mid-summer 1999, a major reorganization took place. A new Customer Service and Support unit has been created with individuals organized to support various customer accounts. This has balanced the traditional operational focus of the Division with a heightened level of customer focus. While there have been some growing pains as staff learned their new roles, our expectation is that service to customers will be better integrated and ultimately more successful as a result of this change. In conjunction with the agency's Performance Measurement initiative, timeliness of response to customers, service availability levels and customer satisfaction surveys are ways that Telecommunications will test this premise. The Division is committed to satisfactorily resolving all troubles within 24 hours and completing "software-only" orders within 48 hours.

## Creating Value for New York's Public and Nonprofit Sectors

*So broad is OGS' presence within State government that it is sometimes possible to overlook the important role our organization plays in helping the larger public and voluntary sector to function effectively. Two prime examples are in the areas of procurement and food distribution, where major gains were made this past year through close interaction with customers and the constant search for constructive administrative changes.*

### SUPPLIES AND SERVICES AT A DISCOUNT

What do medical supplies, road salt, copier machines and fire trucks all have in common? They are just a few of the tens of thousands of products and services at reduced prices that OGS helps put in the hands of organizations serving New Yorkers across the State. As a result of expanded outreach to raise awareness about the opportunities, PSG has grown its customer list nearly 20% in two years to more than 4,500 eligible entities.

Our strategy focuses on identifying the needs of specific customer groups such as education providers or local public safety agencies, fostering new and improved contracting initiatives adapted to changing market forces and new technologies, and ultimately producing more value for the public dollar. An outstanding example of addressing needs of specific customer segments are the contracts OGS negotiated to help schools obtain important tools to expand and upgrade their educational resources. One such contract allows customers to receive more affordable

computer-based information subscription services for newspapers, encyclopedias, books, and journals. Discounts extend from 10-70%, with total savings projected to be \$25 million annually. Another agreement enables schools, ranging from elementary through university level, to purchase laboratory and science teaching supplies at reduced cost.

To assist in another arena, OGS recently developed a first-time contract for fire trucks at the request of the Department of State's Office of Fire Prevention and Control and the firefighting community, who also helped plan the specifications. Contract users advise that the price they now pay to acquire a fire truck is 10-15% lower than previously available to them. These and other similar procurement initiatives result in tangible benefits for a wide range of public programs and their clients.



### FOOD DISTRIBUTION

In support of school breakfast and lunch programs across the State, OGS administers New York's Government Donated Foods and Warehousing Program, coordinating storage and delivery of foods provided by the U.S. Department of Agriculture. OGS plays an important role in delivering nutritious food from the trucks in our warehouse to the school children's lunch trays. In addition to schools, other organizations that are eligible for the assistance include child care agencies, nutrition programs for the elderly, soup kitchens and food banks, and summer programs for children. In 1999, the program provided \$470 million in food to more than 4,000 organizations.

During the year, OGS continued making administrative improvements to this program resulting in reduced overhead costs, with savings being passed along to schools and other customers. For every dollar spent in administrative costs by the recipient organizations, an average of \$19.61 worth of food was provided. Additionally, the agency's Downstate Distribution Center located on Long Island now operates a new computer system to track all inventory, distribution, receiving and billing functions for the Department of Health's Food and Nutrition Program as well.

OGS has found that use of "direct diversion processing" is an economical strategy that benefits recipient agencies. Raw/bulk donated commodities (such as cheese) are shipped directly to food

manufacturers that, in turn, produce more easily usable end products (such as pizza) that are popular with food service programs. Because direct diversion processing makes good business sense, OGS set a goal to make greater use of this system, through arrangements with an expanded number of food processing companies. In fact, in each of the past two years we have doubled the amount of donated foods that are directly diverted to \$2.4 million worth of food currently.

## Service to Community and Culture

*Governor Pataki believes that the special assets of the Capitol, Empire State Plaza, and other State office buildings should be fully shared with citizens. Through his encouragement, OGS greatly improved the condition and ambiance of these facilities, repairing damaged flooring, repainting walls, restoring landscaping, and, at the Empire State Plaza, turning the waterfalls back on, and adding colorful banners and background music to the public corridors.*

*Meanwhile, OGS has also created and expanded programs that enable the communities throughout the State to benefit socially and culturally from these buildings and properties. Welcoming families, school children, seniors, and other diverse groups to the seat of government fosters a two-way appreciation of public service and reminds us all who the true customers are.*

### ARTS IN PUBLIC PLACES

The Governor Nelson A. Rockefeller Empire State Plaza is an architectural masterpiece, a distinctive landscape of modern design anchored by the historic and stately Capitol. Many people do not realize that while the Plaza is the main setting for the day-to-day workings of State government, it is also a destination for more than one million visitors each year who take advantage of the rich history, numerous concerts, events, outdoor sights and activities that are available to the public free of charge.

This past year, OGS welcomed the performer Pat Benatar as the highlight of its At the Plaza summer season. The free concert surpassed all previous attendance records with an estimated 25,000 people attending. The concert series during 1999 ran the gamut from the ever-popular Blues Festival to the sounds of Bavarian bands, rock, jazz, and swing bands and performances by local artists. Based on crowd estimates, this summer programming provided enjoyment for about 193,000 patrons, up about 44,000 from the previous year. Partnerships with other organizations helped make these events possible. Cash sponsorships, which have grown each year, offset \$154,775 of 1999 production costs.

In addition to the variety of musical productions that The Egg hosted during its season, every day in March music lovers were greeted by the sounds of school children performing in the Concourse of the Plaza as part of the OGS Music in Our Schools Month, co-sponsored by the New York State School Music Association. Choirs and bands from across the State performed daily, showcasing a variety of musical styles for the enjoyment of visitors and employees alike. The Adam Clayton Powell Building in New York City similarly hosts musical events, in particular the Summer Jazz Festival featuring major performers.

For art lovers, the Empire State Art Collection is the largest publicly owned modern art collection not housed in a museum in the world. So prestigious is this 92-piece collection, that for the first time ever last May, selected works were loaned for display at Lincoln Center in New York City. OGS is grateful for the opportunity to share pieces from this collection with a broader audience and we anticipate the return of the magnificent abstract works this coming summer.

Further appreciation for this unique collection was garnered with the publication of a children's guide to the Plaza Art Collection, authored by First Lady Libby Pataki with consultation and

publication assistance from OGS. Copies of the book, *Artfully Taught*, are being distributed to school children across the State to help them explore the fundamental concepts and shapes of abstract art that are represented in the collection.

With an eye towards history and education, OGS joined with C-SPAN and Time Warner to bring the exhibit *American Presidents: Life Portraits* to the Capitol during February and March. As the fourth stop in a nationwide tour, the Capitol served as a fitting venue for the 41 paintings, including New Yorkers Theodore Roosevelt, Grover Cleveland, Martin Van Buren, and Franklin Roosevelt who served as Governors of New York State prior to being elected President.

Furthering appreciation for the region's visual arts, OGS partnered with the New York State Museum to offer a lunchtime lecture series on various works such as American Artists of the 19th Century, including Frederic Church, a leading artist of the Hudson River School. OGS and the New York State Museum continued initiatives to promote awareness of the Plaza's valuable resources with the introduction of the new Plaza Ambassador Program,

which uses volunteers from the community to provide directions and information concerning the many treasures the Plaza has to offer. An initial two-dozen participants began serving in March 2000.

Throughout the year OGS staff conducted guided tours of the Capitol, Plaza Art Collection and Executive Mansion for school groups and tourists. In fact, last year, OGS provided Capitol tours to more than 32,000 people.

### COMMUNITY TIES

For those employees and visitors to the Plaza this past winter who were looking for outdoor activities, the Plaza Ice Rink capped another successful season with more than 8,000 skaters enjoying the free ice skating despite the unseasonably warm winter months. The rink, which had been closed for many years, was reopened by Governor Pataki in 1996. Highlighted by the traditional holiday fireworks display at the Plaza, the rink opened this year on the first weekend in December and was open for nearly three months to the delight of individuals and families who took advantage of this winter sports venue.

Hosting another memorable Equinox Thanksgiving Dinner at the Plaza con-

tinued the OGS tradition of helping the community. This opportunity is made possible with the generous cooperation of the Plaza's two caterers, who open the Plaza's food service facilities to enable preparation of more than 5,500 meals for people who would otherwise not enjoy a traditional holiday meal. This is the third year that OGS participated in this large-scale community endeavor in the Capital Region.

The full range of activities offered at the Plaza underscores our commitment to providing an exceptional experience for employees, community members and visitors to Albany. It is important to note that many other State office buildings are important venues in their communities as well: as a gathering place for performances, workshops, craft festivals, farmers markets, and health fairs. For example, the Watertown facility hosts the Miss New York Pageant every June and community blood drives are regularly held at the Adam Clayton Powell Building in Harlem. From Hauppauge to Buffalo, the OGS-operated State office buildings often play a valuable role beyond the basic business of government.







# *Improving Organizational Capability*

## Improving Organizational Capability

*Agency performance is a function of the health of the organizational culture and the strength and agility of internal management systems. OGS' Strategic Plan recognized this principle and its release triggered several projects to increase agency effectiveness. The Plan accelerated preliminary efforts to systematically and routinely measure how well the business units and the enterprise as a whole perform. In turn, this has led to steps to improve key processes. It also has driven several new initiatives that affect how we serve customers and how we treat our employees. With each investment we make in internal change, OGS becomes an organization better prepared to do the job we are here to do.*

### MEASURING RESULTS

The OGS Strategic Plan, released in May 1999, made "Public Benefits From Outstanding Performance" the agency's number one strategic goal. Accordingly, OGS moved its performance measurement initiative from a preparatory phase that had focused on awareness-building and exploratory exercises to full-scale implementation. By the end of 1999-00, the foundational layers for an effective agency-wide measurement process were in place.

To build internal capacity for measurement, management identified staff throughout the agency to coordinate measures development for their respective programs. Internal "performance measurement clinics" promoted learning about measurement basics and fostered experimentation with the design and definition of measures appropriate to each line of business. OGS' Office of Organizational Effectiveness developed and promulgated a standard "measurement toolkit" and a process for documenting and reporting business unit performance measures. In addition to the toolkit, units drew on the Strategic Plan and "balanced scorecard" concepts to develop their measures.

Next, executive management instituted a new practice of quarterly performance reviews, which began in late summer 1999. In the first round of these sessions, business unit managers were called upon to define a specific set of primary measures corresponding to their program area and present the case for them as key performance indicators useful to management. An executive panel critiqued the construction and appropriateness of every proposed measure. Following measures refinement and assembly of requisite data, a second round of reviews took place in February and March 2000. This time the reviews focused on performance levels, performance trends, and improvement plans where warranted. A total of nearly 200 measures were in place for regular tracking that began April 1, 2000.

As OGS moves on to the next level of implementation, the emphasis is on incorporating performance measurement information into management decision-making and budget development. We are also in the process of implementing an automated performance management information system which, when completed, will be a break-through tool for management. The system will provide instantly-accessible views of performance reports,



## *What Our Clients and Customers Should Expect*

**Please let us  
know how we  
are doing!**

- OGS staff will be readily available to provide assistance to our customers.
- We will strive for the highest standards of professionalism in our appearance, demeanor, attitude, and integrity.
- We will coordinate our expertise to provide quality solutions that are cost effective and innovative.
- We will be accurate, clear, concise and responsive in our replies.
- OGS facilities will be clean, safe and secure.
- Our skills, competence and performance will be the best we can deliver - every time.
- We will be prompt in our replies and on schedule in delivery of services.
- We will embrace customer input.

GEORGE E. PATAKI, GOVERNOR  
JOSEPH J. SEYMOUR, COMMISSIONER OF GENERAL SERVICES

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helping us monitor, understand and respond to critical performance factors within and across program areas.

#### CUSTOMER SERVICE ENHANCEMENTS

The OGS Strategic Plan established “Gaining Competitive Advantage Through Customer Focus” as our agency’s second strategic goal. While improving customer service has been the motivation for various structural and procedural changes made within OGS since 1995, the Plan has stimulated the most comprehensive efforts to date.

In July 1999, the First Deputy Commissioner charged a cross-functional committee, the Customer Service Design Team, to study current practices within the agency, explore more advanced customer service systems, and recommend ways to improve the OGS customer service delivery system. The team’s final report, completed in early fall, made suggestions regarding organizational structure; development of customer service knowledge, skills and attitudes; service standards; coordinated promotion of OGS capacities; customer-friendly facilities; and collection and use of customer feedback. With the report as a blueprint, the agency set to work to implement a number of the team’s proposals.

OGS developed and promulgated universal Customer Service Standards to create more accountability in the agency toward our customers, remind us about the service experience they expect, and encourage us to meet and exceed customers’ expectations through our

actions. Customers will see these standards prominently displayed in OGS reception areas and the lobbies of buildings managed by OGS. In conjunction with the standards, a new Customer Comment Card process gathers feedback from customers. The cards, available where the standards are posted, are pre-addressed to the Commissioner’s Office where they are individually handled and added to a customer comment database that will be one source of information to help us understand customer reactions to our service levels.

Additional components of a comprehensive customer input and feedback system are under development. Measuring customer satisfaction is no simple task for an agency with as many customer groups as OGS. A Customer Satisfaction Measurement Team analyzed the critical customer relationships and mapped a coordinated plan for obtaining customer satisfaction ratings on a regular basis. Several surveys will be administered with different groups, but standardized survey questions facilitate overall customer satisfaction assessment across the OGS enterprise. The strategy also calls for a blend of transaction-based surveys to monitor service levels, and annual surveys to capture the broader perceptions of customers based on a range of service encounters over several months.

OGS determined that the best way to obtain input and feedback from one of our most important customer groups, State agency officials, would be in face-to-face meetings. Therefore, small teams of OGS executives were formed to begin making outreach visits to executives in key customer agencies to learn about how we can serve them better.

Picking up on the Customer Service Design Team’s point that facilities themselves can be either welcoming or alienating to customers, OGS is engaged in improving its reception areas and filling reception “gaps” through a floor-by-floor review. A new reception desk at the base of the Corning Tower Building in Albany was added this year to provide a better welcome for visitors and staff frequenting this 42-floor building. Upgraded signage in OGS buildings is yet another work-in-progress to create more customer-friendly facilities.

#### WORK FORCE INITIATIVES

After establishing “Ready, Willing, Able Work Force” as its third strategic goal, OGS immediately committed to a set of proactive strategies in the human resource area. A new role within Human Resources Management, Director of Human Resource Strategic Planning and Development, signaled change.

One of the first projects undertaken was an organization-wide survey of employees to collect and measure their opinions about quality of work life (QWL) in the agency. The study defined QWL as a combination of conditions that employees experience in the workplace (e.g., communication, recognition, skill development, supervision, work environment) that affect their overall job satisfaction, motivation and morale. Approximately 38% of OGS employees completed the survey. Supervisory respect, a sense of personal fulfillment derived from the work, and overall job satisfaction were among the strongest positive ratings. The survey also pointed to some areas in need of more attention, like enhancing teamwork and



cooperation across work units, increasing communication opportunities, and developing additional opportunities to recognize employee contributions to the success of the organization. Employee focus groups were used to better understand the rationale behind the responses and to plan interventions that employees believe will make a difference.

Even before the findings were in, other initiatives were underway. The Commissioner expanded communications by introducing "Commissioner Update" meetings to brief all managers and supervisors on important agency developments. In addition, we launched a newly designed internal newsletter, OGS NewsNow, to provide all employees better information about agency initiatives and programs.

Employee recognition activities were also expanded, including a proposal to incorporate monetary recognition "tools" into the system and the addition of two new categories to our Employee of the Month program, "Employee of the Quarter" and "Employee of the Year." Another positive step was the "Take Your Child to Work" Day, which for the first time in 1999 became a full day of fun and educational events. The

program menu showcased the variety of occupations and scope of work performed by OGS to our employees' families, contributing to employee pride and commitment.

We have embarked on a significant investment in developing the skills and competencies of our work force, laying the foundation for a comprehensive employee development system. OGS established a Memorandum of Understanding with SUNY United Colleges of Technology to provide a delivery structure for practical job skills and career development programs for staff in Albany as well as regional locations. Activity has been stepped up in our Skills Refresher Program designed to enhance existing basic skill competencies, with approximately 140 employees participating during the past year. Staff in our regional building locations received new technology skills update training. The program for OGS' annual Building Managers Conference was expanded to include skill enhancement and career development for our building management staff. Elements of a broad Applied Skilled Trades Development Program as well as a Real Estate Planning and Development Program were launched. As a final

example, a new Safe Driver Certification Program enhances the defensive driving skills of our employees whose main job responsibilities include driving State-owned or leased vehicles. More than 300 employees completed the skills development component of the program between December 1999 and March 2000.

Last fall, the agency sponsored an Employee Education Day to stimulate members of the OGS work force to develop a plan for their own careers and to seek out learning opportunities to enhance their skill repertoire, value to their employer, and prospects for advancement. Based on the reactions of participants, this program will be held annually in the future.

While OGS is reinvesting in development of employees' skills and career growth, we continue a multi-year effort to simplify the agency's job title structure through title consolidation. Data show that OGS has contributed significantly to this statewide personnel management objective aimed at greater efficiency. In 1995, OGS had a total of 515 titles of which 250 were agency-specific, or "unique" to OGS. As of April 2000, OGS had a total of 357 titles, a

reduction of 31%. More importantly, during this same period OGS has reduced the number of agency-specific titles to 121, a reduction of 52%. Ultimately, these consolidations create more mobility for employees and flexibility for management.

It is well known that work environments affect productivity. The work location for about 43% of OGS employees is the Corning Tower Building, where this agency has been a primary occupant since the building opened in 1973. In 1998, OGS began a project to rework these spaces, introducing better designed and equipped work areas. All new systems furniture installed on the 26th Floor resulted in a more effective professional environment with more natural light and better air circulation. During 1999-00, three more floors were similarly transformed, to the satisfaction of occupants and visitors alike. OGS will pace additional renovations as available funds allow.

#### MANAGING INFORMATION

OGSNow, the OGS intranet site, has become a tool that is increasingly used by OGS employees to electronically access information related to the performance of their jobs. The Real Property Management and Development Group's RealNet, a newly completed database application, was added to OGSNow this past year. RealNet replaced various outdated systems with an integrated web-based application that organizes and maintains all of OGS' real property and real estate management, planning, and development information. The 550 leases that we administer, land inventories on 4.2 million acres of State property, our construction management projects, and capital planning records are examples of information now integrated within RealNet.

Other additions to OGSNow include the posting of information on job opportunities and the addition of a confidential Employee Assistance page. The Design and Construction Group's legacy computer systems are being converted to a web-based application known as DCNet that will also become a significant part of OGSNow during 2000-01.

Two new applications for use by State agencies were added to the OGS Secure Web Site: the Fixed Assets System, which allows authorized agencies to manage their inventory of fixed assets, and the Insurance Inventory System, which allows authorized agencies to manage their vehicle inventories for insurance purposes.

The largest change to OGS' public web site was the addition of an electronic version of the Design and Construction Master Specifications, which are used for construction contracts bid by OGS. A live web camera view of the State Capitol, Building Administration policies, and the reasons why flags fly at half-staff were also added to the site. Usage of our public site was up 43% this year, with more than 15,000 hits per day.

Since January 1999, OGS has been deploying the Tivoli Enterprise Management suite of software throughout our computer systems. Tivoli is a tool that performs automated remote monitoring of servers, collection of software and hardware inventories, distribution of software to multiple machines at pre-scheduled times, and remote troubleshooting.





In October 1999, in cooperation with the Office for Technology, the OGS Data Center in Albany moved from its Madison Avenue location to the Swan Street Building. This is a major component of the statewide data center consolidation initiative.

#### MANAGING FINANCES

OGS has been pursuing a plan to improve the speed and accuracy of its financial management by converting to a fully integrated system replacing outdated technology. At year's end, this transition to the new Financial Management System was 85% complete. This custom-designed system has three new components. The first is a paperless requisition on-line tracking system known as "PRONTO." It enables OGS program staff to submit purchase requisitions using computer screens. The approval process, involving program management and the OGS Finance Office, is conducted electronically, eliminating most or all of the paper flow that requisitions used to require, without compromising internal controls.

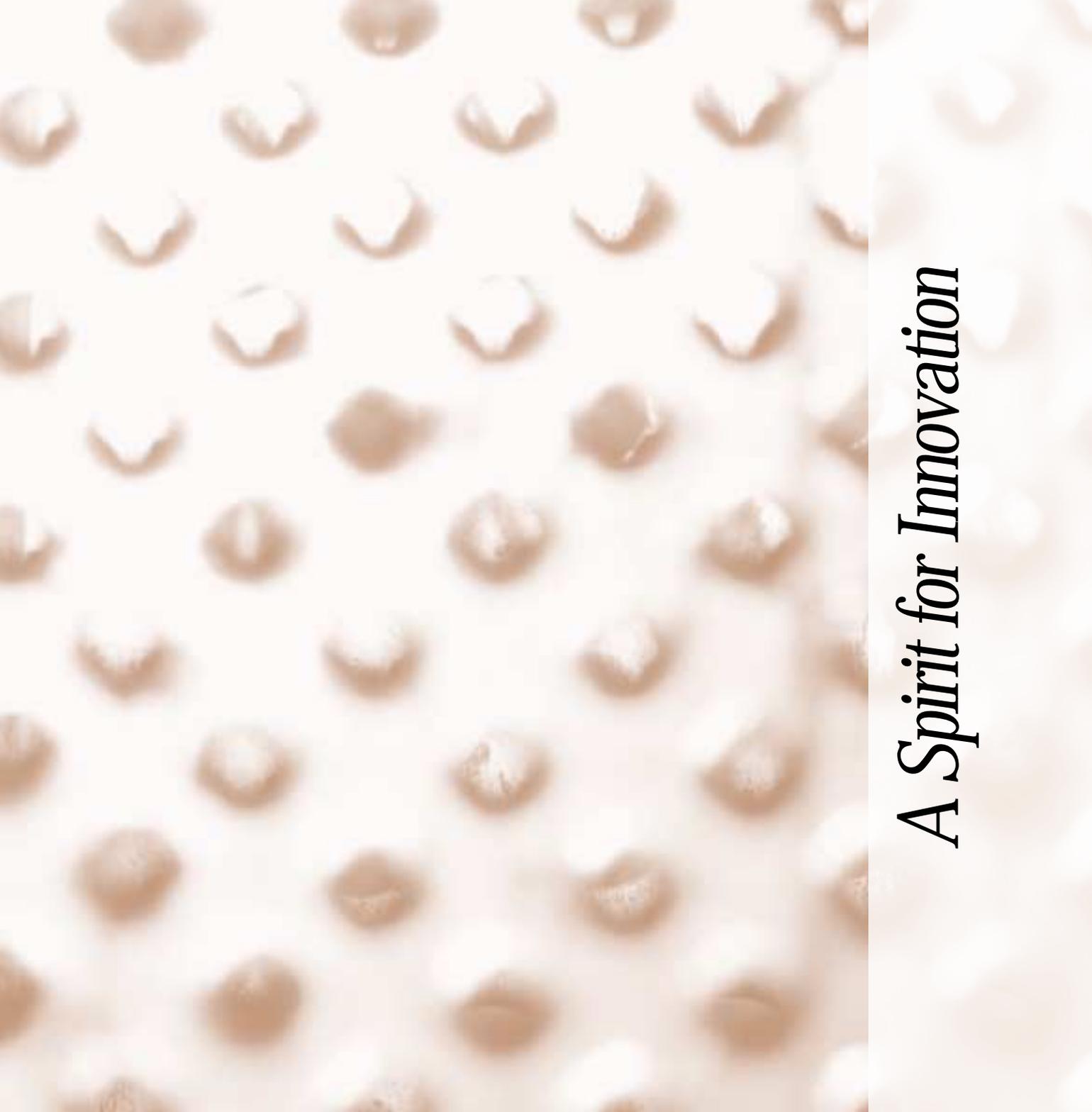
A new tool we call FMS (Fiscal Management System) is the second major component. It allows the Finance Office to allocate budgets to individual managers so they can manage their own funds. Linkage between PRONTO and FMS will create a seamless process whereby financial transactions are automatically recorded in FMS, so that accounts are always up to date.

The third part of the overall design is a Fiscal Imaging System. This system, which electronically stores incoming and outgoing financial documents will allow us to maintain a "paperless" office, thus serving both agency employees and the vendor community more efficiently.

Work remaining on this system, anticipated for completion during 2000-01, includes the full integration of the component systems and a workflow initiative that will allow the Finance Office to scan documents upon arrival and then direct them electronically for processing. The integration of these three new components into our core financial system will yield the desired state-of-the-art integrated financial management system.

One way that the Finance Office demonstrates the efficiency and effectiveness of its fiscal management practices is measurement of interest costs resulting from late payments to vendors. In 1999-00 these costs were less than \$10,000 or under .003% of all OGS expenditures for the year. Through improved systems, controls and training, OGS has brought its interest penalties down to about one-eighth of their 1995-96 level. Another performance area that has improved dramatically is timeliness of reimbursement to employees for job-related travel expenses. Currently, the average number of days from receipt of a travel voucher to issuance of a reimbursement check is six days. Not a single voucher processed through the Office of the State Comptroller during the year was cut or rejected.



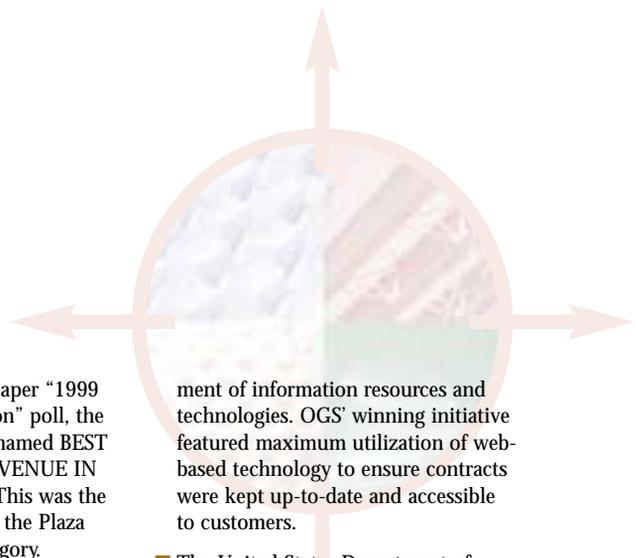


*A Spirit for Innovation*

## OGS Stands Out

*Throughout the year, OGS received recognition for innovation, cost savings, environmental leadership, unique facilities, and commitment to the community. We are proud to review these honors on this page.*

- OGS' Procurement Services Group won a CRONIN CLUB INNOVATION AWARD from the National Association of State Procurement Officials for its Telecommunication Services initiative. Under this program, State agencies and designated organizations utilize a centralized contract system to obtain services such as outbound long distance, incoming toll-free calls, directory assistance, Internet access, and more. Since this initiative was established, State agencies have saved more than \$35 million.
- In the fall of 1999, OGS Commissioner Seymour accepted the first ever HONDA ENVIRONMENTAL LEADERSHIP AWARD on behalf of the Clean Fueled Vehicles Council that he chairs. The award was earned through the State's leadership in purchasing alternative fueled vehicles (AFVs), promoting fuel diversity, and establishing a statewide infrastructure to fuel AFVs.
- In the Metroland Newspaper "1999 Best of the Capital Region" poll, the Empire State Plaza was named BEST OUTDOOR CONCERT VENUE IN AN URBAN SETTING. This was the second consecutive year the Plaza was featured in this category.
- In February 2000, the Adirondack Park Agency (APA) presented an AWARD OF APPRECIATION to OGS in recognition of the 10th Anniversary of the design and construction of the APA Visitor Interpretive Centers at two locations in the Park. Since the opening of the two sites, at Paul Smith's College and Newcomb, more than one million people have visited the Interpretive Centers.
- The State Employees Federated Appeal (SEFA) recognized OGS' commitment to the community with the MURRAY R. NATHAN MEMORIAL AWARD for mid-size agencies for the highest percentage of donors through payroll deduction.
- OGS' Procurement Services Group received a BEST PRACTICES AWARD in the management category from the New York State Forum for Information Resource Management in recognition of its innovation in revamping the microcomputer systems contracts. The category honors activities that improve the management of information resources and technologies. OGS' winning initiative featured maximum utilization of web-based technology to ensure contracts were kept up-to-date and accessible to customers.
- The United States Department of Agriculture awarded a CERTIFICATE OF APPRECIATION to the Director of the OGS Division of Donated Foods for their successful effort to establish a simplified procedure for the delivery of food at OGS warehouses in New York City. As a result of this effort, the amount of paperwork for the program has been greatly reduced, resulting in significant savings of both program costs and person-hours. Agencies taking advantage of this program receive more than \$19 worth of food for every dollar of administrative expense they paid to OGS.
- Commissioner Seymour received the prestigious GOVERNOR CHARLES EVANS HUGHES AWARD from the American Society for Public Administration. This honor was awarded in recognition of Commissioner Seymour's outstanding individual service and initiative, which has exemplified superior management and administration throughout his career in municipal and State government.



## *Priorities for the Future*

Thomas Jefferson said, "I like the dreams of the future better than the history of the past." Governor Pataki promised a different type of government for the citizens of New York and OGS' program of change is part of bringing that about. The accomplishments of one year at the Office of General Services are important because they represent progress in ensuring the long-term

operational excellence of State government. But accomplishments are always the steps toward something else – the plans, projects, and internal changes yet to be accomplished.

The Office of General Services will be extraordinarily busy during 2000-01 and the months beyond, continuing the projects and improvement efforts described in this report that occupy our focus today. The agency has become

acutely aware that governmental and business environments are changing rapidly. As a crucial part of State government, OGS plans to be not only an active participant but a leader in this change. We are dedicated to adapting our organization to new opportunities and improving our results, in the full spirit of the new century.





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