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Preferred Source Buying Strategies

Know the Rules and How to Apply Them



May 4 & 5, 2022

Preferred Source Purchasing

 @NYS_OGS

 @NewYorkStateOGS

#2022NYGovBuy

Presenters

Sarah Crossman
Sean Hume



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Who is Required to Buy Preferred Source Products and Services?

- State agencies
- Public benefit corporations
- Public authorities
- Municipalities
- School districts

Learn more about NYS Finance Law at:

<http://codes.findlaw.com/ny/state-finance-law/stf-sect-163.html>



When Am I required to Buy Preferred Source Products and Services?

The law requires that **if** an approved Preferred Source offering meets your requirements for **form, function, and utility**; and the price is within 15% of the prevailing market for NYSID and NYSPSP or at or below fair market price for Corcraft, you are required to purchase from the Preferred Source.

Think of **form, function, and utility** in basic terms:

Form: Shape, color, configuration, construction

Function: Purpose, capacity to work in a particular way

Utility: Usefulness, availability, functionality

Preference (Preferred Source Status) Has Been Granted to The Following Entities



Commodities produced by the Department of Corrections and Community Supervision, Division of Correctional Industries



Commodities and Services produced by qualified, non-profit organization for the blind and approved by the Commissioner of Office of Children and Family Services



Commodities and Services produced by any qualified, non-profit organization for severely disabled persons and approved by the Commissioner of Education

Corcraft, NYSPSP, and NYSID also have offerings that **do not** have preferred source status. These offerings are subject to all statutory requirements for open market procurement. Their catalogs will identify approved goods and services.

Preferred Source Facilitating Entities



- Serve as a single point of contact between you (the purchaser), the member organization (supplier) who will provide the goods and services, and the regulatory agencies who ensure statutory compliance (DOCCS, ESD, OGS, OSC, SED, and OCFS)
- Are the contractor of record for all service contracts and purchase orders for approved offerings
- Facilitate transactions by providing administrative, billing, contracting and marketing services



Purchasing Order of Precedence

- Commodities
(Goods)
 1. Corcraft
 2. NYSPSP
 3. NYSID
- Services
 - NYSPSP & NYSID – equal priority

NOTE: If more than one Preferred Source meets your requirements, **cost** shall be the determining factor of your selection.

Preferred Source purchasing requirements have priority over MWBE & SDVOB goals

- Preferred Source payments to a **Corporate Partner that is an MWBE** may be applied towards MWBE goals
- Preferred Source payments to a **Corporate Partner that is an SDVOB** may be applied towards SDVOB goals

Prevailing Market and Price

Approved Preferred Source commodity and service offerings from NYSID and NYSPSP must be within 15% of the prevailing market

Prevailing market can be determined from the following:

1. OGS centralized contracts
2. Active state agency, school, or local government contracts
3. Other state or cooperative purchasing contracts
4. Federal contracts or open market information



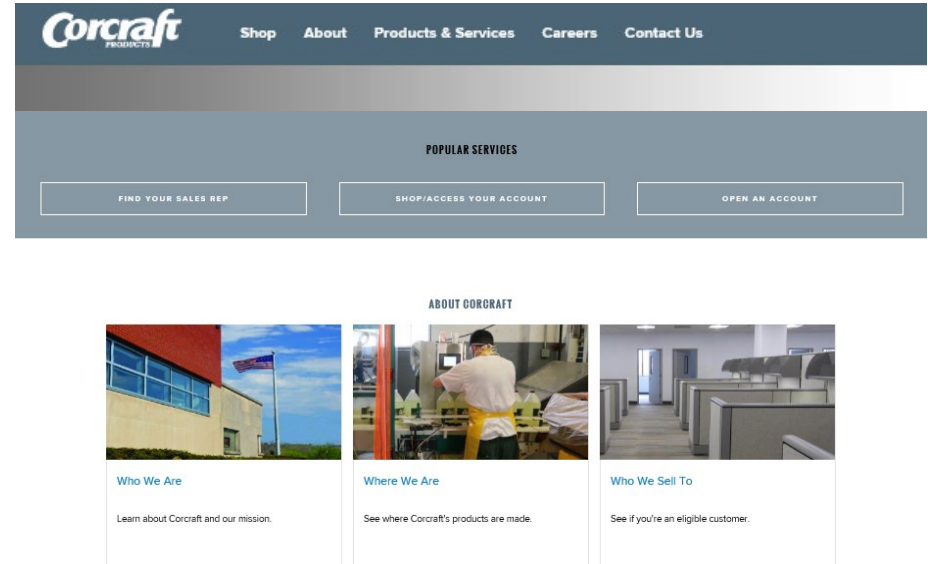
Buying from Preferred Sources



Buy Corcraft Products Online @ www.corcraft.org

First priority for commodities!

- Preferred Source commodities include:
 - Cafeteria, classroom, dormitory and office furniture
 - File and storage cabinets
 - Library tables and seating
 - Highway signage
 - Janitorial and cleaning supplies
 - Workwear and apparel



NYS Vendor ID #1100162226 | 1-800-436-6321



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Buy NYSPSP Products Online @ www.nyspsp.org

- NYSPSP Preferred Source **commodities** include:
 - Drug test and overdose kits
 - First aid supplies
 - Gloves and work wear
 - Incontinence and medical supplies
 - Janitorial and cleaning supplies
 - Office supplies and lighting
- Call NYSPSP Preferred Source **services** including:
 - Call center
 - Data imaging
 - Digital accessibility and usability testing and remediation reporting services (DAUTRRS)
 - Mailroom and distribution
 - Transcription
 - Warehousing and distribution

NYS Vendor ID #1100070977 | 1-800-421-9010



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Buy NYSID Products Online @ www.nysid.org

- NYSID Preferred Source **commodities** include:
 - Incontinence and medical supplies
 - Janitorial and cleaning supplies
 - Office supplies and lighting
 - Personal care items and textiles
 - Uniforms and footwear
 - Apparel and outerwear
- Call NYSID for Preferred Source **services** including:
 - Data imaging and document destruction
 - Janitorial
 - Grounds keeping
 - Mail fulfillment
 - Mailroom and distribution
 - Temporary office personnel

NYS Vendor ID #1000001252 | 1-800-221-5994



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Electronic Service Application



Electronic Service Application (ESA)

- Required for all proposed Preferred Source Services **Applications with a value exceeding \$50,000**
- The overview, four forms, plus attachments
 - Application Overview – process summary, instructions, and index of documents
 - Form 1 – Purchasing Agency Statement of Work
 - Form 2 – Preferred Source Facilitating Entity Service Application
 - Form 3 – Preferred Source Cost Summary
 - Form 4 – Purchasing Agency Approval
 - Attachments -- Application Letter to OGS & Market Comparison (Mandatory), Designating Agency Corporate Partner Approval/Prevailing Wage/Prior Contract Approval Letter (If Applicable)

Where Do I Find the ESA?

Real Estate Design & Construction Procurement Government Support Do Business State Employees Visit

< Preferred Sources

Preferred Sources Resources

Access the Electronic Service Application at:
<https://ogs.ny.gov/procurement/preferred-sources-resources#forms>

SECTIONS













Forms

Status Reports

Related Guidelines

Training Resources

Forms

	Preferred Source Service Application Overview MS Word	 DOWNLOAD
	Preferred Source Form 1 Agency Application MS Word	 DOWNLOAD
	Preferred Source Form 2 Preferred Source Application MS Word	 DOWNLOAD
	Preferred Source Form 3 Service Cost Summary MS Excel	 DOWNLOAD
	Preferred Source Form 4 Agency Acceptance MS Word	 DOWNLOAD
	Preferred Source Checklist & Guide to Prevailing Markets MS Excel	 DOWNLOAD



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Roles, Responsibilities & Resources



OGS Preferred Source Team

- Sean Hume
 - Judy Dorsman
 - Colleen Glynn
 - April Quick
- Interface with Preferred Sources, Procurement Council, ESD and purchasers to ensure compliance with State Finance Law and Preferred Source Guidelines
 - Review and approve applications for new products, and product price revisions, and applications for new service offerings and service contracts
 - Reviews and evaluates the ESA

Find More Information Online

- Buying from a Preferred Source:
<https://ogs.ny.gov/procurement/preferred-sources>
- How to Use the Preferred Source Electronic Service Application:
<https://ogs.ny.gov/procurement/preferred-sources-resources#training-resources>
- List of Preferred Source Offerings:
<https://ogs.ny.gov/system/files/documents/2022/04/the-list-of-preferred-source-offerings.pdf>
- Preferred Source Guidelines:
<https://ogs.ny.gov/procurement/nys-procurement-bulletin-preferred-source-guidelines>

Find More Information Online

- NYS Finance Law:
<http://public.leginfo.state.ny.us/lawssrch.cgi?NVLWO>
- NYS Procurement Guidelines:
<https://ogs.ny.gov/system/files/documents/2018/08/psnys-procurement-guidelines.pdf>
- NYS Procurement Council:
<https://ogs.ny.gov/procurement/nys-procurement-council>
- OGS Business Services Center (BSC) Purchasing:
<https://bsc.ogs.ny.gov/purchasing>

Questions

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