NEW YORK STATE OF OPPORTUNITY.

Office of General Services



Division of Service-Disabled Veterans' Business Development

Annual Report | December 31, 2015





Andrew M. Cuomo
Governor
State of New York

RoAnn M. Destito
Commissioner
Office of General Services

Building the Program

The Office of General Services (OGS) Division of Service-Disabled Veterans' Business Development (DSDVBD) was created as a result of the passage of Chapter 22 of the Laws of 2014 to implement the "Service-Disabled Veteran-Owned Business Act." The Act promotes and encourages participation of service-disabled veteran-owned businesses (SDVOBs) in NYS public procurements of public works, commodities, services and technology. This participation is also intended to foster and advance economic development in the State.

In the time since its passage, the DSDVBD has been fully staffed by veterans, rules and regulations have been created and published, systems from application through post-certification usage have been developed and implemented, and controls have been put in place to ensure the responsiveness and validity of the program. The DSDVBD has instituted a highly targeted organic marketing strategy to attract SDVOB applications. In addition, the DSDVBD has been working with state agencies and authorities to help them understand the program and to encourage the use of certified SDVOBs.

As of 9/30/15 Certification Leads to $10.8 Million in Contract Awards during Pilot Program Rollout

The program made swift progress after its creation. As of September 20, 2015, 155 service-disabled veteran-owned businesses (SDVOBs) were certified with more than 45 (29%) already engaged with state contracting by that time. As of December 28, 2015, a total of 228 applications were received and 178 have already been certified with an average certification time of 39 business days. There were 30 SDVOBs denied certification because they did not meet one or more of the requirements.

In the first year of the program, in terms of the number of businesses certified, the New York State SDVOB program has already surpassed the success of all but two SDVOB programs in other states. California (operating since 1989) and Maryland (operating since 2010) are the exceptions.

A pilot rollout of the program to ten agencies and authorities for FY15/16 has proven successful with initial reporting for the program for the 1st and 2nd quarters (April 1st to September 30th) showing positive results. During those two quarters, the ten pilot agencies and authorities plus another nine agencies and authorities not in the pilot, accomplished 1,179 purchase orders and/or contracts impacting 45 SDVOBs resulting in awards and disbursements totaling $10,810,648 of which $6.5 million has been disbursed. Additionally, in the third quarter, OGS has awarded set aside contracts to three SDVOBs for $750,000 each on November 30 and expects a total of $4.5 million in set-asides awarded by the end of the fiscal year.

A detailed listing of contract awards is included at the conclusion of this report.

Major Certification Sectors

The 178 NYS Certified SDVOBs cover a wide range of capabilities. Construction and construction professionals make up the largest sector of certifications at 42% followed by specialized services (41%), commodities (13%) and financial services (5%). A breakdown is included at the conclusion of this report.

The business impact of the Act on NYS certified SDVOBs is significant and SDVOBs have reported that by becoming a NYS Certified SDVOB, their private sector business has also increased. Seth Morris with 3M Solutions stated "I have tripled my volume this year and I get regular calls from a number of larger firms for NYSTA and DASNY projects. I expect next year to be even better."

Veteran Engagement

Outreach to the veteran community is important to the success of this program. Staff and management focus these efforts across the state by meeting with groups of all sizes as well as conducting one-on-one meetings with SDVOBs. In the past year, the director and his staff have participated in 75 events and the director has personally conducted over 100 on-site visits with SDVOBs. The team has engaged with over 60 independent veteran, entrepreneurial and/or disability related organizations including: SBA, VA, VA Medical Centers, DVA, SBDCs, VBOCs, PTAC, SCORE, NYSID, Fort Drum TAP, IVMF, colleges, and more.

DSDVBD's accomplishments to date are a result of the support and buy-in of a wide range of public and private organizations as well as individuals within participating agencies and authorities. Many federal, state, regional, and local organizations have helped to spread the word about the opportunities that the program offers our service-disabled veterans by including the DSDVBD in events, and incorporating our message into their programs.

Building the Future of the Division of Service-Disabled Veterans' Business Development

The pilot rollout has been a success and, given the number and diversity of certified SDVOBs, DSDVBD will fully implement the program to all agencies and authorities for FY 2016/17. Additionally, work is underway with ITS to develop databases that will make searching for SDVOBs more user friendly. In collaboration with ITS, DSDVBD will also be focused on developing electronic systems to replace the existing manual systems for both certification and reporting.

Greater DSDVBD outreach efforts to and within agencies and authorities will be conducted to ensure that purchasing personnel at all levels are aware of the requirements and opportunities provided by the program. The continuing emphasis on outreach to veterans will remain a high priority for the Division. It is crucial that service-disabled veterans are made aware of the opportunities New York State is offering for them to start and/or grow a business.

Program Timeline

2014	May	Service-Disabled Veteran-Owned Business Act enacted
	June	Interest Form posted on the OGS webpage
	July	Rules and Regulations Approved and Posted
	August	DSDVBD Staffed with Executive Director and 2 staff
	October	Application Posted
	October to Present ...	Targeted organic marketing strategy implemented
	November	First certified NYS SDVOBs announced by Governor Cuomo
	December	Pilot Agencies and Authorities Guidance Document
2015	January	Pilot Agencies and Authorities Initial Goal Plans submitted
	January to Present ...	Meetings with Agencies and Authorities on implementation
	April	FY2015/16 begins SDVOB usage
	April	100 NYS SDVOBs certified
	June	Contract language approved
	June to Present	Many non-pilot agencies and authorities engaged
	September	29% of certified NYS SDVOBs engaged in procurements
	September	155 NYS SDVOBs certified
	September	$10.8 million awarded and $6.5 million disbursed in Qtr. 1 and 2
	November	OGS awards $2.25 million in SDVOB set aside contracts
	December	178 NYS SDVOBs certified

FY 2015/16 Quarter 1 and 2 Agency and Authority Report Summary

Pilot Agencies/Authorities					
Agency/Authority	# of Awards	$ Value of Awards	Disbursements/ Utilization	Total Agency/Authority Non-Exempt and Non-Excluded Disbursements	SDVOB Utilization %
Department of Corrections and Community Supervision (DOCCS)	34	$691,409.90	$196,625.73	$2,265,893.00	8.68%
Dormitory Authority of the State of New York (DASNY)	5	$2,132,203.00	$132,203.00	$248,879,350.00	0.05%
Empire State Development (ESD)	0	$0.00	$0.00	$533,024,372.00	0.00%
Office of General Services (OGS)	28	$24,765.79	$24,765.79	$13,863,384.24	0.18%
Department of Health (DOH)	28	$16,230.52	$16,230.52	$3,028,766.00	0.54%
Information Technology Services (ITS)	0	$0.00	$0.00	$38,097,019.00	0.00%
Office of Mental Health (OMH)	0	$8,600.00	$8,600.00	$425,000.00	2.02%
New York Power Authority (NYPA)	1027	$989,115.10	$138,117.80	$2,237,500.00	6.17%
New York State Thruway Authority (NYSTA)	8	$309,422.50	$14,422.50	$300,000.00	4.81%
Department of Transportation (DOT)	8	$1,586.05	$1,586.05	$15,970,422.25	0.01%
Totals	**1138**	**$4,173,332.86**	**$532,551.39**		

Non-Pilot Agencies/Authorities					
Agency/Authority	# of Awards	Awards	Disbursements/ Utilization	Total Agency/Authority Non-Exempt and Non-Excluded Disbursements	SDVOB Utilization %
City University of New York (CUNY)	2	$61,466.06	$61,466.06	Not Reported [1]	Not Reported [1]
Department of Labor (DOL)	0	$0.00	$8,624.71	Not Reported [1]	Not Reported [1]
Environmental Facilities Corporation (EFC)	1	$18,805.00	$18,805.00	$3,485,693.00	0.54%
Hudson River Park Trust	1	$4,784.08	$4,784.08	$2,904,176.45	0.16%
Metropolitan Transportation Authority (MTA)	19	$5,274,548.25	$4,632,073.25	$605,753,333.00	0.76%
New York State Insurance Fund (NYSIF)	2	$8,265.16	$8,265.16	Not Reported [1]	Not Reported [1]
Office of Parks, Recreation, & Historic Preservation (PARKS)	9	$4,133.66	$4,133.66	$73,450,352.00	0.01%
Office for People with Developmental Disabilities (OPWDD)	4	$20,168.00	$20,168.00	$7,580,648.00	0.27%
State University of New York (SUNY)	11	$1,245,145.43	$1,272,899.53	Not Reported [1]	Not Reported [1]
Totals	**49**	**$6,637,315.64**	**$6,031,219.45**		

[1] Non-pilot agencies and authorities were not required to compile this data for FY 2015/16. For FY 2016/17, all agencies and authorities will be required to report this data.

Total Statewide SDVOB Activity	**1179**	**$10,810,648.50**	**$6,563,770.84**		

