



To: Sean Carroll, NYS Office of General Services

CC: Ronald Romano, NYSID; John Normile, NYS OGS

From: Pravina Raghavan, Empire State Development

Date: April 17, 2018

RE: NYSID Application to offer Temporary Personnel in three fields:

- Bindery Workers
- Test Monitors and Proctors
- Transportation Field Workers

Description of Application

New York State Industry of the Disabled (NYSID) is requesting to offer temporary personnel positions for Bindery Workers, Test Monitors and Proctors and Transportation Field Workers.

NYSID's affiliate agencies that will provide temporary employees are located across New York state are: Goodwill Industries of Greater NY & NJ; Fedcap Rehabilitation Services; Northeast Career Planning; The Corporate Source; Abilities, Inc.; Rochester Rehabilitation Center; The ARC of Erie County New York; Rehabilitation Support Services; Human Technologies Corporation; and AHRC New York City Chapter of NYSARC, Inc.

Marketplace

The sources below were used to assess the marketplace:

1. NYSID annual estimate provided in the application;
2. Offerings of other Preferred Sources;
3. Survey of NYS government entities that may contract for temporary personnel services;
4. OGS Centralized Contracts;
5. Search for NYS small business firms through NYS Contract System, SDVOB directory, Hoovers.com, Google and GSA Advantage;
6. Survey of companies identified by search; and
7. Historical Contract Reporter Ads.

In addition to the above data sources, the marketplace includes purchases done through discretionary spend and purchase cards (P-Card) which are not collected by OGS. The records for P-Card information do not provide spend details on what specific items are purchased. Agencies would have to give P-Card and discretionary spend information voluntarily. In addition, the Preferred Source designation would also provide exclusivity to purchases made by local governments and municipalities. No database records the purchase or spend data of these entities.

Empire State Development performed analysis based on available data provided by publicly available data sources and survey responses. All survey data collected from agencies and businesses is voluntary and self-reported. Therefore, a complete marketplace analysis is not possible and the analysis below does not encompass the entire spend on temporary personnel services.

Each section below includes an analysis and survey results using the available data.

NYSID Estimate of Annual Sales

NYSID’s annual sales estimates for each of the three temporary positions are:

Transportation Field Workers	\$1,436,439
Test Monitors and Proctors	\$ 200,000
Bindery Workers	\$ 61,355

Survey of Comparable Services from Other Preferred Source Offerings

NYSPSP does not fill positions in light industrial temporary services in their online catalogue. NYSPSPS does offer Temporary administrative services in the reception, data entry, programming, technical support, word processing, microfilming and imaging fields. Corcraft does not fill temporary positions in the workforce outside of the corrections facilities.

Survey Results with NYS Government Entities

The list of state government entities to interview is based in part on the information gathered from the temporary personnel services applications and one NYS Contract Reporter ad. It is worth noting that seven of the eight government entities surveyed do not hire temporary personnel to fulfill the three positions being considered under this application.

Agency/Authority	Total amount per year spent on the three temporary services	Purchasing method	Comments
Albany County	\$0		They use existing Albany County employees and a list of former employees, past/current test monitors and interested public via recruiting.
Capital District Transportation Authority	\$0		They rarely use temp services. They are unionized and cannot easily hire temps.
Central New York Regional Transportation Authority	\$0		Passenger surveys are conducted by the Syracuse Metro Transportation Council, a not-for-profit organization.

Agency/Authority	Total amount per year spent on the three temporary services	Purchasing method	Comments
New York City Transit			
MTA			No response.
Metro-North RR	\$1.2 million	Preferred source	This figure is only for the transportation field workers. They do not use test monitors or bindery workers.
Long Island RR	\$348,000	Preferred source	This figure is only for passenger counters. No response on temperature takers unit for a dollar figure. They do not use test monitors or bindery workers.
Niagara Frontier Transportation Authority	\$0		They proctor their own tests; use union workers for field work and do not hire for bindery work.
NYS Civil Service	\$0		Recruits and trains their own test monitors. Have their own print shop to print the test booklets due to the confidential info.
Port Authority of NY & NJ	\$0		Does not hire temporary personnel for any positions.
Rochester-Genesee Regional Transportation Authority	\$0		They are unionized and not allowed to hire temps. They outsource twice a year for bindery work. They only test bus drivers on their driving skills and use employees as monitors.

OGS Centralized Contracts

OGS has a centralized contract entitled Administrative Services for temporary personnel for the following occupations: healthcare and office professionals; technical and management; clerical; service; agricultural; building construction trade work, and translation and interpretation services of judicial and administrative proceedings.

OGS will not be comparing the centralized contract temporary positions with the applications' temporary positions because the addition of the preferred source offerings will not take away sales from the Administrative Services centralized contract. OGS stated that these are different titles of positions located in offices and cannot be compared.

Search Results for NYS Small Business

Searches were conducted in Google, Hoovers.com, the NYS Contract System, the SDVOB directory, and the GSA Advantage website. The results are below:

NYS Contract System Search (MWBE Directory)	# of search results¹
Light industrial	5
NAICS code 561320	142
Total	147
SDVOB website search	# of search results²
Temp staffing	4
Employment services	1
Total	5
Google Search	# of search results³
Light industrial temp services NY	10
Total	10
Hoovers.com Search	# of search results⁴
Hoovers – NY state <=99 employees NAICS code 561320 ⁵	1,009
Hoovers – NY state <=99 employees ‘temporary’	42
Total	1,051

GSA Advantage website	# of search results⁶
General Services & Support	150
Information, Arts & Misc. Occupations	95
Technical & Professional Occupations	150
Total	395

¹ Company counts are non-exclusive per category. Single entities may be in multiple categories by nature of raw data.

² Company counts are non-exclusive per category. Single entities may be in multiple categories by nature of raw data.

³ Company counts are non-exclusive per category. Single entities may be in multiple categories by nature of raw data.

⁴ Company counts are non-exclusive per category. Single entities may be in multiple categories by nature of raw data.

⁵ NAICS code 561320 Temporary Help Services.

⁶ Company counts are non-exclusive per category. Single entities may be in multiple categories by nature of raw data.

NAICS codes are broad categories that can be difficult to determine where services may be categorized. After researching NAICS codes, it was determined NAICS code 561320 Temporary Help Services was the most appropriate code. The NAICS description for code 561320 in part states “...establishments primarily engaged in supplying workers to clients’ businesses for limited periods of time to supplement the working force of the client.”

Based on the NAICS codes alone, it is hard to determine which businesses can fulfill these positions. Therefore, a smaller subset of 225 was chosen as a sample set to assist in determining the potential marketplace.

Survey Results with Companies

Of the 225 companies, it was determined that 13 New York small businesses provide temporary personnel services for bindery workers, test monitors and proctors and transportation field workers.

During phone calls to temp services companies, one owner explained these positions may be considered light industrial fields and generally do not take place in an office setting. All businesses surveyed were asked if they had the personnel to fill each of these positions.

Here are the survey results from all the companies that were interviewed.

Company	Total # of Employees	Agencies or municipalities sold to	% of government sales for the company	\$ value of government sales for the company	Certification	Which of the three positions can you fill?
Company 1	Permanent – 13 Temporary - 300	Not currently	0%	\$0		Bindery workers and test monitors,
Company 2	Permanent – 3 Temporary – 2,000	Mainly private sector. Government contracts have a low profit margin.	0%	\$0	WBE	Can fill all positions
Company 3	Permanent – 12 Temporary – 1,000	SUNY Upstate - light Industrial positions. OMH's Hutchings Psych Center - administrative and clerical.	Did not provide	Did not provide	WBE	Bindery workers and test monitors
Company 4	Permanent – 40 Temporary – 230-250	Indirectly as a sub-contractor and also directly	50%	\$2 million	MBE	Can fill all positions
Company 5	Permanent – 24 Temporary – 1500	Yes, NFTA. Contract ended in March 2018	1%	<\$100,000		Bindery workers and test monitors.
Company 6	Permanent – <20 Temporary – 500+	Yes, but only office and food service	0%	\$0	WBE	Bindery workers and test monitors.

Company	Total # of Employees	Agencies or municipalities sold to	% of government sales for the company	\$ value of government sales for the company	Certification	Which of the three positions can you fill?
Company 7	Permanent – 13 Temporary – 75	Yes, through the OGS centralized contract: DOH, OMH, CDTA, ITS, BOE	Very low. Less than 5%	Did not provide	WBE	Field workers, test monitors only.
Company 8	Permanent & temporary – 1,000	Not directly. Is a sub-contractor. Does not know which agencies they provide temps for.	Directly – 0% Indirectly – 10% - 15%	Directly - \$0 Indirectly – did not provide		Did not provide.
Company 9	Permanent – 85 Temporary 1200	Yes	20%	\$1 million		Can fill all positions
Company 10	Waiting for a return call. Our conversation was cut short.	Would not disclose	Would not disclose	Would not disclose	MWBE	Can fill all positions
Company 11	Permanent – Temporary – 300+	Yes. SUNY, school districts, museums	10-20%	\$250,000	WBE	Can fill all positions
Company 12	On average 250 permanent and temp	Only temp file clerks with the NYC Office of Special Narcotics	Less than 10%	Under \$250,000		Can fill these positions with some restrictions (no driving vehicles and no working on machines)
Company 13	Permanent – 5 Temporary – 70	Does not have govt contracts. They are located too far away from govt offices.	0%	\$0	WBE	Can fill positions, however not if they are in NYC

Contract Reporter Ads

A search was conducted for any ads that were posted from January 1, 2008 to February 21, 2018 for the following phrases: temp services, temporary services, personnel services, light industrial, industrial staffing, industrial temp. Eighteen ads were posted for a variety of temp services. Only two were for light industrial positions posted in 2009 and 2014.

Results of searches do not completely show the full scope of procurements for the temporary personnel positions because they have been listed on the preferred source offerings for almost ten years. Posting ads to purchase products and services on the Contract Reporter is the last step for agencies’ procurement. Therefore, agencies may be utilizing the preferred sources first and not

soliciting to fill temporary positions. Also, if procurement is under \$50,000, agencies are not mandated to post their solicitations on the Contract Reporter.

Analysis & Recommendation

NYSID has stated that they have filled these positions for ten years, thus not allowing NY government entities to post RFPs and procure from small businesses.

Based on ESD's small business survey results, 92% indicated they could fill these positions. These companies have the personnel to fill the three positions but have not had the opportunity.

Two of the companies above are on OGS centralized contract temporary positions and can provide these services as part of that contract.

For the aforementioned reasons, ESD is not approving of the three applications.