



136 State Street  
2<sup>nd</sup> Floor  
Albany, New York 12207  
800-421-9010  
[www.nyspsp.org](http://www.nyspsp.org)

July 19, 2016

Christine Irvine  
Assistant Director Intergovernmental Relations  
NYS Office of General Services  
ESP – Corning Tower – 38<sup>th</sup> fl  
Albany, NY 12242

Dear Ms. Irvine:

Enclosed please find our service summary and supporting materials to add Transcription to our service offerings.

***Summary for Procurement Council consideration for NYSPSP to offer Transcription Services***

**NYS Procurement Council Definition of Transcription Services (New):**

The process of making a written, printed, or typed record of words that have been spoken. This process involves listening to live speech or to an audio or video recording, and then keying the text via a keyboard to create written transcript. This transcript may be provided to the customer electronically or in hard copy. This service may include rendering an exact, word-for-word transcription, a paraphrased transcription or a transcription containing no grammatical errors. Transcriptionists often use special software, but standard word processing software may also be used. This service shall not include translation services.

**Overview**

People in New York State who are blind are unemployed at a rate of 70%. Our mission is to find employment opportunities for New Yorkers by providing quality products and services to the State of NY. Over the past 3 years, NYSPSP has had double digit growth in sales and direct labor hours for people who are blind, primarily through new product and service offerings approved by NYS. State purchases through our program have led to significant increases in employment hours and wages paid to over 450 employees who are blind across the State. Our primary focus is adding new services to our offering. “Service” based employment provides a higher average wage for employees and provides more labor hours and more FTEs. NYSPSP has determined that Transcription is a service that people who are blind can excel at using adaptive technology.

**Market Information**

Transcription is a procured service needed by various agencies within State government. It is included in the OGS Centralized State contract – Group #73003, Lot 3 – as part of Administrative Services. Transcription is needed in various forms for legal, law enforcement, health & social services, insurance, education, and other government capacities. Estimated State contract annual sales are approximately \$500,000 for all transcription services. We would consider contracts that would utilize direct blind labor and where we could meet the customer’s form, function and utility. If approved we would look for contracts similar to the one referenced in the supporting materials for webinar transcription for the Department of Health.

## **Members & Experience**

Our affiliated agency, Olmsted Center for Sight in Buffalo, NY will be the lead agency for this service. Transcription contracts vary in scope based on the level of automation, proofing, ancillary administrative functions and turnaround time needed. We based our research and analysis on transcription similar to what is offered through the NY State contract Group # 73003. Future “transcription” contract application submissions will vary in labor and price based on the customer’s requirements. To meet future demands of New York State we have other member agencies that have the capability to offer this service if and when needed. The training and experience from Olmsted will be used to create proficient transcribers at other agencies. A State customer may need this service performed at their location(s) which may require us to utilize people from other member agencies in that customer’s region.

Olmsted started training and developing people to perform transcription two years ago for select elementary schools that needed transcription of their text book material. In recent conversations with the Department of Health they expressed a need for the transcribing of their webinars. To insure our proficiency and determine our rates, DOH provided a webinar to Olmsted to transcribe. Olmsted determined that they had the skills and efficiencies to offer this as a competitive service. Through further analysis NYSPSP concluded that this service was not only something people who are blind/visually impaired could excel at but also something NYS agencies could benefit from.

## **Employment & Labor**

Our member agency has staff and supervisors with previous transcription experience. Additional people will be trained to insure there is sufficient staff available for potential new contracts. With magnification and/or screen reader software, transcription is an ideal job function for people who are blind/visually impaired. With this adaptive technology we will meet the blind direct labor ratio for this service and anticipate using 100% blind labor for the majority of work. Specific direct labor tasks related to general transcription include receiving audio/video files, preparing the file for transcription, transcribing, formatting to the desired standard and deliver electronically to the customer. For the desired initial contract included with this request the FTE’s created at Olmsted would be 0.556 people. We would look to grow this number with additional contracts in the coming years and maintain a Transcription team of 3-6 full time people at Olmsted.

Given the nature of the work and the skills and resources at our agencies, we would not need a corporate partner.

## **Pricing**

The current NYS State contract pricing, vetted by OGS, is priced per page at standard completion rates. We based our price on 10,000 pages, similar to the potential contract with the Department of Health. The accompanying “Cost Analysis” form provides detail regarding labor and overhead rates using existing full time staff at a competitive wage for this function. Our price per page is \$2.24 per page for standard service. We would also offer express service for urgent customer needs. Here is a summary the costs that determined our standard price per page rate:

- It requires .103 hours (6 minutes, 34 seconds) of direct labor to do the 5 labor steps (listed in the cost analysis) to complete transcription of 1 page.

- At wages of \$10 per hour the direct labor accounts for \$1.03 of the total cost per page.
- Indirect labor (supervisory and administrative functions) account for \$0.254 of the total cost per page.
- Benefits and insurance for the staff accounts for \$0.653 of the total cost per page.
- Equipment costs account for \$0.0094 of the total cost per page.
- Overhead costs at a 10% rate account for \$0.1946 of the total cost per page.
- The Preferred Source administrative fee of 4.5% account for \$0.0963 of the total cost per page.

### **NYS Small Business Impact**

In regards to impact on NYS small business, it was deemed in the past by the Procurement Council that there should be no significant impact when this “service” was approved for another Preferred Source group. Furthermore, the small number of non-profit member agencies we have are inherently limited by economic and operational challenges that would preclude them from having significant effects on the market.

This application was also reviewed by Empire State Development had they had no objections to this service being offered by NYSPSP. Excerpt from their letter:

*“ESD has completed its review of the application from NYSPSP for the addition of transcribing A/V taped material from the NYS Department of Health. I spoke to a court reporter located in Buffalo, NY to see if her firm offers A/V transcription or if she knew who would perform this service. The woman I spoke to explained that this type of work is not desirable for court reporters because it is a long process and takes time away from their court and deposition transcriptions. She also said that it would be very expensive to use a court reporter and would be more financially beneficial to find a typist to transcribe the A/V material. Therefore, smaller court reporting firms in New York would not be affected if NYSPSP were to transcribe A/V taped material for the NYS Department of Health.*

***Empire State Development has no objections to this application.”***

We look forward to providing this service to New York State and welcome any questions or clarifications you might require as you perform your review.

Sincerely,



Tim Fiori – Director, Business Development



# Service Cost Analysis Sheet

**Date Prepared:** July 20, 2016  
**Member Agency:** Olmsted Center for Sight  
**Contracting Agency:** Any state agency, school, etc.  
**Service:** Transcription Services  
**Location:** 1170 Main Street Buffalo NY

**Contract Term:** N/A - Based on a 10,000 page contract transcribing video using same process as used on State contract pricing

## I. LABOR

### A. DIRECT LABOR: Annual hours employees work directly on contracts, plus other paid time (i.e. vacation, holiday or sick time).

#### Labor Task

1. Receive audio file
2. Prepare audio file
3. Proof transcribed text
4. Format document file
5. Send finished output

#### BLIND DIRECT LABOR:

Labor Task	Employee Hours	Hourly wage	per hour =	Total
1. Receive audio file	0.016	\$10.00	\$0.16	\$0.16
2. Prepare audio file	0.007	\$10.00	\$0.07	\$0.07
3. Proof transcribed text	0.033	\$10.00	\$0.33	\$0.33
4. Format document file	0.040	\$10.00	\$0.40	\$0.40
5. Send finished output	0.007	\$10.00	\$0.07	\$0.07

a. TOTAL BLIND LABOR HOURS **0.103**

b. TOTAL BLIND WAGES

**0.56**

\*FTEs (Total # of Blind Full Time Equivalents)

\*based on 1875 hrs. per year = 1 FTE

**Dan Genco:**  
 1 min/page (average) 1 min/60 min = .016 hour  
**Dan Genco:**  
 .42 min/page = .42/60 = .007 per page  
**Dan Genco:**  
 2 min/pg 2/60 = .033 hour per page  
**Dan Genco:**  
 2.4 min/pg 2.4/60 = .04 hour per page  
**Dan Genco:**  
 .42 min/page = .42/60 = .007 per page

#### NON-BLIND DIRECT LABOR

Employee Hours	0.00	x		per hour =	\$0.00
Employee Hours		x		per hour =	\$0.00

a. TOTAL NON-BLIND LABOR HOURS **0.00**

d. TOTAL NON-BLIND WAGES

\$0.00

e. TOTAL DIRECT LABOR HOURS (a.+c.) **0.103**

f. TOTAL WAGES b.+d.

**\$1.03**

0.56 Total # of Full Time Equivalents

**100.00%**

<---- PERCENTAGE OF BLIND LABOR HOURS

a. (Total BLIND Labor Hours) divided by e.(Total Direct Labor Hours) = Percentage of BLIND Labor Hours

## B. INDIRECT LABOR:

#### BLIND INDIRECT LABOR:

Supervisory	Employee Hours	Hrly rate	per page =	Total
	0.010	\$12.00	\$0.12	\$0.12
			\$0.00	\$0.00

**Dan Genco:**  
 shared supervisor estimate will to be required for 10% of direct time

#### NON-BLIND INDIRECT LABOR

Invoicing/Admin	Employee Hours	0.010	x	\$13.00	per page =	\$0.13
	Employee Hours		x		per page =	\$0.00

TOTAL INDIRECT

TOTAL INDIRECT

LABOR HOURS 0.020 WAGES \$0.254

**SUBTOTAL PAGE 1 - WAGES** (f. TOTAL DIRECT WAGES + h. TOTAL INDIRECT WAGES) **\$1.284**

**II. EMPLOYEE BENEFITS**

	BLIND	NON BLIND
<b>A. Workers Compensation</b>	\$0.0017	\$0.0002
<b>B. Medical and Life Insurance</b>	\$0.472	\$0.046
<b>C. Payroll Taxes</b>		
Fica Rate 7.65%	\$0.079	\$0.019
<b>D. Non-Statutory</b>	\$ -	\$ -
<b>E. Other Supplemental Benefits</b> Disability Ins	\$0.001	\$0.0001

**Dan Genco:**  
Agency contribution  
\$8571.42 per year is  
\$4.57 per hour

**Total Benefits** \$0.5528 \$0.0655 \$0.6183

**III. INSURANCE**

<b>A. Comprehensive General Liability</b>	\$0.0103	\$0.0025
<b>B. Comprehensive Vehicle Liability</b>	\$ -	\$ -
<b>C. Other NYS unemployment ins</b>	\$0.018	\$0.0043

**Total Insurance** \$0.028 \$0.007 \$0.035

**IV. EQUIPMENT AMORTIZATION**

DESCRIPTION OF EQUIPMENT

(Original Cost Minus Salvage Value) divided  
by # of years of useful life = Prorated Annual  
Amount

	Original Cost		Useful Life/Yrs	Prorated Annual \$	
Estimated pages per year 10,000					
Computer hardware laptops and footpedals	\$2,160.00	divided by	5.00	\$432.00	\$0.0086
Software	\$72.00	divided by	3.00	\$24.00	\$0.0008

**Total Equipment Amortization** Per Page \$0.0094

**V. EQUIPMENT OPERATING COSTS**

<b>A. Gas/Oil</b>	\$0.00
<b>B. Maintenance</b>	\$0.00
<b>C. Other</b>	\$0.00

**Total Equipment Operating Costs** \$0.00

**VI. SUPPLIES AND NON-AMORTIZED EQUIPMENT**

DESCRIPTION

n/a \$0.00

**Total Supplies and Non-Amortized Equipment** \$0.00

**VII. OTHER**

DESCRIPTION

n/a \$0.00  
\$0.00

**Total Other Expenses**

\$0.00

**SUBTOTAL**

\$1.946

**VIII. ADMINISTRATIVE OVERHEAD**

10%

\$0.1946

**SUBTOTAL**

\$2.141

**IX. NYSPSP FEE**

4.5%

0.0963


**PRICE per page** (standard 7-day turnaround)

\$2.237

**Total cost based on estimate of a contract of 10,000 pages per year**

**\$22,369.28**

COMMENTS:

	<b>Printed Name:</b> <u>Timothy Fiori</u>
	<b>Job Title:</b> <u>Dir of Bus Dev</u>
<b>Date:</b> <u>7/20/2016</u>	
Reviewed and Submitted by: NYSPSP Representative	



**NYS OFFICE OF GENERAL SERVICES  
PREFERRED SOURCE  
SERVICE APPLICATION CHECKLIST**

Date of Application	7/20/16
Contract Type	Transcription Services
Procuring Agency Name	Any State agency, school, court, etc.
Member Agency Name	Olmsted Center for Sight
Partner Agency Name	None
New or Renewal/Extension	New
Start Date/ End Date	tbd
Renewal Options	tbd
Non-Standard Hours (Weekend, Night, Holiday, etc.)	tbd
Prevailing Wage Data Included with Application?	No
Prevailing Wage Increases?	No
Cost Analysis (CA) Included With Application?	Yes
Prior Term Pricing Data Included With Application?	No
Comparable Pricing or Customer Pricing Analysis	Yes
Blind Direct Labor Hours	0.103
<b>Blind Labor Cost</b>	<b>\$1.03</b>
<b>Blind Direct Labor Supplemental Benefit Cost</b>	<b>\$0.581</b>
Blind Direct Labor Hourly Rate	\$10.00
Blind Direct Labor Hourly Benefit Rate	\$5.37
<b>Blind Direct Labor FTE</b>	<b>0.5568</b>
Non-Blind Direct Labor Hours	0.00
Non-Blind Direct Labor Cost	0.00
Non-Blind Direct Labor Benefits Cost	NA
Non-Blind Direct Labor Hourly Rate	\$0.00
Non-Blind Direct Labor Hourly Benefits Rate	NA
Total Direct Labor Hours	0.103
<b>Total Direct Labor Cost</b>	<b>\$1.03</b>
<b>Total Direct Labor FTE</b>	<b>0.5568</b>
Total Ratio %	100.00%
Indirect Labor Hours	0.010
<b>Indirect Labor Cost</b>	<b>\$0.25</b>
Indirect Labor Hourly Rate	\$13.00
Workers Compensation	\$0.0018
Medical & Life Insurance	\$0.518
Payroll Taxes	\$0.0788
Comprehensive General Liability Insurance	\$0.0128
Comprehensive Auto Liability Insurance	\$0.00
State Unemployment Insurance	\$0.02182
Disability Benefits Insurance	\$0.0007
Equipment Amortization Cost	\$0.0094
Equipment Operating Costs (Gas/Oil, Maint. & other)	\$0.00
Cost for Supplies, Materials, Uniforms etc.	\$0.00
Other Costs	\$0.00
CPI - or Other Cost Escallators	Annual CPI adjustment based on Western NY rate
<b>Subtotal</b>	<b>\$1.9460</b>
Overhead	\$0.1946
NYSID/NIB Fee	\$0.0963
<b>Estimated Annual Contract Value</b>	<b>\$22,369.28</b>
<b>Estimated # Years Contract Term</b>	<b>1.0</b>
<b>Total Sample Contract Value (based on Standard turnaround)</b>	<b>\$22,369.28</b>
Monthly/Unit Cost	<b>\$1,864.11</b>

NYSPS Price vs. Contract Vendor

**Fiori, Timothy:**  
\$0.5527 (Benefit cost per page)/.103  
(direct labor hours per page) = \$5.366

**COMPARITIVE PRICE ANALYSIS - Transcription**



NYSPSP Pricing	
Price per page (7 day turnaround)	\$ 2.24
Price per page (3 day turnaround)	\$ 2.50
Price per page (1 day turnaround)	\$ 2.95
Price per additional page	\$ 0.18
Cost per disc	\$ 5.75
Cost per usb/jump drive	\$ 2.30

\* Annual price rate increases would be based on CPI rates for Western NY

Vendor	Description	Price per page (7 days)	NYSPS Price vs. Contract Vendor	3-Day Completion	PS Price vs. vendor	Next Day	PS Price vs. vendor	Additional page cost	PS Price vs. vendor	Cost per Disc	PS Price vs. vendor	Cost per USB Jump Drive	PS Price vs. vendor
<b>NYS OGS State Contract - Group # 73003, Lot 3</b>													
Geneva Worldwide	Primary Contract Holder	\$2.00	10.6%	\$2.15	14.0%	\$2.51	14.9%	\$0.15	14.3%	\$5.01	12.9%	\$2.00	13.0%
ANP Reporting	Secondary Contract Holder	\$2.00	10.6%	\$2.50	0.0%	\$3.00	-1.7%	\$0.30	-71.4%	\$10.00	-73.9%	\$10.00	-334.8%
Escribers	Tertiary Contract Holder	\$2.71	-21.1%	\$4.11	-64.4%	\$5.72	-93.9%	\$0.78	-345.7%	\$3.12	45.7%	\$10.41	-352.6%
NYSPSP	Preferred Source	\$2.237		\$2.50		\$2.95		\$0.18		\$5.75		\$2.30	

\*Link to Geneva contract with OGS

[http://www.ogs.ny.gov/purchase/snt/awardnotes/7300322559TC\\_GenevaWorldwide.pdf](http://www.ogs.ny.gov/purchase/snt/awardnotes/7300322559TC_GenevaWorldwide.pdf)

LOT NUMBER	REGION	JOB TITLE	CONTRACTOR STATUS	CONTRACTOR	NORMAL COMPLETION RATE (7 Day)	PRIORITY COMPLETION RATE (3 Day)	OVERNIGHT COMPLETION RATE (Next Day)	IMMEDIATE COMPLETION RATE (Same Day)	COST PER DISK	COST PER JUMP DRIVE	COST PER ADDITIONAL PAGE
3	N/A	Transcription Services	Primary	Geneva Worldwide	\$2.00	\$2.15	\$2.51	\$5.51	\$5.01	\$2.00	\$0.15
3	N/A	Transcription Services	Secondary	ANP Reporting	\$2.00	\$2.50	\$3.00	\$4.50	\$10.00	\$10.00	\$0.30
3	N/A	Transcription Services	Tertiary	Escribers	\$2.71	\$4.11	\$5.72	\$7.81	\$3.12	\$10.41	\$0.78

**Pricing based on NYS approved Transcription Standards:**  
 Paper size of 8 1/2 x 11 inch  
 25 numbered lines of material per page (excluding the title and page number)  
 10-type characters per inch  
 Indent on left-hand margin of 1 3/4" ☐  
 Indent on left-hand margin of 3/8" ☐  
 The horizontal writing block shall be 6 5/16 inches  
 The vertical writing block shall be 9 inches.





NYSPSP  
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# VALUE ADDED STATEMENT FOR SERVICES

1 FTE = 1875 hours/year

## SERVICE APPLICATION INFORMATION

MEMBER AGENCY INFORMATION:	Olmsted Center for Sight
LOCATION:	1170 Main Street Buffalo NY
CLIENT / USER AGENCY:	State agencies, schools, etc.
SERVICE TO BE PROVIDED:	Transcription

TOTAL DIRECT LABOR PER UNIT (Lab Summary cell L35) **Multiplied by** EST.# UNITS to be SOLD (Cost Summary cell F14) **Divided by** 1875 hrs per FTE (Lab Summary cell L10)

### 1. DESCRIBE CHANGE TO PHYSICAL STATE WHICH ENHANCES VALUE:

Using direct blind labor, we will receive audio or video files from customers and transcribe the spoken words into written/typed text, proof read the transcription and output it in hard copy or electronic files based on the customer's requirements.

### DIRECT LABOR WORKFORCE

TOTAL FULL TIME EQUIVALENTS (FTEs):	0.5568
TOTAL BLIND WORKFORCE (FTEs):	0.5568
% of BLIND LABOR:	100%

Based upon information submitted by the aforementioned member agency, the value added for this service in this application complies with the minimum Direct Labor Workforce requirements as set forth in the NYS Procurement Council Preferred Source Guidelines as follows:

CHECK ONE BOX BELOW	
<input type="checkbox"/>	1 The total direct labor workforce involved in this application is comprised of more than 10 employees (FTEs). A minimum of 75% of these employees are disabled.
<input type="checkbox"/>	2 The total direct labor workforce involved in this application is comprised of more than 10 employees (FTEs). At this time less than 75% of the employees are blind or visually impaired. We are requesting a period of no more than 6 months following the approval of this application by the NYS Office of General Services (OGS) in which to implement the 75% blind worker requirement. A revised value added statement will be submitted at that time confirming that 75% of the employees are disabled.
<input checked="" type="checkbox"/>	3 The total direct labor workforce involved in this application is comprised of 10 or fewer employees (FTEs). A majority of these employees are blind or visually impaired.
<input type="checkbox"/>	4 This is a partnership agreement. The required minimum percentage (51%) or employees are blind or visually impaired.

FACILITATING AGENCY	Date
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NYSPSP July 20, 2016

By: 

SIGNATURE

Timothy Fiori	Director of Business Development NYSPSP	(518) 621-0644
PRINT NAME	TITLE	PHONE