NY GovBuy

Preferred Source Buying Strategies

Know the Rules and How to Apply Them

May 4 & 5, 2022
Preferred Source Purchasing

Presenters
Sarah Crossman
Sean Hume

@NYS_OGS  @NewYorkStateOGS  #2022NYGovBuy
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:
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

- **Corcraft**: Commodities produced by the Department of Corrections and Community Supervision, Division of Correctional Industries

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

- **NYSID**: 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
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
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
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?

Access the Electronic Service Application at:
https://ogs.ny.gov/procurement/preferred-sources-resources#forms
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
Find More Information Online

- NYS Finance Law: http://public.leginfo.state.ny.us/lawssrch.cgi?NVLWO
- NYS Procurement Council: https://ogs.ny.gov/procurement/nys-procurement-council
- OGS Business Services Center (BSC) Purchasing: https://bsc.ogs.ny.gov/purchasing
Questions

OGS PS Preferred Source Team
PreferredSource@ogs.ny.gov