



General Assembly of the Commonwealth of Pennsylvania
Joint State Government Commission
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Released: December 12, 2016

Report Summary in Response to 2015 Senate Resolution No. 215
Office Space Management in Pennsylvania State Government

The Department of General Services has the responsibility for the broad oversight for the maintenance and upkeep of over 9 million square feet of state-owned facilities, and leasing of additional 7 million square feet of office space. Senate Resolution No. 215 of 2015 directed Joint State Government Commission staff to conduct a review of the current management practices, rules, regulations and laws that impact the Commonwealth's real estate system. SR215 also noted the Senate's commitment to ensuring that office space is being fully and economically used by its tenant agencies. Accordingly, Commission staff studied best practices of both private and public entities in leasing, acquisition, and space management. To accomplish these objectives, Commission staff consulted members of the Bureau of Real Estate staff to gather accurate and up to date information.

During the study, Commission staff found that BRE has been successful at reducing the amount of leased office space throughout the commonwealth. The BRE has also been proactive about implementing open office layouts and experimenting with promising practices. However, the real estate system could benefit by streamlining its approval system for approving state leases. It was also found that BRE currently has a very limited capacity to track the employee occupancy of state-owned buildings. These findings have informed the following recommendations:

- Prioritizing updates to the state inventory system and calculating utilization rates of state office buildings to provide a more comprehensive and transparent picture of the Commonwealth's real estate system.
- Documentation of policies and procedures should be updated to reflect the current best practices employed by DGS.
- Agencies should consider the adoption of an open office layout, teleworking, and desk hoteling when practical.
- Two-way communication should be improved between DGS and client agencies including performance feedback, and updating DGS about any change in property status.
- Agencies should consider developing long-range facilities plans which are linked to program and strategic planning.
- Exploration of ways to refurbish Commonwealth-owned space; such as through the creation of a repayable fund for renovations to state buildings.
- Continued consolidation and creation of shared spaced between agencies, including conference rooms, libraries and storage areas.

Additionally, DGS staff have created two pieces of proposed legislation aimed at increasing the operating efficiency of the Commonwealth real-estate system which have been included in the report. Provisions of this proposed legislation include streamlining the state-leasing approval processes, creating a new system of surplus real property disposition, allowing the DGS to grant easements, and implementing best value contracting process to increase the value of sold surplus real property. If the General Assembly decides to consider these amendments, it would benefit by hearing directly from those with relevant experience. This input could be useful to assess the practicality and advisability of these amendments.

The full report is available on our website, <http://jsg.legis.state.pa.us/>