



DASNY ABO Annual Report – Operations and Accomplishments Fiscal Year April 1, 2013 – March 31, 2014

MISSION STATEMENT

We commit to deliver exceptional service and professional expertise on every financing and construction project for our clients and the public, in a cost-effective manner, while advancing the policy goals of New York State.

OPERATIONS AND ACCOMPLISHMENTS

The Dormitory Authority of the State of New York (DASNY) is a public benefit corporation established in 1944 under the laws of the State of New York (the State) to finance and build dormitories at State teachers' colleges. Over the past 70 years, pursuant to statutory authorization, DASNY's scope of responsibilities has been expanded so that direct services provided to State dormitory finance and construction programs account for less than 15% of current workload. Today, pursuant to the Dormitory Authority Act, DASNY is authorized to finance, design, construct or rehabilitate facilities for use by a variety of public and private not-for-profit entities.

DASNY has two main lines of business: public finance and construction services. During fiscal year 2013-14, DASNY completed 25¹ bond issuances for a total of approximately \$3.8 billion in bonds issued, and 9 lease transactions totaling approximately \$117 million under its Tax-Exempt Leasing Programs (TELP I and TELP II). Additional public finance accomplishments for fiscal year 2013-14 include the following:

- DASNY successfully launched the new SUNY Dormitory Facilities Revenue Bond Program, enacted in the 2013-14 State Budget, in conjunction with the State University of New York and the Division of the Budget, and issued approximately \$440 million in the inaugural bond sale which took place in September 2013;
- DASNY successfully implemented the new Sales Tax Revenue Bond Program, enacted in the 2013-14 State Budget, in conjunction with the Division of the Budget, and issued approximately \$960 million in the initial bond sale which took place in October 2013; and
- DASNY successfully launched the new Employer Assessment Revenue Bond Program, enacted in the 2013-14 State Budget, in conjunction with the Workers' Compensation Board, and issued approximately \$370 million in the program's first bond sale which took place in December 2013.

¹ These 25 bond issuances occurred in 18 transactions. DASNY Master BOCES Program Lease Revenue Refunding Bonds counted as 3 issuances due to multiple obligors and multiple series occurring in a single transaction (Broom-Tioga; Madison-Oneida; and Wayne-Finger Lakes) and Cerebral Palsy Affiliates Program counted as 6 issuances due to multiple obligors and multiple series occurring in a single transaction (United Cerebral Palsy Association of the North Country, Inc.; Jawonio Inc.; Aspire of Western New York, Inc.; United Cerebral Palsy Association of Putnam and Southern Dutchess Counties, Inc.; United Cerebral Palsy Associations of New York State, Inc. and Upstate Cerebral Palsy, Inc.).



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Further information on these and other significant DASNY public finance accomplishments can be found in the *Executive Leadership* and *Finance* sections of this report.

DASNY is also authorized to offer a variety of construction services to certain educational, governmental and not-for-profit institutions in the areas of project planning, design and construction, monitoring project construction, and purchasing of furnishings and equipment for projects. During fiscal year 2013-14, DASNY construction expenditures for DASNY-managed projects totaled approximately \$883 million, and awards of new professional services contracts, construction contracts and associated purchase orders for projects within the State totaled approximately \$318 million. Additional construction-related accomplishments for fiscal year 2013-14 include the following:

- DASNY successfully completed the 195,000 square foot Health and Hospitals Corporation (HHC) Harlem Hospital project, an innovative new hospital facility valued at approximately \$249 million;
- DASNY successfully completed the SUNY Binghamton University residence hall project, including four new residence halls constituting the final phase of the East Campus Housing Project with a total value of approximately \$186 million;
- DASNY is moving toward substantial completion the CUNY City College of New York Advanced Science Research Center (ASRC) project, which at an approximate value of \$706 million, represents the largest and most complex project ever undertaken by DASNY; and
- DASNY successfully implemented a program of construction-related project management support services to assist the Housing Trust Fund Corporation (HTFC) and Governor's Office of Storm Recovery (GOSR) to aid eligible New York homeowners in their recovery from damages suffered during Superstorm Sandy, Hurricane Irene and Tropical Storm Lee.

Further details on these and other significant DASNY accomplishments can be found in the *Executive Leadership* and *Construction* sections of this report.

CHALLENGES

DASNY experienced a decline in both its public finance and construction business lines during fiscal year 2013-14. In public finance, this decline is attributable to a number of factors, including competition from non-State sources, legacy State fee structures, and market conditions. DASNY's business has been impacted significantly by the proliferation of local development corporations issuing tax-exempt debt without having to pass along to their borrowers certain State mandated fees DASNY is required to levy on its private client borrowers. A number of prospective DASNY private client customers have pursued these alternatives and financed elsewhere. In addition, from a market standpoint, the interest rate spread between taxable and tax-exempt financing has also



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been quite small. This has impacted demand for the use of tax-exempt bonds in general and a number of DASNY private client borrowers have elected to obtain taxable financing.

Consequently, while public borrowings remained steady when compared to the prior fiscal year, private client business declined to 9 transactions (valued at approximately \$357 million) in fiscal year 2013-14 from 23 transactions in the previous fiscal year (valued at approximately \$1.3 billion). The number of TELP leases financed also declined to 9 leases (valued at approximately \$117 million) in fiscal year 2013-14, from 15 leases (valued at approximately \$183 million) in the previous fiscal year.

For similar reasons, a number of DASNY's existing private client borrowers have also refunded existing DASNY debt away from DASNY. This trend has resulted in a decrease in the total amount of DASNY bonds outstanding associated with private client financings when compared to the prior fiscal year. This loss of business, in combination with DASNY fee reduction actions taken to increase DASNY competitiveness, has resulted in a decline in annual revenue from private client bond administration fees from approximately \$11.2 million in fiscal year 2012-13 to approximately \$8.4 million in fiscal year 2013-14.

Construction expenditures for DASNY-managed projects have also declined by approximately 15% when compared to the prior fiscal year.² This change reflects a decrease in dollar amount of new construction expenditures, as well as the completion and/or winding down of several large DASNY construction projects. For example, the New York City Health and Hospitals' (HHC) Harlem Hospital Modernization and State University of New York's Binghamton University projects, which have a construction value of approximately \$249 million and \$186 million, respectively, were completed during fiscal year 2013–14. The trend will continue in 2014-15, as DASNY will be moving toward substantial completion of the single largest project in its history, the Advanced Science Research Center at CUNY's City College of New York (\$706M), and also will substantially complete work at HHC's Gouverneur Hospital (\$246.8M) and NYC Courts Staten Island Courthouse (\$209.3M).

While the dollar amount of construction expenditures is clearly decreasing, the number of DASNY-managed construction projects remains steady, with the profile of the projects changing to a higher number of smaller renovation, rehabilitation, capital maintenance and/or energy-savings projects spread across wide geographic areas. This shift from a somewhat constant number and mix of large and small projects to an increasing number of smaller projects is demonstrated in the year-over-year statistics for projects in design (2013 – 305, 2014 – 406 or a 33% increase) and construction (2013 – 173, 2014 – 264 or a 53% increase). With the increase in design and construction phase project volume comes a tendency toward an increase in overhead cost to administer the projects, including the need for design and construction contractual arrangements, associated change order management and payment processing for each. The challenge DASNY

² During fiscal year 2013-14, DASNY construction expenditures have declined to approximately \$883 million, as compared to approximately \$1.04 billion during fiscal year 2012-13. Similarly, awards of contracts for professional services, construction services and associated purchase orders of approximately \$318 million in fiscal year 2013-14 represent a decline of 14% when compared to awards of approximately \$370 million during fiscal year 2012-13.



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faces is to maintain a competitive cost structure in managing these smaller projects, which by their nature can incur similar administrative burdens as larger scale projects, including costs associated with contract and payment management.

As discussed in the *Executive Leadership* section of this report, DASNY is responding to these challenges by containing operating expenses; reducing the fees charged to its private client borrowers for bond issuance and annual bond administration; and obtaining relief where possible from certain State fees to ensure even competition in the market.

EXECUTIVE LEADERSHIP

In addition to the accomplishments above, several important management initiatives were undertaken and accomplished by DASNY during fiscal year 2013-14:

Operating Budget: DASNY has taken steps to reduce operating costs and expenses while maintaining a professional staff capable of executing its mission and serving the public interest.

On March 12, 2014, DASNY's Board approved DASNY's FY 2014-15 operating budget, which included a decrease of .3% in total spending compared to the adopted FY 2013-14 budget. Total internal operating expenditures decreased 2.74%, or \$2.2 million. Salaries were also reduced by 3.6%, or \$1.7 million.

Revised Fee Schedule: To further compete in the marketplace, DASNY implemented a revised fee structure during fiscal year 2013-14 for its private client borrowers (other than for certain health care clients with FHA insured mortgages), reducing the maximum annual administrative fee from \$600,000 per client or obligated group to \$250,000.

Fee Relief Legislation: The 2014-15 State Budget included legislation requested by DASNY to eliminate the fees charged by the NYS DOH for hospital or nursing home projects financed with DASNY bonds. These fees applied disproportionately to DASNY, and were routinely avoided by health care institutions by financing through local development corporations.

DEC/Parks Legislation: The 2014-15 State Budget also included legislation extending for a period of one year an amendment to the Public Authorities Law that authorizes DASNY to enter into design and construction management agreements with the New York State Department of Environmental Conservation (DEC) and Office of Parks, Recreation and Historic Preservation (OPRHP).

Project Labor Agreements: To provide DASNY's public clients with additional construction options, DASNY implemented a master Project Labor Agreement (PLA) program pursuant to State Labor Law §222, for use throughout New York City. 2013 was the first full calendar year the DASNY five borough PLA was in place for New York City projects. Over 35 projects have been bid and delivered under the PLA with a construction value of nearly \$150 million. Because

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the PLA program sunsets in December 2014, DASNY has commenced negotiations with the NYC Building and Construction Trades Council to put in place the next agreement.

MWBE Utilization: DASNY has exceeded Governor Cuomo’s goal of 20% Minority and Women Owned Business Enterprise (MWBE) participation in State contracting opportunities during fiscal year 2013-14. Despite significant challenges, DASNY’s MWBE participation for the year exceeded goals at 29%, which represents 21.7% MBE and 7.3% WBE participation. Taken together, these accomplishments position DASNY to better serve its clients, maintain and potentially reduce its costs, and assure even competition in the market. Additional detail concerning MWBE utilization at DASNY is set forth in the section of this report entitled *Minority and Women-Owned Business (MWBE) Initiatives*.

CORPORATE GOVERNANCE

The Public Authorities Reform Act of 2009 requires each State authority to adopt a mission statement and performance measurements and to review them on an annual basis. At the March 12, 2014 DASNY Governance Committee Meeting, the Governance Committee undertook its annual review, and recommended to the full DASNY Board that DASNY amend the metrics it uses to quantify DASNY’s performance goals. The Governance Committee did not recommend any changes to the DASNY mission statement or performance measurements. At its March 12, 2014 Meeting, the full Board adopted the recommendation of the Governance Committee and amended its Metrics that Quantify Performance Goals to clarify the standards for measuring customer satisfaction.

LEGISLATIVE MATTERS

DASNY continues to monitor legislation that would improve its ability to respond to client needs and advance sound policy for the State. In addition to matters referenced in the *Executive Leadership* section of this report, the following are highlights of authorizing and other legislation contained in the 2014-15 State Budget affecting DASNY:

- The Capital Restructuring Financing Program was established under the joint administration of the Health Commissioner and the President of DASNY. Under this new program, DASNY and the Urban Development Corporation (UDC) doing business as Empire State Development (ESD) are authorized to issue state-supported bonds, to pay for or to reimburse the State for, certain grants. The Commissioner and the President, in consultation with the Commissioners of the Office of Mental Health (OMH), Office for People With Developmental Disabilities (OPWDD) and the Office of Alcohol and Substance Abuse Services (OASAS) will determine the grants that are to be made for the purpose of enhancing the quality, financial viability and efficiency of New York’s health care delivery system.

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- The Higher Education Capital Program (HECap) was extended three additional years to March 31, 2017, and includes a competitive process to reallocate unused grant funds from the initial round of HECap grants and to award an additional \$30 million in grant funds under the program. DASNY's authority to issue bonds for the program was increased to \$180 million.
- DASNY's authority to form subsidiaries for purposes of limiting its potential liability when exercising its powers and duties against a defaulting borrower regulated under PHL Article 28 has been extended for two years, expiring July 1, 2016.

FINANCE

Bond Financings

DASNY delivered over \$3.8 billion par value of bonds and notes during FY 13-14, ending with an outstanding bond portfolio of approximately \$45.8 billion. Of the total bonds outstanding, approximately 64% are on behalf of public programs (such as State-supported debt and school districts); approximately 23% are on behalf of independent higher education institutions and other not-for-profits; and approximately 13% are for independent health care institutions.

During FY 13-14, 90.6% of the \$3.8 billion total par value of bonds delivered by DASNY was for its public clients. DASNY delivered a total of \$3.4 billion of bonds in FY 13-14 for its public clients. The largest public client bond issues included: two issues of State Personal Income Tax Revenue Bonds for various programs and clients totaling \$1.47 billion; \$959.8 million for State Sales Tax Bonds; \$440.0 million for the State University of New York Dormitory Facilities Revenue Bonds; and \$369.7 million for Employer Assessment Revenue Bonds.

DASNY also delivered a total of \$357.3 million of bonds in FY 13-14 for its independent, private-sector clients. The largest issues on behalf of private-sector clients included: \$158.8 million for New York University and \$63.9 million for St. John's University.

Tax-Exempt Equipment Leasing Program (TELP) Financings

During FY 2013-14, DASNY executed \$117.8 million in leases to finance DASNY's clients' equipment needs including medical, telecommunications and information technology equipment such as electronic medical records systems. Since the program's inception, DASNY has helped clients secure 433 leases to finance more than \$2.9 billion in equipment including MRIs, CT scanners, computer systems, energy efficiency and other high-tech equipment.

Finance Developments

- The 2013-14 State Budget included three new financing programs for DASNY. The first is a new self-supporting State University of New York (SUNY) Dormitory Facilities Revenue Bond Program. This new program made several important changes to the existing program

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which financed SUNY residence halls. The new program relies solely on the revenue stream associated with student rents, fees and charges to pay debt service on the bonds; it also eliminated SUNY's general obligation pledge and the State appropriation feature from the credit structure. After working to develop the legislation, DASNY worked with SUNY and the financing team over the course of the next six months to establish this new credit, including undertaking an interim financing and then drafting new disclosure and legal documents reflecting the new credit structure. The financing team then presented the new credit to the rating agencies and investors. DASNY issued approximately \$440 million in bonds in September 2013.

- The 2013-14 State Budget also included statutory authorization for a new Sales Tax Revenue Bond Program. This new program is an alternative to the State's Personal Income Tax Revenue Bond program which has been the State's primary vehicle for financing certain components of the State's capital plan. Under this new program, the bonds are secured by one cent of the State's four percent sales tax. DASNY worked with the Division of the Budget and the financing team over the course of several months to establish this new program including drafting the disclosure and legal documents and presenting the new credit to the rating agencies and investors. This new Sales Tax Revenue Bond Program provides important diversification for investors. DASNY issued approximately \$960 million in the inaugural bond sale which took place in October 2013.
- The 2013-14 State Budget also contained major reforms of the Workers' Compensation (WCB) system, including authorizing a new assessment methodology which consolidated a number of separate assessments into a single unified assessment and a new DASNY bond program to provide financing to address the unmet obligations of self-insured employers. Under the program, bond proceeds are used to fund Assumption of Liability Policies to effectively transfer the unmet obligations of self-insured employers to third party insurers. The bonds issued under this new Employer Assessment Revenue Bond Program are secured by monies received in connection with the new unified assessment. DASNY worked with the WCB to coordinate the financing with the policy and programmatic initiatives that WCB was undertaking as a result of the reforms included in the legislation. DASNY, WCB and the financing team developed this new credit, including drafting disclosure and legal documents, worked with the rating agencies to rate this new program, and introduced this new credit to the market by the end of the year. DASNY issued approximately \$370 million in bonds under this new program in December 2013.
- The START-UP NY Program provides tax benefits to approved businesses that locate in vacant space or land of approved State public and private colleges and universities, approved strategic state assets, and the State incubators affiliated with private universities or colleges that are designated as tax-free NY areas. DASNY is the issuer of tax-exempt debt and as part of its post-issuance compliance obligations, DASNY has initiated a process to protect against the inadvertent loss of the tax-exempt status of outstanding DASNY bonds vis-à-vis the usage of property in the START-UP NY Program that has been improved with bond proceeds.

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- **Electronic Investment Trades** – In July 2013, DASNY implemented electronic investment trading through the Bloomberg trading platform for the segment of its investment trades done in connection with semi-monthly vendor payment cycles. This use of technology replaced the former process of telephone solicitations for investment bids, saving significant staff time and streamlining reporting capabilities.

CONSTRUCTION

Construction Statistics

At the close of FY 2013-14, DASNY had a total construction workload of 865 projects valued at over \$5.9 billion. Expenditures on projects for which DASNY provided services during the fiscal year totaled \$882.6 million.

Projects in the pipeline as of March 31, 2014 are summarized in the table below:

Type of DASNY Service	Number of Projects	Total Value of Projects
Full and modified (all phases)	865	\$ 5,927,000,380
Preliminary phase	195	\$ 619,846,584
Design phase	406	\$ 1,821,306,231
Construction phase	264	\$ 3,485,847,565
Full Service Projects >\$5 million	112	\$ 3,857,478,899

DASNY-managed projects completed in FY 2013-14 include:

- **Harlem Hospital Center**, major modernization (\$249.2 million)
- **NYC College of Technology**, Voorhees Hall façade (\$33.2 million)
- **Binghamton University**, four new residence halls, the final phase of the East Campus housing project (\$185.9 million)
- **College of Staten Island**, site lighting (\$6.1 million)
- **LaGuardia Community College**, Center 3 renovations (\$5.7 million)
- **SUC at Buffalo**, Tower 4 renovations (\$9.4 million)
- **SUC at Oswego**, residence halls' communication/electrical infrastructure upgrades (\$9.6 million)
- **SUNY College of Agriculture & Technology at Morrisville**, Mohawk Hall renovations (\$8.5 million)
- **SUC at Cortland**, new residence hall (\$21.8 million)
- **Capital District PC**, parking garage rehabilitation (\$5.8 million)

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Major ongoing DASNY-managed projects include:

- **City College of New York**, a new CUNY Advanced Science Research Center and CCNY Science Facility (\$705.8 million)
- **Medgar Evers College**, Bedford Library Expansion (\$22 million)
- **City College of New York**, systems upgrades (\$33 million)
- **Gouverneur Healthcare Services**, new construction and renovations (\$246.8 million)
- **Coler Hospital**, new sprinkler system (\$30.4 million)
- **Bronx Mental Health Redevelopment project at the Bronx Psychiatric Center**, major reconstruction of campus facilities (\$348.8 million)
- **Staten Island Courthouse**, new court facility (\$209.3 million)
- **Bronx Family/Criminal Courthouse**, interior renovations (\$50.2 million)
- **UCS/OCA Court Officers' Training Academy**, major rehabilitation/renovation (\$52 million)
- **SUC at Fredonia**, new townhouses (\$24.1 million)
- **SUC at New Paltz**, new residence hall (\$31.5 million)
- **SUC at New Paltz**, renovation of LeFevre Hall (\$16.9 million)
- **University at Albany**, Mohawk Tower renovation (\$32.4 million)

New projects added to DASNY's construction pipeline during FY 2013-14 include:

- **LaGuardia Community College**, Center 3 façade replacement (\$110.5 million)
- **Hunter College**, swing space for the relocation of the School of Nursing (\$57 million)
- **South Beach PC**, new inpatient building (\$168.8 million)
- **Hutchings PC**, rehabilitation of Building 1 (\$25.6 million)
- **SUC at Buffalo**, Tower 1 renovation (\$12.1 million)
- **SUC at Oswego**, Funnelle Hall renovation (\$11.8 million)

New projects in programs where DASNY has various levels of oversight:

Homeless Housing and Assistance Program: Twenty-two projects for acquisition, new construction and renovation of homeless housing facilities in the following counties: Albany, Bronx, Columbia, Erie, Kings, Monroe, New York, Rensselaer, St. Lawrence, Suffolk and Westchester (\$532.6 million)

Office of Alcoholism and Substance Abuse Services: Six renovation and new construction projects in Albany, Kings, Monroe, Rensselaer and Richmond counties (\$21.7 million)

Office of Parks, Recreation and Historic Preservation: Three new projects at Niagara Falls State Park (\$12.6 million)

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State University of New York: Six renovation, infrastructure improvements and new construction projects at Suffolk County and Erie Community Colleges (\$26.3 million)

Construction Developments

- **New Housing Rising Recovery Program:** Starting in the Fall of 2013, DASNY has worked with the New York Rising Housing Recovery Program to provide construction-related project management services to assist eligible homeowners who suffered damages resulting from Superstorm Sandy, Hurricane Irene and Tropical Storm Lee. DASNY procured and managed a team of three term construction management firms to conduct damage assessments on a total of 5,168 homes in 27 days. That number is now well over 10,000 homes assessed. DASNY also procured and managed three environmental term consultants to conduct over 2,200 Tier 2 environmental reviews. In addition, over 10,000 asbestos and lead-based paint surveys and clearances have been performed. As a result of DASNY's management efforts, Housing Trust Fund Corporation (HTFC) and the Governor's Office of Storm Recovery (GOSR) have been able to provide over 6,400 homeowners on Long Island a total of more than \$265 million for home repairs.
- **NY Works:** On behalf of the DEC, pre-design and design services continued to be provided for dam, flood control and dredging projects across New York State. A number of projects moved into the construction phase during FY 2013-14, with the balance heading to construction during FY 2014-15. Additional Niagara Falls State Park projects moved into construction during the fall of 2013 and will be completed in time for the Spring/Summer 2014 tourist season. Design work for the continuation of the program is well underway, with a scheduled construction start date for that work of Fall 2014. In addition, included in the 2014–15 New York State Budget was a one-year extension of the sunset date for the legislation authorizing DASNY to deliver services to DEC and OPRHP.
- **DOH Certificate of Need Reviews:** DASNY has performed 90 expedited reviews for projects with a total value of approximately \$6.2 billion for 56 hospitals and health care facilities. Other facilities have contacted DASNY about our services and discussions are continuing with DOH to expand our services even further in this area.
- **SUNY Residence Hall Program:** Authorizing legislation establishing the new financing program for SUNY Residence Halls was included in the 2013–14 State Budget, and SUNY campuses began taking advantage of the bonding program during 2013. New construction and renovation projects are in the planning or design phase for many campuses across the state.
- **Residence Hall Achieves LEED Platinum Rating:** Dragon Hall, a \$22 million 231-bed residence hall at SUNY Cortland, is the first residence hall project managed by DASNY to achieve a LEED Platinum Rating from the US Green Building Council. The residence hall was completed in August 2013 in time for fall semester occupancy by SUNY Cortland.

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- **DOH Wadsworth Laboratory Center:** During FY 2013-14, at the request of the Department of Health (DOH), DASNY worked with DOH on planning activities for the potential new Department of Health Wadsworth Laboratory Center. DASNY's financial, technical and legal advisors, are responsible for analyzing project needs, risks and costs in order to assist DOH in evaluating cost-effective and efficient means of delivering this project. The financial requirements associated with an alternative delivery approach in comparison to traditional design, bid, build with tax-exempt financing are being evaluated. Although the project was not included in the 2014-15 State Budget, the DASNY team continues to work with DOH to provide Legislative staff and other stakeholders with technical support and educational information on the Wadsworth proposal and alternative delivery methodologies.
- **Construction Site Safety Initiatives:** DASNY is committed to maintaining a safe working environment at each of its construction sites. To support this commitment, DASNY holds contracts with two safety/loss control firms. The consultants assist DASNY staff and contractors in identifying ways to control hazards normally associated with an active construction site. In 2013, the safety/loss control consultants conducted 210 construction site surveys.

MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE (MWBE) INITIATIVES

- **MWBE 15-A Construction-Related Goal Results for FY 2013-14:** DASNY's construction and commodity-related MWBE 15-A goals for 2013-14 were 20%; 13% MBE and 7% WBE. DASNY's results for FY 2013-14 were: 29.01%; 21.67% MBE and 7.34% WBE. The total cumulative MWBE expenditures for FY 2013-14 were \$219,081,002.
- **NYS Contract System:** During FY 2013-14, DASNY continued with the implementation of the NYS Contract System (www.ny.newnycontracts.com) for procurements and contract compliance across all State agencies and authorities. This website enables MWBE firms not yet certified by New York State Empire State Development to get certified online and participate in the process, and contains an up-to-date directory of all certified MWBEs. The system features include an electronic payment verification that allows State entities to monitor progress payments to all subcontractors/suppliers, on all state contracts.
- **MWBE Financial and Professional Services:** The chart below outlines the MWBE participation for non-construction related professional services for FY 2013-14 as submitted for purposes of Empire State Development compliance reporting.

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Summary Fiscal Year April 1, 2013 - March 31, 2014

Non-Construction Professional Service	Total	MWBE Participation	% Participation
Legal	\$ 9,629,306.00	\$ 825,537.00	8.6%
Accounting	\$ 385,000.00	\$ 95,751.66	24.9%
Financial Advisory	\$ 209,639.00	\$ 49,139.00	23.4%
Official Statement Printing	\$ 63,394.75	\$ 63,394.75	100.0%
Swap Advisory	\$ -	\$ -	0.0%
Risk Management	\$ 1,347,796.00	\$ 151,531.00	11.2%
Underwriters for Public Transactions	\$ 9,222,850.00	\$ 1,458,850.00	15.8% ⁽²⁾
Total Participation	\$ 20,857,985.75	\$ 2,644,203.41	12.7%

Non-Construction Professional Service	Total	MWBE Participation	% Participation
Broker-Dealer ⁽¹⁾	\$ 6,680,161,000.00	\$ 1,525,050,000.00	22.8%

Non-Construction Professional Service	Number of Transactions	Transactions with Multiple Underwriters Participation	Transaction with MWBE Participation	% Participation
Private Client Transactions	3	3	2	66.7%

⁽¹⁾ Participation based on the par value transactions awarded to MWBE.

⁽²⁾ 27.3% designations for all MWBE firms (including non-certified MWBE firms).

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- **Discretionary Purchases Procedure**

In fiscal year 2013-14, DASNY established a Discretionary Purchases Procedure to authorize discretionary purchases and provide relevant guidance to DASNY employees. Among the goals of this procedure is the increased utilization of Small Businesses Concerns and MWBE firms. Pursuant to Public Authorities Law § 2879 and DASNY's Procurement Policy and Procurement Contract Guidelines, this procedure authorizes DASNY to purchase goods or services from Small Business Concerns or those certified as Minority or Women-Owned Business Enterprises ("MWBEs"), without a formal competitive process. Qualifying purchases cannot exceed two hundred thousand dollars, and such goods or services must be purchased at a reasonable price. All discretionary purchases are subject to relevant DASNY procurement policies and procedures that ensure competition for all purchases, including solicitation of quotes and advertising in the State Procurement Opportunities Newsletter, when applicable. Additionally, goods or technology that are recycled or remanufactured may be purchased from any vendor under the \$200,000 threshold.

SUSTAINABILITY PROGRAMS:

- **DASNY Green Projects in Design and Construction**

As of January 1, 2008, all DASNY projects that are new construction, addition or significant renovation must include a goal of LEED Silver or higher and be fully submitted to the United States Green Building Council (USGBC) for a rating review. As of March 31, 2014, 22 projects have achieved certification of silver or better.

- **LEED Accredited Professionals at DASNY**

DASNY has a number of LEED Accredited Professionals on staff to help DASNY and its clients with the LEED certification process.

- **DASNY Works to Advance New York State Policy Goals**

DASNY continues to work collaboratively with other State entities to further New York State Policy Goals, including Executive Orders No. 88 (relating to energy efficiency, commissioning and metering), No.18 (striving to eliminate single use water bottles), No. 24 (greenhouse gas [GHG] emissions reductions by 2050) and No. 4 (pertaining to green procurement and waste reduction). Where possible, DASNY incorporates the goals of these executive orders in our construction projects by striving for extremely high efficiency in every project and discussing the potential applications for net zero design goals with our clients, consultants, and contractors.

DASNY incorporates the State's policy goals into our purchasing practices. The goals include: procurement from MWBE vendors; use of State contracts for optimal pricing; and support of green procurement.



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DASNY assists with achieving the goals of EO No. 4 by training State agency staff and potential State vendors and developing the specifications and definitions to assist other entities in the development of their procurement processes to comply with the Executive Order.

EXECUTIVE INITIATIVES AND OPERATIONS

- **Customer Satisfaction Initiative**

DASNY conducts a formal Customer Satisfaction Initiative program in which we interview all of DASNY's private financing, TELP (Tax-Exempt Equipment Leasing Program) and selected capital public construction customers. Personal interviews solicit the customers' views on DASNY's performance regarding quality, customer support, communication, cost, process and timeliness. Private financing customers are interviewed at the conclusion of each financing, while capital construction customers are interviewed at the completion of the design phase, as well as completion of the project. This feedback is used by DASNY's Executive Leadership to improve the operations of DASNY, add value to DASNY services and strengthen customer relations.

In FY 2013-14, DASNY surveyed a total of 52 private financing, TELP, construction and design projects customers, of which fifty-eight percent of the customers responded. Ninety-seven percent of the respondents stated DASNY met or exceeded their expectations, providing an average rating of 4.77 out of 6.00. One hundred-percent of the customers rated their satisfaction and intention to use and/or recommend DASNY to others at an average of 5.13 out of 6.00.

- **Grant Programs**

DASNY has been authorized to sell bonds to finance grants to build, expand or renovate community facilities throughout New York. In FY 2013-14, DASNY sold more than \$14 million in bonds to support community-based economic development, education, health care, high-technology, housing and public safety projects.

DASNY administers a number of grant programs for the Legislature, and in some cases, for the Governor or in cooperation with other State agencies. Since inception of the grant programs, DASNY has received 7,304 grants totaling over \$7 billion for processing. There are 5,134 active grants under consideration at this time, and a total of approximately \$5 billion has been disbursed to Grantees.