

Office of Operations' 2024 Virtual Fall Conference

# Procurement Thresholds

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New York State Comptroller  
**THOMAS P. DINAPOLI**

# Course Description

## Procurement Thresholds

This course will provide an overview of the varying State Finance Law §112 contract approval thresholds and State Finance Law §163 discretionary purchasing thresholds. Attendees will gain an understanding of the differences between these two types of thresholds and how they interact in State procurement.



# Presenters

From the 163 Goods & Services Team



Christina  
Crasto



Mark  
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Katie  
Langford



Ashley  
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# Agenda

- Approval Requirements
- Order of Purchasing Priority
- Advertisements
- OSC Pre-Approval Thresholds
- Discretionary Purchases
- Procurement Record





# Approval Requirements



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# Approval of Contracts

## State Finance Law (SFL) Article 7, §112

- Authorizes OSC to pre-audit State agency contracts
- Establishes monetary thresholds for OSC contract pre-approval
- Specifies time frames for OSC approval determination



# Bureau of Contracts (BOC)

- Ensures agency procurement processes adhere to approval requirements
- Helps detect, deter and prevent fraud and waste
- Enables information-gathering while promoting openness, fairness and transparency



# Order of Purchasing Priority



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# Order of Purchasing Priority

## SFL Article 11, §163(3)

1. Preferred Source Offerings (SFL Article 11, §162)
2. Office of General Services (OGS) Centralized Contracts
3. Agency or multi-agency established contracts
4. Other procurement methods



# Preferred Sources

## SFL Article 11, §162

- Preferred Source Providers
  - ✓ Corcraft
  - ✓ New York State Preferred Source Program for People Who are Blind (NYSPSP)
  - ✓ New York State Industries for the Disabled (NYSID)



# OGS Centralized Contracts

## Guide to Financial Operations (GFO) XI.8.A Centralized Contracts

- Established commodity, service and technology contracts
- Created by OGS for use by authorized users



# Agency/Multi-Agency Contracts

## GFO XI.8.B Multi-Agency Contracts

- Contract is one awarded with the intention to be utilized by more than one Agency or authorized user
- Applicable prefixes include:
  - ✓ CC = Combined Contracts
  - ✓ CM = Multi-Agency Contracts



# Other Procurement Methods

## SFL Article 11, §163

- Competitively bid procurement
- Sole or single source procurement
- Piggybacking
- Consortium contracts
- Emergency purchases
- Discretionary purchases



# Aggregate Purchases

## SFL Article 11, §163(6-b)

- Reasonably expected aggregate amount of all purchases of the same commodities or services to be made within the twelve-month period commencing on the date of purchase
- Purchases of services or commodities not to be artificially divided for the purpose of satisfying the discretionary buying thresholds





# Advertisements



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# Advertising Requirements

## Economic Development Law (COM) Article 4-C, §143

- Advertise for purchases equal to or greater than \$50,000
- Publish for 15 business days
- Encourage competition





# NYS Contract Reporter

The screenshot shows the NYS Contract Reporter website. At the top left is the New York State logo. To its right are navigation links for "Services", "News", and "Government". Below this is a green alert box with text about a scam involving fraudulent State agency purchase orders. Underneath the alert is a statistics section with three bars: "Opportunities posted today" (55), "Opportunities posted in the last 7 days" (226), and "Total available opportunities" (937). To the right of the statistics is the main header "The New York State Contract Reporter" with the URL "NYS CR .ny.gov" and a tagline "NYS' official source of contracting opportunities. Bringing business and government together." There are also buttons for "Log In", "Sign up and register for your free account!", and "Click here to get started!". Below the header is a navigation bar with four options: "I want to find contracts to bid on", "I want to advertise opportunities", "Learn about the New York State Business Registry", and "Learn about the New York State Business Registry". At the bottom of the page are four large, colorful buttons: "I want to find contracts to bid on" (green), "I want to advertise opportunities" (blue), "Learn about the New York State Business Registry" (orange), and "Learn about doing business with New York" (purple).



# Example of Advertisement

 The New York State Contract Reporter  
NYS' official source of contracting opportunities  
Bringing business and government together

This document printed Thursday, 04/18/2024

**Contracting Opportunity**

**Title:** [REDACTED]

**Agency:** [REDACTED]

**Division:** [REDACTED]

**Contract Number:** [REDACTED]

**CR Number:** [REDACTED]

**Contract Term:** 5 Years

**Date of Issue:** 04/17/2024

**Due Date/Time:** 05/21/2024 2:00 PM  
Deadline for Submission of Bidder Questions: April 29, 2024

**County(ies):** All NYS counties

**Location:** All NYS Counties

**Classification(s):** Medical & Health Care - *Consulting & Other Services*

**Opportunity Type:** General

**Description:** [REDACTED]





# OSC Pre-Approval Thresholds



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# Revenue & Repayment Threshold

## SFL Article 7, §112(3)

- Contracts where the State agrees to give consideration other than the payment of money, is over \$25,000 for all agencies



# Pre-Approval Thresholds

## SFL Article 7, §112(2) – Expenditure Contracts

- State Agency expenditure contracts exceeding \$50,000
- OGS Finance and Business Services Center (BSC) exceeding \$85,000



# Pre-Approval Thresholds

## Education Law (EDN) §355, §373, §6218 and §6275

- State University Construction Fund (SUCF) and City University Construction Fund (CUCF) contracts over \$75,000
- State University of New York (SUNY) and City University of New York (CUNY) contracts for goods, services, and printing over \$75,000
- State University Health Care Facility contracts over \$150,000



# Pre-Approval Thresholds

## SFL Article 7, §112(2)(a)(i)

- OGS Centralized Contracts over \$125,000



# Pre-Approval Thresholds

## SFL Article 7, §112(2)(a)(i)

- State Agency purchases from OGS Centralized Contracts over \$200,000





# OC Transactions

## GFO XI.8.A Centralized Contracts

- State agency purchases from OGS Centralized Contracts over \$200,000
- OC prefix unless otherwise specified
- OGS Centralized Contract How to Use Guide
  - ✓ Vendor selection
  - ✓ Price justification
  - ✓ Transaction term





# Discretionary Purchases



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# Discretionary Purchasing

## OGS Discretionary Purchasing Guidelines

- Estimate reasonably expected aggregate amount of all purchases within the twelve-month period commencing on the date of purchase
- Ensure commodities and services meet form, function and utility needs
- Document vendor selection rationale and price reasonableness
- Assess [Vendor Responsibility](#)



# NYS Agriculture

## SFL Article 11, §163(6)(e)

- Certain agricultural commodities grown, produced, or harvested in NYS not exceeding \$200,000
- Food, including milk, milk products, animals, or plant fiber products
- Textile products manufactured from animal or plant fiber grown or produced predominantly in NYS



# NYS Small Businesses

## SFL Article 11, §163(6)(c)

- Small business concerns services, commodities or technology not exceeding \$500,000
- Business resides in New York State
- Independently owned and operated



# Recycled or Remanufactured

## SFL Article 11, §163(6)(c)

- Recycled or remanufactured commodities or technology not exceeding \$500,000
- Specified minimum percentage by weight of post-consumer material
- Restored to its original performance standards and function



# MWBEs

## NYS Executive Law, Article 15-A

- Minority or Women-Owned Business Enterprises (MWBEs) not exceeding \$750,000
- NYS Empire State Development (ESD) certified
- [MWBE Directory](#)



# SDVOBs

## NYS Veterans' Services Law, Article 3

- Certified Service-Disabled Veteran-Owned Businesses (SDVOBs) not exceeding \$750,000
- NYS Office of General Services (OGS) certified
- [SDVOB Directory](#)





# Discretionary Advertisement

 The New York State Contract Reporter  
NYSOCR.ny.gov  
NYS official source of contracting opportunities  
Bringing business and government together

This document printed  
Thursday, 07/25/2024

**Contracting Opportunity**

**Title:** [REDACTED]  
**Agency:** [REDACTED]  
**Division:** Finance  
**Contract Number:** [REDACTED]  
**CR Number:** 2112114  
**Contract Term:** [REDACTED]  
**Date of Issue:** 07/22/2024  
**Due Date/Time:** 08/12/2024  
**County(ies):** All NYS counties  
**Location:** [REDACTED]  
**Classification:** Information Technology - Commodities  
**Opportunity Type:** Discretionary procurements between \$50,000 and \$750,000  
**Entered By:** [REDACTED]  
**Description:** [REDACTED]

**Service-Disabled Veteran-Owned Set Aside:** No  
**Business entities awarded an identical or substantially similar procurement contract within the past five years:**  
N/A



# Discretionary Advertising Examples

## Recommended Language for Contract Reporter Notification

### Alternative I:

- Agency X intends to purchase (insert project description, e.g., 1,000 widgets) pursuant to its discretionary purchasing authority under State Finance Law §163(6), which authorizes purchases without a formal competitive process in certain circumstances, including purchases from New York State small businesses, from businesses certified pursuant to Article 15-A of the New York State Executive Law, if applicable, from businesses selling commodities or technology that are recycled or remanufactured or commodities that are food, including milk and milk products, grown, produced or harvested in New York State. Interested parties should contact (agency designated contact/purchasing officer) to discuss this opportunity.



# Discretionary Advertising Examples

## Alternative II:

- Agency X intends to purchase (insert project description, e.g., 1,000 widgets), pursuant to its discretionary purchasing authority under State Finance Law §163(6). Interested parties should contact (agency designated contact/purchasing officer) for more details about this opportunity.



# Discretionary Advertising Examples

## Alternative III:

- Agency X intends to procure (insert project description, e.g., 1,000 widgets) pursuant to its discretionary purchasing authority under State Finance Law §163(6). This procurement opportunity is limited to New York State businesses certified pursuant to Article 15-A of the New York State Executive Law.



# Discretionary Advertising Examples

## Alternative IV:

- Agency X intends to procure (insert project description, e.g., 1,000 widgets) pursuant to its discretionary purchasing authority under State Finance Law §163(6). This procurement opportunity is limited to New York State small businesses.



# Discretionary Advertising Examples

## Alternative V:

- Agency X intends to procure (insert project description, e.g., 1,000 widgets) pursuant to its discretionary purchasing authority under State Finance Law §163(6). This procurement opportunity is limited to New York State small businesses, businesses certified pursuant to Article 15-A of the New York State Executive Law, if applicable, businesses selling commodities or technology that are recycled or remanufactured or commodities that are food, including milk and milk products, grown, produced or harvested in New York State.





# Procurement Record



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# Discretionary Procurement Record

- OSC approval required based on Agency's pre-audit threshold pursuant to SFL §112
- Formal solicitation document not required
- Contract Reporter advertisement if over \$50,000
- Price reasonableness
  - ✓ Obtain informal quotes
  - ✓ Compare to other governmental entities or similar institutions
  - ✓ Review historic costs for assessment







# Formal Procurement Record

- Documentation Order Guide for Procurement Contracts and Contract Amendments
- GFO XI.2.E Submission of Agency Contracts and Amendments



# Procurement Record Categories

Documents In File Cabinet (1)	
Documents From All Sequence Numbers (4)	
Document	Date Received
 <a href="#">Transaction Identifying Documents</a> Transaction Identifying Documents	02/09/2024
 <a href="#">Contract</a> Contract	02/08/2024
 <a href="#">Procurement Documents</a> Procurement Documents	02/08/2024
 <a href="#">Vendor Responsibility and Integrity</a> Vendor Responsibility and Integrity	02/08/2024

 Add Document to Transaction  Activity Feed



# Transaction Identifying Documents

Transaction Identifying Documents	Contract	Procurement Record Documents	Vendor Responsibility Documents
<ul style="list-style-type: none"><li>• Memo</li><li>• Procurement Record Checklist</li><li>• Non-Approval Letter, if resubmission</li><li>• CRER Approval Letter, if applicable</li></ul>			



# Contract

Transaction Identifying Documents	Contract	Procurement Record Documents	Vendor Responsibility Documents
<ul style="list-style-type: none"><li>• Memo</li><li>• Procurement Record Checklist</li><li>• Non-Approval Letter, if resubmission</li><li>• CRER Approval Letter, if applicable</li></ul>	<ul style="list-style-type: none"><li>• Contract</li><li>• Office of the Attorney General Approval</li></ul>		



# Procurement Record Documents

Transaction Identifying Documents	Contract	Procurement Record Documents	Vendor Responsibility Documents
<ul style="list-style-type: none"> <li>• Memo</li> <li>• Procurement Record Checklist</li> <li>• Non-Approval Letter, if resubmission</li> <li>• CRER Approval Letter, if applicable</li> </ul>	<ul style="list-style-type: none"> <li>• Contract</li> <li>• Office of the Attorney General Approval</li> </ul>	<ul style="list-style-type: none"> <li>• Advertising Documents</li> <li>• Certified Bid Tabulation</li> <li>• IFB or RFP</li> <li>• Evaluation Documents</li> <li>• Award Documents</li> <li>• Post Award Documents</li> <li>• Other Required Forms</li> </ul>	



# Vendor Responsibility Documents

Transaction Identifying Documents	Contract	Procurement Record Documents	Vendor Responsibility Documents
<ul style="list-style-type: none"> <li>• Memo</li> <li>• Procurement Record Checklist</li> <li>• Non-Approval Letter, if resubmission</li> <li>• CRER Approval Letter, if applicable</li> </ul>	<ul style="list-style-type: none"> <li>• Contract</li> <li>• Office of the Attorney General Approval</li> </ul>	<ul style="list-style-type: none"> <li>• Advertising Documents</li> <li>• Certified Bid Tabulation</li> <li>• IFB or RFP</li> <li>• Evaluation Documents</li> <li>• Award Documents</li> <li>• Post Award Documents</li> <li>• Other Required Forms</li> </ul>	<ul style="list-style-type: none"> <li>• Vendor Responsibility Profile</li> <li>• Vendor Responsibility Questionnaire</li> <li>• Workers' Compensation &amp; Disability Benefits Certifications</li> </ul>



# Questions?



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# Resources

- [CUNY Procurement Policy and Procedures](#)
- [Education Law \(EDN\)](#)
- [Economic Development Law \(COM\)](#)
- [Guide to Financial Operations \(GFO\)](#)
- [MWBE Directory](#)
- [NYS Contract Reporter](#)
- [NYS Executive Law \(EXC\)](#)
- [NYS Procurement Bulletin Discretionary Purchasing Guidelines](#)





# Resources

- [NYS Procurement Guidelines](#)
- [OGS Centralized List of Contracts](#)
- [Open Book New York](#)
- [OSC Training Presentations](#)
- [Preferred Source Offerings](#)
- [SDVOB Directory](#)
- [SUNY Procedure 7553](#)
- [State Finance Law \(SFL\)](#)
- [Veterans' Services Law \(VET\)](#)



# Contact Information

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