

STATE OF NEW YORK  
OFFICE OF GENERAL SERVICES  
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### **OGS AUDITS OF STATE AGENCY LEASES RECOVER \$1.46 MILLION**

New York State Office of General Services (OGS) Commissioner John C. Egan today announced that the state has recovered more than \$1.46 million for taxpayers as a result of an ongoing initiative to ensure that expenses claimed on the portfolio of 600 agency leases for locations across New York meet the state's requirements and expectations. During the fourth quarter of fiscal year 2008-09, recoveries topped \$600,000.

These recoveries stemmed from the audit of 115 leases conducted by OGS' team of three auditors.

Among the largest recoveries was a \$250,000 reduction in lease payments for the Department of Motor Vehicles' offices located in Queens and the Bronx, and an additional \$81,000 reduction for the Office of Temporary and Disability Assistance location in Brooklyn. These findings were from audits that identified costs claimed that are not allowed under the terms of the leases. In the Queens and Bronx leases, it was found that the landlord had included operating expenses that were specifically excluded, while in Brooklyn the allocation of property tax increases had been calculated incorrectly.

"By aggressively reviewing landlord charges, one column at a time, we are counting dimes – and they add up to millions of dollars," Commissioner Egan said. "OGS is continually looking to ensure that the state is getting the best value for the taxpayers and the agencies that we support."

On an annual basis, OGS rents 16 million square feet of space and pays \$225 million in rent.

The 2009-10 state budget included a provision conveying to OGS the responsibility for the review and payment of the statewide lease portfolio. Prior to this initiative, the payment process lacked a centralized review. This effort, coupled with the lease audit activity, is expected to bring additional substantial cost efficiencies to the state each year.