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STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

December 31, 2009

Mr. Gerald T. McQueen
President and Chief Executive Officer
New York Convention Center Operating Corporation
655 West 34th Street
New York, NY 10001-1188

Re: Report 2009-F-51

Dear Mr. McQueen:

Pursuant to the State Comptroller's authority as set forth in Article X, Section 5 of the State Constitution and Section 2803 of the Public Authorities Law, we have followed up on the actions taken by officials of the New York Convention Center Operating Corporation (CCOC), to implement the recommendations contained in our audit report, *Compliance with Executive Order 134 – Environmental Impact of Cleaning Facilities* (Report 2008-S-15).

Background, Scope and Objectives

CCOC was established in 1979 as a public benefit corporation to operate and maintain the Jacob K. Javits Convention Center (Convention Center) in New York City. The Convention Center hosts events including conventions, fashion shows, association meetings, and trade shows. CCOC leases the Convention Center from New York State for a nominal amount.

Executive Order 134 (Order) was issued on January 5, 2005 to reduce the environmental impact of cleaning State facilities. The Order requires all State agencies and certain public benefit corporations, including CCOC, to procure and use cleaning products having properties that minimize the potential impacts to human health and the environment. The Order also required CCOC to conduct an assessment of its cleaning products.

Our initial audit report, which was issued on September 30, 2008, examined whether CCOC was in compliance with Order requirements. We determined that CCOC was not aware of, and was not in compliance with, the Order. With a few exceptions, CCOC was not purchasing and using environmentally preferred cleaning products and had not assigned an individual to be responsible for conducting the assessment.

The objective of our follow-up was to assess the extent of implementation, as of December 21, 2009, of the six recommendations included in our initial report.

Summary Conclusions and Status of Audit Recommendations

We found that CCOC officials have made substantial progress in correcting some of the problems we identified in the initial report. However, additional improvements are needed. Of the 6 prior audit recommendations, 3 recommendations have been implemented, 1 recommendation has been partially implemented, and 2 recommendations have not been implemented.

Follow-up Observations

Recommendation 1

Develop and implement formal procedures to periodically review sources of new guidance (i.e., Executive Orders) that are applicable to CCOC's operations.

Status - Implemented

Agency Action - CCOC assigned the Associate General Counsel to periodically review the Governor's website to identify the issuance of new Executive Orders applicable to CCOC. The Associate General Counsel stated that he has been reviewing this website routinely, twice a week, since last year. He showed us the alarms which have been set on his computer to periodically remind him to check the Governor's webpage for issuance of new Executive Orders. He also provided us with copies of emails he has sent to CCOC executives when new Executive Orders applicable to CCOC were issued. In addition, he provided us with documentation showing that he has contacted the Governor's Office and requested that CCOC be put on a mailing list to ensure that it receives new Executive Orders as they are issued.

Recommendation 2

Assign an individual to be responsible for assessing the practices and uses of cleaning products, and evaluate the level of compliance with the Order.

Status - Implemented

Agency Action - CCOC assigned the Night Manager of Environmental Services to assess the practices and uses of cleaning products and to evaluate the level of compliance with the Order. The Night Manager stated that in June 2008, he assessed the facility management's use of cleaning products, evaluated the level of compliance with the Order, and identified and procured conforming cleaning products. We did observe that environmentally preferred products were available in the janitors' closets and stockroom.

Recommendation 3

Conduct the assessment and review and update the assessment report biennially, as required by the Order.

Status - Partially Implemented

Agency Action - CCOC officials indicated that they tested and evaluated the effectiveness of green cleaning products in June 2008. The Night Manager of Environmental Services assessed the facility management's current practices and use of cleaning products, evaluated whether these products conform to the Order, and identified and procured conforming cleaning products. However, he did not prepare an assessment report documenting the efforts undertaken by CCOC to comply with the Order.

Recommendation 4

Make the assessment available for inspection by employees and the general public.

Status - Not Implemented

Agency Action - CCOC officials stated that the assessment report has not been prepared.

Recommendation 5

Encourage show vendors to use environmentally preferred cleaning products.

Status - Not Implemented

Agency Action - While CCOC officials stated that they do encourage contractors to use environmentally preferred cleaning products during the meetings that CCOC conducts twice a month with their operations staff and show participants, they could not provide us with documentation (e.g., meeting agendas or minutes of the meetings) of these actions.

Recommendation 6

Issue a directive to begin replacing the conventional cleaning products with environmentally preferred products as soon as the assessment is complete.

Status - Implemented

Agency Action - CCOC's Night Manager of Environmental Services explained that following his assessment in June 2008, several environmentally preferred products were identified for purchase. The Chief Financial Officer stated that he verbally directed that CCOC begin to replace the conventional cleaning products with environmentally preferred products. CCOC officials provided us with documentation of the purchase of these products. We also observed the presence of environmentally preferred products available in the janitors' closets and stockroom.

Major contributors to this report were Cindi Frieder, Christine Chu, Irina Kovaneva, Jean-Renel Estime, and Menard Petit-Phar.

We would appreciate your response to this report within 30 days, indicating any actions planned to address the unresolved issues discussed in this report. We also thank the management and staff of CCOC for the courtesies and cooperation extended to our auditors during this review.

Very truly yours,

Frank J. Houston
Audit Director

cc: Mr. Edward B. MacDonald, Chief Financial Officer and Senior Vice President
Mr. Thomas Lukacs, Division of the Budget