



pennsylvania
DEPARTMENT OF GENERAL SERVICES

Department of General Services
Opening Statement – Acting Secretary Curt Topper
House Appropriations Hearing
March 12, 2015

Good afternoon Chairman Adolph, Chairman Markosek and members of the House Appropriations Committee. I am Curt Topper, Acting Secretary for the Department of General Services. Beside me is Beverly Hudson, Deputy Secretary for Administration.

Thank you for the honor of appearing before you today to discuss the department's proposed 2015-2016 budget and our priorities for the coming year.

Ladies and Gentlemen, It's GO TIME...

I am proud that Governor Wolf has asked the Department of General Services to join with the Office of Administration in an unprecedented effort to drive Transformation, Innovation, Management and Efficiency across the vast enterprise that is the Commonwealth of Pennsylvania. GO TIME will deliver more than \$150 million in savings, cost reductions and cost avoidances in the coming budget year.

The department's proposed budget is sufficient to meet this challenge and deliver these savings, but we will need to work together with other agencies and the General Assembly to get the job done; to deliver changes that are transformative and lasting; and to deliver a government that works.

As an essential central operating agency of the commonwealth, the DGS budget submission continues to focus funding on delivering high-quality services and reducing the cost of doing business for state agencies, local governments and non-profits.

As we face a \$2 billion deficit, our customers need us now more than ever.

Despite significant budget and headcount reductions, DGS has been an innovator, especially in real estate. I'd like to commend my predecessor, Secretary Phillips,

- It still takes 8 months for a Commonwealth agency to conduct a competitive RFP process. Surely, we can do better.
- By addressing redundancies, requiring pre-sorting, and implementing best practices in mail management we can save more than \$5 million on mail room operations in Harrisburg.
- By modernizing the systems we use to process, award, and manage Public Works contracts, we estimate savings of \$3 million.
- Since its inception in 2005, the popular COSTARS program has grown steadily, now representing nearly \$1 billion in sales and more than \$200 million in estimated savings. We are exploring how we might integrate the program with other services provided to local municipalities so that we can expand its reach and success even further.

Through GO TIME, let's take a hard look at every line of business that DGS is involved in – from print shops to facilities management to contracts for furniture and equipment.

Let's look at each category from a Total Cost perspective, all-in, including DGS staffing and expenses; as well as agency staffing and expenses. Let's benchmark our whole enterprise against the best run enterprises in the private sector and see how we compare. Then, let's transform our enterprise and deliver permanent and lasting change – a government that works.

Finally, I would like to take a moment to thank the group of DGS employees that you see every day working in and around the Capitol. As you know, this has been an especially challenging winter. DGS maintenance and facilities crews have done an outstanding job keeping our streets and sidewalks clear and our offices warm and comfortable. These employees arrive early and they sometimes leave late. They go from shoveling snow to responding to an emergency steam pipe burst.

The maintenance and facilities teams bring the old MacGyver television series to mind. They improvise, they adapt and they overcome, despite a lack of resources.