



OFFICE OF FINANCIAL MANAGEMENT

Annual Sustainability Report for 2007 - Updated August, 26, 2008

(as required under Executive Orders 02-03 and 05-01)

Executive Summary

The Office of Financial Management (OFM) continues to make progress in implementing the sustainable practices begun in 2004:

1. The agency is making strong progress in reducing paper usage and purchasing environmentally preferable paper (EPP), which is 100 percent recycled paper.
2. Total driving by OFM employees was down slightly from the previous period for the years since 2004.
3. The consolidation of OFM employees in the General Administration Building and the installation of energy-saving lighting are anticipated to have increased annual savings.
4. Greater communication with and education of OFM employees on sustainability is needed.

SECTION I: AGENCY INFORMATION, POLICY, AND GOALS

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Sustainability Policy Statement

The Office of Financial Management is dedicated to meeting the values and practices of sustainability described in Executive Orders 02-03 and 05-01. We will take a leadership role in our daily operations and long-term planning to strengthen our business practices to protect and enhance the environment, improve the health of agency employees, model sustainability for medium-sized agencies, and be thoughtful stewards of Washington's resources for future generations.

We aspire to the following long-range goals and have developed a set of objectives designed to move us towards achievement of these goals.

Long-Range Goals

1. Reduce greenhouse gases emitted through facility and vehicle use.
2. Eliminate the purchase of products containing persistent, bioaccumulative toxics (PBTs).
3. Eliminate wasteful practices and maximize the reuse and recycling of all materials and products.
4. Institutionalize sustainability as an agency value.
5. Raise staff awareness about the cumulative impacts of our business activities and the availability of alternatives.
6. Purchase recycled and remanufactured products whenever practicable.
7. Recognize and reward progress and achievements.

SECTION II: REPORTING ON OBJECTIVES

Long-Term Goal #1: Reduce greenhouse gases emitted through facility and vehicle use.

OFM owns two vehicles and leases two vehicles on a long-term basis with the state motor pool. These vehicles were manufactured after 1996 so the agency is meeting the requirements of EO 05-01, which asks agencies to replace all light duty vehicles manufactured before 1996 in order to reduce air pollution. Employees most often used their personally owned vehicles (POV), rather than the OFM car or motor pool, while driving on state business.

OFM continues to increase its use of hybrid vehicles through more frequent hybrid rentals, however it should be noted that hybrid vehicles tend to have a higher dollar cost of ownership, and additional dollars do not come without the additional consumption of resources at some level. Also, it is not clear whether the data for hybrid vehicles includes the resource and environmental costs associated with production and replacement of the large number of batteries used.

Because OFM recognizes that *all* vehicle use has a negative impact on sustainability, the agency continues to operate a Virtual Private Network (VPN) to allow employees high-speed Internet access to the OFM network at home, enhancing telecommuting opportunities. There are over a third of OFM staff using VPN to work from home. The agency purchases routers necessary for these connections. Employees also participate in the "Wheels Option" program, which promotes alternatives to driving alone to work. The Wheels Option and VPN together reduce total petroleum consumption and overall energy purchases in accordance with the requirements of EO 05-01.

OFM also favors the use of telecommunication and video conferencing for meetings rather than travelling by vehicle between locations.

Under EO 05-01, agencies are to achieve a 10 percent reduction in energy usage by 2009 from 2003 levels. OFM is only able to report its energy usage for Point Plaza because the Department of General Administration cannot collect information by agency for the GA, Capital Court, or Insurance Buildings.

Long-Term Goal #2: Eliminate the purchase of products containing persistent, bioaccumulative toxics (PBTs) and other toxic materials.

Computers and other information technology equipment present an opportunity for OFM to minimize the purchase of products containing PBTs and other toxic materials. OFM has replaced computer monitors with less toxic flat screen versions, and also purchased computers in conformance with the Western States Computer Purchasing Alliance standards.

One barrier experienced by staff in implementing the sustainability plan has been the lack of dedicated staff time to research issues, implement solutions and attend training. The complicated nature of product analysis lends itself to a more enterprise-wide, centralized approach. The Department of General Administration would be an obvious lead for this effort.

Long-Term Goal #3: Eliminate wasteful practices and maximize the reuse and recycling of all materials and products.

OFM continues to make good but modest progress towards meeting the goal of eliminating wasteful practices and maximizing the reuse and recycling of materials and products.

Paper Usage

OFM continues to increase the percentage of environmentally preferable paper and reduce overall paper usage. OFM is nearly meeting the EO 05-01 goal of reducing paper usage by 30 percent from 2003 levels.

Janitorial Paper

EO 05-01 directs agencies to report on their usage of janitorial paper. For the Insurance Building, GA Building, and Capital Court, janitorial services are provided and tracked by the Department of General Administration. Janitorial services at Point Plaza are also provided by the landlord.

Other Areas

OFM continued to recycle all its waste office paper, eliminated unnecessary printing by posting documents to the Internet and closely monitored document usage. OFM is unable to report on the amount of paper recycled by the agency because the Department of General Administration does not collect this information for the Insurance and GA Buildings. LeMay Inc has the contract for recycling at the Point Plaza location. It is estimated that this location recycles 65,000 lbs of paper each year.

OFM continues to promote opportunities for recycling cans, glass, batteries, and CDs by providing employees with information about and easy access to recycling containers for these materials.

Long-Term Goals #4 and #5: Institutionalize sustainability as an agency value and raise staff awareness about the cumulative impacts of our business activities and the availability of alternatives.

OFM is making progress toward being a more sustainable agency, but we need to do more to institutionalize sustainability and raise staff awareness of the impacts of their business activities.

At the OFM Forum, the agency's annual training conference, extra effort was made to demonstrate sustainable practices and involve OFM staff in the process. Recycling bins were placed in each classroom and in the main meeting areas. Water dispensers were provided to minimize the use of disposable water bottles. Finally, extra food and supplies were donated to local food banks and soup kitchens.

OFM Strategic Plan

OFM incorporated sustainability efforts into its current Strategic Plan by designating sustainability as a key activity in reaching our first goal of "Assist[ing] the Governor in developing and implementing budget and policy initiatives that benefit the people of Washington State." Sustainability is shown as a key activity in the strategic plan tracking documents.

Including sustainability goals in the strategic plan will help communicate to and educate our employees. It will also help to increase employee participation in sustainability efforts.

Sustainability Team

OFM's Sustainability Team has not met since completion of the original agency plan. Rather, staff have worked in small groups to help achieve the agency's sustainability goals. It is anticipated that a new sustainability team will be named for 2008 and beyond.

Long-Term Goal #6: Purchase recycled and remanufactured products whenever practicable.

OFM has long purchased 30 percent recycled paper. In order to meet our sustainability objectives, the agency has increased its purchase of 100 percent recycled paper. 100 percent of paper purchased by OFM contains recycled content. OFM has committed to purchasing 100 percent recycled content for all 8 ½ x 11 paper used by the agency. While there is an increased cost for 100 percent recycled paper, we reduced overall paper purchases. Thus, increasing the purchase of 100 percent recycled paper only costs OFM around \$1,900 a year.

OFM currently recycles many of its printer cartridges. Additional analysis and research of alternate products with greater recycled content would help significantly.

Long-Term Goal #7: Recognize and reward progress and achievements.

Although proposed in its sustainability plan, OFM has not established an annual sustainability award for employees who make the greatest contribution to improving agency sustainability. It is hoped that with additional progress on overall sustainability, that this can begin soon.

SECTION III: COMMUNICATION AND EDUCATION

Outreach continues to be one of the major challenges in the agency's sustainability efforts.

Communication

OFM continues to communicate with and educate employees on sustainable business practices. Updates are provided to the Management Team through the quarterly progress reports on implementation of the Strategic Plan.

Emails discussing paper usage and OFM's progress toward meeting its sustainability goals have been sent to employees during the last year.

The agency's sustainability plan is on its website.

Education

Two sustainability-related classes were offered as part of this year's annual agency-wide training conference: A workshop that explored opportunities for individuals to reduce their carbon footprint, and another to study changes underway in Puget Sound and why we need to prepare for impending change.

SECTION IV: STATEWIDE PERFORMANCE MEASURES

1. Reduce energy usage by installing energy conservation software on 100% of OFM and Office of The Governor desktop computers. The performance measure for this effort will be the percent of desktops with conservation software installed. Ideally the amount of energy saved would also be a performance measure, however there is no way to isolate and measure the power consumption of desktop computers alone.
2. Reduce the total number of physical servers on the OFM and Office of The Governor computer networks. OFM is currently implementing server software that facilitates multiple virtual servers on a single physical machine. The performance measure for this effort is the total number of servers compared to the number of physical machines. The virtual server program began with 104 servers and 104 physical machines, or 104/104. After 11 months, the current measure is 130 servers and only 96 physical machines, or 130/96.

3. Distribute energy savings grants. The current budget tasked OFM with distributing \$1,000,000 in energy saving grants to other state agencies. The performance measure for this effort is the percentage of grant monies distributed. That measure is now 100%.
4. Reduce energy usage when OFM occupies 35,000 square feet in the Wheeler Building GA Building instead of the GA building. The performance measure will be energy consumption per square foot at the Wheeler Building compared with energy consumption at the GA building. Data for this performance measure is not yet available.

SECTION V: NEW OR UPDATED GOALS AND OBJECTIVES

Additional objectives for 2008 and beyond:

1. Recruiting new members for and convening the agency sustainability team.
2. Updating the agency's intranet site on sustainable business practices.
3. Conducting a program to reduce energy usage by desktop computers with energy conservation software.
4. Promoting the use of alternates to vehicular transportation when possible, and the use of hybrid vehicles and the state motor pool when transportation by vehicle is unavoidable.
5. Administering grants totaling \$1,000,000 energy savings initiatives in other state agencies.
6. Planning for a move of 85 OFM staff to a new energy efficient building that will be located close to other state offices on the Capital Campus.
7. Consolidating network operations through the use of software solutions instead of additional hardware to meet performance requirements.

Here is some FY2007 Updated Data and Progress Report attached.

FY07 Sustainability Progress Report Data-Office of Financial Management

From: Nadia Sarno
Updated: 8/26/08

OFM Sustainability Data for FY 2007

Please note updated mileage for the Agency Service Vehicle which is used to distribute mail, furniture, equipment, supplies, etc between the four buildings occupied by OFM.

Personal Owned Vehicle Mileage	179,780
Agency Owned Vehicles	18,000
Agency Service Vehicle	6,522

* POV data obtained from TVS so only mileage where reimbursement was requested is included

Paper Usage:

Please note updated ream counts due to need for reporting only white 8.5X11.

Total Reams of Virgin:	0
Total Reams of 30%-40%:	0
Total Reams of 100%:	7150

* Data provided through Central Stores - GA via Charles Smith and Keith Farley

Energy KWH Usage in OFM Occupied Space

<u>Location</u>	<u>KWH</u>	<u>Sq Footage</u>
Point Plaza :	826,640	31,126
Insurance:	N/A	38,308
General Admin:	N/A	12,831
Capitol Court: N/A	38,965	

* Point Plaza is leased space and the landlord meters power to the space occupied by OFM . The other 3 buildings are managed by GA and they do not separately meter for tenants due to extraordinary costs to retrofit metering. We are charged a flat rate by square foot that includes all utilities power, sewer, water, and garbage. The energy usage per square foot in Point Plaza would not be comparable to the older buildings on campus.