



M/WBE Noncompetitive Small Purchase Method: Procedural Compliance Review



August 31, 2021

1. Overview

In November 2019, the City's Procurement Policy Board (PPB) unanimously voted to amend PPB Rule 3-08 to allow for direct purchases of goods, services and construction from City-certified Minority and Women-Owned Business Enterprises (M/WBEs) up to \$500,000, consistent with newly enacted state legislation. This rule change took effect on January 1, 2020. As a result of this update, the City of New York launched the updated M/WBE Noncompetitive Small Purchase Method in January 2020.

With this launch, the Comptroller conditionally delegated the statutory responsibility to register contracts awarded using the M/WBE Noncompetitive Small Purchase method to agencies and extended the delegation period contingent upon the execution of additional compliance monitoring. As part of this compliance monitoring, MOCS, in partnership with the Mayor's Office of Minority and Women-owned Business Enterprises (OM/WBE), was responsible for conducting a procedural compliance review of 10% of purchases made in Fiscal Year 2021 Quarter 3 and Quarter 4. A description of this procedural review and the resulting findings are outlined below in the report.

2. Scope of Compliance Review

Based on a total count of 399 M/WBE Noncompetitive Small Purchase contracts registered between January 1, 2021 to June 30, 2021, a random sample of 40 contracts were included in the scope of this report, in accordance with the 10% compliance review threshold.

3. Approach and Methodology

Based on the total number of contract awards registered using this method during the review period, a random number generator was used to select a sample of 40 contracts. A report cataloging each of the available attributes related to the various procedural requirements was generated from MOCS' Procurement and Sourcing Solutions Portal (PASSPort). This report was reviewed along with relevant documentation submitted by agencies for the selected contracts to verify whether each attribute was met.

Compliance Reviewers assessed the following 21¹ attributes associated with contracts awarded using the M/WBE Noncompetitive Small Purchase method and indicated whether each contract met the outlined requirements. The attributes reflect end-to-end procurement activities for this method and are listed below by phase.

¹ The M/WBE Noncompetitive Small Purchase Method: Procedural Compliance Review report dated February 26, 2021 included 22 attributes. Attribute #22, Agency maintained a complete procurement file (Contract Registration Phase) was removed as duplicative. Any determination of compliance or non-compliance with any of the 21 attributes would automatically affect this attribute.

Requisition Phase

1. Purchase was for Construction, Standard Services, Professional Services or Goods
2. Purchase was between \$20K (\$35K for construction) and \$500K
3. Purchase was not federally funded
4. Agency solicited at least 3 quotes/responses from City-certified M/WBEs
5. Agency received at least 3 quotes/responses from City-certified M/WBEs. Where applicable, Agency documented their justification for an inability to obtain at least 3 quotes in the Determination of Award

Required Approvals

6. If purchase was for fuel, fleet or furniture, DCAS approval was received
7. Law Department approval received for contracts over \$100K
8. OMB approval received for purchases over \$100K with capital funding

Contract Award Phase

9. Contract awarded to a City-certified M/WBE
10. Public hearing was held for contracts over \$100K
11. Agency provided justification why noncompetitive price was determined to be fair and reasonable
12. LL63 posting requirement met (where applicable)
13. Use of Appendix A for professional services contracts over \$100K
14. Use of Standard Construction Contract and M/WBE Small Purchase Rider for construction contracts over \$100K
15. Use of appropriate prevailing wage (PW) schedule (where applicable)
16. Agency completed an appropriate Responsibility Determination
17. Agency completed a Vendor Name Check (VNC) (where applicable)
18. Awarded vendor is compliant with LL34/Doing Business Accountability requirements

Contract Registration Phase

19. Contract registered as a general contract (CT1)
20. Agency fully completed the Determination of Award
21. Courtesy copy of procurement file sent to Comptroller's Office within 30 days of registration
(NOTE: As of November 18, 2020, the courtesy copy requirement was reinstated. This attribute was reviewed for contracts registered after this date.)

Each of the 40 contracts included within the scope of this compliance review was assessed for the 21 attributes listed above, which yielded 840 total attributes covered in the current report.

Based on the agencies' responses to the series of questions and a review of the supporting documentation provided, the Compliance Reviewer assigned each attribute to one of three categories:

- Compliant/No exceptions noted
- Exceptions noted – Criteria not met
- Exceptions noted – Documentation not provided

4. Findings

The overall findings for the 840 total attributes that comprise the scope of this compliance review were as follows:

- **Compliant/No Exceptions Noted: 835** attributes, or **99%** of all attribute activities were found to be in full compliance
- **Exceptions noted – Criteria not met: 5** attributes, or **1%** of all attribute activities were not in full compliance
- **Exception noted – Documentation not provided: 0** attributes, or **0%** of all attribute activities were missing required documentation

Additional Compliance Review Results

Table 1 below provides the compliance review information by agency and contract ID.

Table 1. Compliance Review Details

#	AGENCY	CONTRACT ID	REGISTRATION DATE	CONTRACT PURPOSE	AWARD AMOUNT	Compliant / No Exceptions Noted		Exception Noted - Criteria Not Met		Exception Noted - Documentation Not Provided	
						# of Attributes	%	# of Attributes	%	# of Attributes	%
1	OFFICE OF EMERGENCY MANAGEMENT	CT1-017-20228800326	6/24/2021	HP Enterprise Server Support Service Annual Renewal- MWBE	\$25,091.82	20	95%	1	5%	0	0%
2	FIRE DEPARTMENT	CT1-057-20218800953	1/22/2021	Computer Racks, PDU's and related it	\$76,493.77	21	100%	0	0%	0	0%
3	FIRE DEPARTMENT	CT1-057-20218801428	3/18/2021	Gear Racks for EMS Academy	\$54,145.00	20	95%	1	5%	0	0%
4	FIRE DEPARTMENT	CT1-057-20218801564	4/20/2021	Commvault Complete Backup & Recovery	\$99,034.46	21	100%	0	0%	0	0%
5	FIRE DEPARTMENT	CT1-057-20218801949	6/23/2021	Atlassian Jira Software	\$99,925.00	21	100%	0	0%	0	0%
6	FIRE DEPARTMENT	CT1-057-20218802361	6/25/2021	AIR CHISEL/HAMMER RESCUE KIT	\$33,234.00	21	100%	0	0%	0	0%
7	ADMINISTRATION FOR CHILDREN'S SERVICES	CT1-068-20218802126	6/22/2021	Video Production Services for CPS Appreciation Day	\$59,825.00	21	100%	0	0%	0	0%
8	DEPARTMENT OF CULTURAL AFFAIRS	CT1-126-20218801008	3/10/2021	Provide moving services on an as-needed basis to DCLA's M	\$48,000.00	21	100%	0	0%	0	0%
9	DEPARTMENT OF YOUTH AND COMMUNITY DEVELOPMENT	CT1-260-20218801970	6/2/2021	Laptops for Advance and Earn Program	\$99,998.40	21	100%	0	0%	0	0%
10	DEPARTMENT OF PROBATION	CT1-781-20218801366	2/26/2021	HP EliteDesk and EliteDisplay	\$73,353.60	21	100%	0	0%	0	0%
11	DEPARTMENT OF SMALL BUSINESS SERVICES	CT1-801-20218801669	5/4/2021	Auditing Services	\$50,000.00	20	95%	1	5%	0	0%
12	DEPARTMENT OF BUILDINGS	CT1-810-20218801112	3/16/2021	The Department is seeking a vendor to provide training servi	\$99,000.00	21	100%	0	0%	0	0%
13	OFFICE OF THE CHIEF MEDICAL EXAMINER	CT1-816-20218800061	3/4/2021	Admiral Staffing, Inc. shall provide per diem licen	\$100,000.00	21	100%	0	0%	0	0%
14	DEPARTMENT OF HEALTH AND MENTAL HYGIENE	CT1-816-20228800131	6/30/2021	Consultant Services for Financial System	\$224,000.00	21	100%	0	0%	0	0%
15	DEPARTMENT OF ENVIRONMENTAL PROTECTION	CT1-826-20218802107	6/8/2021	GOULDS PUMPS - Pin: 1030319X	\$174,696.00	21	100%	0	0%	0	0%
16	DEPARTMENT OF SANITATION	CT1-827-20218801269	3/5/2021	Microsoft Premier Subscription MWBE Small P	\$113,293.82	21	100%	0	0%	0	0%
17	DEPARTMENT OF SANITATION	CT1-827-20218801274	2/26/2021	CRM - Online Order Form.	\$100,000.00	21	100%	0	0%	0	0%
18	DEPARTMENT OF SANITATION	CT1-827-20218801447	3/17/2021	Battery Terminals and Accessories	\$95,000.00	21	100%	0	0%	0	0%
19	DEPARTMENT OF SANITATION	CT1-827-20218801666	5/17/2021	QA Services	\$97,779.96	21	100%	0	0%	0	0%
20	DEPARTMENT OF SANITATION	CT1-827-20218801837	5/20/2021	ManageEngine Licenses	\$64,136.00	21	100%	0	0%	0	0%
21	DEPARTMENT OF SANITATION	CT1-827-20218802106	6/18/2021	Controller Servo-Graph Repair	\$43,582.00	20	95%	1	5%	0	0%
22	DEPARTMENT OF TRANSPORTATION	CT1-841-20218800713	1/28/2021	Red Hat Enterprise subscriptions	\$30,463.00	20	95%	1	5%	0	0%
23	DEPARTMENT OF TRANSPORTATION	CT1-841-20218801545	4/13/2021	INSTALLATION & REMOVAL OF CITY BIKE RACKS	\$97,260.00	21	100%	0	0%	0	0%
24	DEPARTMENT OF TRANSPORTATION	CT1-841-20218801641	4/28/2021	USB Headsets with Microphones for return to work	\$100,000.00	21	100%	0	0%	0	0%
25	DEPARTMENT OF TRANSPORTATION	CT1-841-20218801683	6/11/2021	Professional Consulting Services for a Data Warehouse/ETL Ar	\$99,999.00	21	100%	0	0%	0	0%

Table 1. Compliance Review Details *continued*

#	AGENCY	CONTRACT ID	REGISTRATION DATE	CONTRACT PURPOSE	AWARD AMOUNT	Compliant / No Exceptions Noted		Exception Noted - Criteria Not Met		Exception Noted - Documentation Not Provided	
						# of Attributes	%	# of Attributes	%	# of Attributes	%
26	DEPARTMENT OF PARKS AND RECREATION	CT1-846-20218801033	2/23/2021	Steel Drums "Non DCAS RC Items" Needed for Dist	\$41,000.00	21	100%	0	0%	0	0%
27	DEPARTMENT OF PARKS AND RECREATION	CT1-846-20218801832	6/9/2021	Subsurface Investigation Services	\$25,100.00	21	100%	0	0%	0	0%
28	DEPARTMENT OF PARKS AND RECREATION	CT1-846-20218802148	6/9/2021	BG-221M - Brooklyn Street Tree Planting FY21 - Community Boa	\$500,000.00	21	100%	0	0%	0	0%
29	DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES	CT1-856-20218800950	1/22/2021	eDevelopment of Everybody Matters EEO D	\$57,060.00	21	100%	0	0%	0	0%
30	DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES	CT1-856-20218801134	3/3/2021	BLANKET ORDER FOR PLUMBING SUPPLY CATALOGS TO BE UTILIZE	\$99,999.99	21	100%	0	0%	0	0%
31	DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES	CT1-856-20218801596	4/22/2021	Translation Services	\$97,070.00	21	100%	0	0%	0	0%
32	DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES	CT1-856-20218801721	5/19/2021	Upgrade Various Applications to Angular	\$85,760.00	21	100%	0	0%	0	0%
33	DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES	CT1-856-20218802080	6/10/2021	A solicitation was performed to attain pricing for the urgen	\$195,000.00	21	100%	0	0%	0	0%
34	DEPARTMENT OF INFO TECHNOLOGY & TELECOMMUNICATIONS	CT1-858-20218801445	4/13/2021	EXTERNAL PLATFORM TESTING	\$484,906.00	21	100%	0	0%	0	0%
35	DEPARTMENT OF INFO TECHNOLOGY & TELECOMMUNICATIONS	CT1-858-20218801472	3/30/2021	EARRAIGNMENT - SDOCS LICENSES AND ANNUAL SUPPO	\$54,625.00	21	100%	0	0%	0	0%
36	DEPARTMENT OF INFO TECHNOLOGY & TELECOMMUNICATIONS	CT1-858-20218801484	3/30/2021	TWILIO SENDGRID RENEWAL	\$59,015.34	21	100%	0	0%	0	0%
37	DEPARTMENT OF INFO TECHNOLOGY & TELECOMMUNICATIONS	CT1-858-20218801526	4/12/2021	MOCTO- HARDWARE NEEDS FOR 22READE ST RELO	\$30,208.44	21	100%	0	0%	0	0%
38	DEPARTMENT OF INFO TECHNOLOGY & TELECOMMUNICATIONS	CT1-858-20218801583	4/21/2021	7-858-0009A - NYC3 Threat Management Specialist	\$461,125.00	21	100%	0	0%	0	0%
39	DEPARTMENT OF INFO TECHNOLOGY & TELECOMMUNICATIONS	CT1-858-20218801814	6/17/2021	VIAVI CONTRACT RENEWAL	\$33,438.44	21	100%	0	0%	0	0%
40	FIRE DEPARTMENT	CT1-057-20218801135	2/25/2021	Food Preparation Services for the First Line	\$394,363.20	21	100%	0	0%	0	0%
TOTAL						835	99%	5	1%	0	0%

There were 14 agencies that awarded 35 contracts using the M/WBE Noncompetitive Small Purchase method where no exceptions were noted. There was 99% compliance with relevant procedural requirements assessed for these 35 contracts.

There were five (5) agencies that awarded five (5) contracts that had at least one (1) attribute marked as “Exception noted – Criteria not met”.

Of the five (5) agencies that had at least one attribute marked as “Exception noted – Criteria not met”, three (3) agencies also had contracts reviewed in the scope of this report where there were no exceptions noted. In the areas where exceptions were noted, MOCS and OM/WBE will provide the targeted training and support needed for agencies to fully comply with the procedural requirements of the M/WBE Noncompetitive Small Purchase procurement method. MOCS and OM/WBE will continue to enhance guidance materials and emphasize the relevant topics in their ongoing training sessions with all agencies. The requirement for Agencies to initiate all M/WBE Noncompetitive Small Purchases in PASSPort has given MOCS and oversight partners increased visibility into agencies’ compliance with procedural requirements of the procurement method prior to contract award and registration.