

## **Service-Disabled Veteran-Owned Business Program Guidance Document for Pilot Agencies and Authorities**

The Division of Service-Disabled Veterans' Business Development (DSDVBD) began receiving applications for the certification of Service-Disabled Veteran Owned Businesses (SDVOB) in early October and certified the first businesses on December 1<sup>st</sup>. The database of SDVOBs can be viewed at the DSDVBD directory of certified businesses located on the OGS website at <http://ogs.ny.gov/Core/SDVOBA.asp>. The database will be continually updated as more businesses are certified. The strategy that has been developed for building towards the 6% goal is to select a pilot group of agencies and authorities (based on an opportunity analysis) that will provide the greatest likelihood of maximizing the utilization of SDVOBs while not overwhelming their capacity.

The Pilot Agencies and Authorities that have been selected include:

### Agencies

- Office of General Services (OGS)
- Department of Transportation (DOT)
- Department of Health (DOH)
- Office of Information Technology Services (ITS)
- Office of Mental Health (OMH)
- Department of Corrections and Community Supervision (DOCCS)

### Authorities

- Dormitory Authority of the State of New York (DASNY)
- Thruway Authority (NYSTA)
- Empire State Development (ESD)
- New York Power Authority (NYPA)

### Process for Determining SDVOB Agency/Authority Specific Goals for FY 2015/16

According to the regulations, "each State agency shall develop and adopt agency-specific goals in accordance with article 17-B of the Executive Law. Such agency specific goals shall be in addition to goals established pursuant to article 15-A of the Executive Law with respect to procurements from certified minority owned and women owned business enterprises."

Agency-specific goals shall be set upon a review of the scope, character and relevant expenditures associated with the State contracts that are expected to be let or performed during the relevant fiscal year and shall be based on specific factors concerning said State contracts, which shall include, where applicable, the following:

- (i) statewide availability of service-disabled veteran-owned business enterprises for construction, construction services, non-construction services, technology, commodities or products;
- (ii) the availability of certified service-disabled veteran-owned business enterprises for the State agency's State contracts found in the Directory of Service-Disabled Veteran-Owned Businesses maintained by the Office of General Services;
- (iii) the geographic location(s) of the performance of the State agency's contracts;
- (iv) the extent to which geography is material to the performance of the State contract and the ability of certified service-disabled veteran-owned business enterprises that are located outside of the geographic location(s) to perform on State contracts notwithstanding their location; and
- (v) such other factors as the State agency can specifically delineate and justify with supporting facts and documentation.

The Agency/Authority goal plan must be submitted to the DSDVBD Director on or before January 15<sup>th</sup> of each year for approval. The Director may approve the plan or recommend changes. To view the regulations in their entirety, go to <http://www.ogs.ny.gov/About/Regs/docs/part252.pdf>.

Each pilot Agency/Authority shall seek to achieve the participation goal of six percent on certain state contract areas by SDVOBS. To accomplish this each Agency/Authority shall:

1. The Agency/Authority shall determine all the SDVOB Business Type or Types (Commodities, Construction, Construction Professional, Financial Services, Specialized Services) in which the Agency/Authority may be able utilize to attain the six percent in those contract areas.
2. The Agency/Authority shall develop a specific implementation strategy designed to meet the six percent goal including the use of set asides based on the specific business types (see below for Guidance for Set Asides and Business Type Utilization).
3. The Agency/Authority shall review the DSDVBD directory of certified businesses, located on the OGS website at <http://ogs.ny.gov/Core/SDVOBA.asp>, to ensure that the number and capacity of certified SDVOBs is sufficient for achieving the six percent. If it is determined that the six percent is not attainable given the limited number of certified SDVOB in any given category, a lower percentage may be established with both specific justification for the percentage reduction and a specific plan for raising the percentage upon the anticipated increased availability of certified SDVOBs in that area.

#### Guidance for Set Asides and Business Type Utilization

Generally, set asides are viewed as the reservation in whole or in part of certain procurements where more than one certified service-disabled veteran-owned business can provide the construction, construction services, technology, commodities, products and other classifications that will facilitate meeting the goal and meeting state agencies'/authorities' form, function and utility. For the purposes of this program, the use of set asides for each category of SDVOBs will be a competitive process that requires at least two certified SDVOBs that have the capacity to perform on such a contract.

It is recommended that in order to maximize the effective use of set asides that the approach differ depending on the SDVOB business type:

- Commodities – Identification and designation of agency specific contracts for the types or categories of commodities utilized by the Agency/Authority.
- Construction and Construction Professional – Identification of specific contracts or contract segments (e.g., by trade or professional services) that can be set aside for SDVOBs;
- Financial Services (Underwriters) – Creation of selling groups that are exclusive to SDVOBs and MWBEs will maximize opportunities for SDVOBs while ensuring sufficient marketability;
- Specialized Services – The focus in this category should involve a review of opportunities with agency specific contracts as noted for commodities.

When set asides are not possible, the agency/authority shall review the directory of certified businesses, located on the OGS website at <http://ogs.ny.gov/Core/SDVOBA.asp> and seek to utilize SDVOBs in this category.

Upon determining the effective usage of all business types the agency/authority shall:

1. Determine the number and scope of contracts, or segments of contracts, that need to be set aside in each business type category to achieve the determined percentage of spend;
2. Utilizing the directory of certified businesses located at <http://ogs.ny.gov/Core/SDVOBA.asp>, identify specific contracts where the contracting officer determines that there is an expectation of receiving offers from two or more NYS Certified SDVOBs that will be competitive in terms of market prices, quality and delivery;
3. Designate the identified set of agency/authority specific contracts as being set aside for NYS Certified SDVOBs.

#### Contact Information

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