

Office of Operations 2022 Fall Conference

Vendor Responsibility

How to Assess and Document Information



NYS COMPTROLLER

THOMAS P. DiNAPOLI

Vendor Responsibility (VR)

Agenda

- Vendor Responsibility Basics
- Vendor Review & Assessment
- Document Responsibility Review
- Best Practices
- Resources
- Q & A



Vendor Responsibility Basics



Components of a Responsible Vendor

F

- **Financial and Organizational Capacity**
 - able to fully perform contractual obligations

L

- **Legal Authority**
 - to do business with the State

I

- **Integrity**
 - can be trusted with the award of public dollars

P

- **Past Performance**
 - has good record of past performance



Why is Vendor Responsibility Important?

- Protects the Agency and State against failed contracts
- Pro-actively solves and mitigates problems
- Avoids contracting with non-responsible vendors
- Protects public funds and promotes fairness



Vendor Review and Assessment



Components of an Agency Responsibility Review

- Review of the vendor's disclosures
- Independent research relating to the vendor's financial and legal standing, integrity and past performance
- Assessment of all issues



Considerations for Adverse Findings

- Is vendor legally prohibited from contracting with NYS?
- Any concerns regarding vendor's ability to meet and adhere to contract requirements?
- What were the vendor's actions to resolve/mitigate the issue(s)?
- Is your Agency willing to proceed with this vendor?



When to Assess an Issue

Whenever...

- The vendor discloses an issue
- Your Agency finds an issue
- OSC finds an issue requiring assessment



Documenting Responsibility Review



Vendor Responsibility Profile

<http://osc.state.ny.us/vendrep/documents/vendrep/ac3273s.pdf>

AC 3273-S (Rev. 5/13) Page 1 of 2

OFFICE OF THE STATE COMPTROLLER - BUREAU OF CONTRACTS VENDOR RESPONSIBILITY PROFILE

Part I – Contract Information - Complete for all transactions.			
1. Business Unit	2. Department ID #	3. Department Name	
4. Contract/PO #	5. Amendment Sequence #	6. Transaction Amount \$	7. Total Contract Value \$
8. Vendor Name		9. NYS Vendor ID #	10. Taxpayer ID/EIN #
11. Contractor Type: <input type="checkbox"/> Prime Contractor <input type="checkbox"/> Subcontractor			
12. Contract Description			
13. State contracting entity contact for this transaction – Name, Phone, Email			
14. Were any issues disclosed by vendor and/or found by State contracting entity? <input type="checkbox"/> Yes <input type="checkbox"/> No (If “Yes,” provide details using Attachment A, Item 1.)			
15. If this is a new contract or renewal, has the vendor’s documentation of New York State Workers’ Compensation and Disability Benefits coverage or exemption been verified as accurate, up-to-date, and included as part of the procurement package as outlined in GFO XL18.G? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A (If “No,” provide details using Attachment A, Item 2.)			
Part II – Vendor Disclosure and State Contracting Entity Process – Complete for a new contract valued at \$100,000 or more, or an amendment that brings total approved amount to \$100,000 or more for the first time.			
16. Identify disclosures used in this review that were <i>provided by the vendor</i> . Check all that apply and attach all pertinent items. (Information found on the VendRep System should NOT be printed for OSC.)			
<input type="checkbox"/> Online VendRep Questionnaire Date Certified:		<input type="checkbox"/> Hard Copy Questionnaire (Must attach, if used) Date Certified:	
<input type="checkbox"/> Financial Statements	<input type="checkbox"/> Solicitation Document Responses	<input type="checkbox"/> Vendor Correspondence	
<input type="checkbox"/> Other Vendor Disclosure - Describe:			
<i>All reviews must be thorough and comprehensive to mitigate any risks to public funds or services.</i>			
17. Is a description of the State contracting entity’s process included in Attachment A, Item 2? <input type="checkbox"/> Yes <input type="checkbox"/> No If “No,” explain:			
Part III – State Contracting Entity Responsibility Determination			
The above named contracting entity has undertaken an affirmative review of the proposed contractor’s responsibility and, based upon such review, has reasonable assurance that the proposed contractor is:			
<input type="checkbox"/> Responsible <input type="checkbox"/> Non-Responsible			
Signature		Date:	
Print Name:		Title:	



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OFFICE OF THE STATE COMPTROLLER - BUREAU OF CONTRACTS VENDOR RESPONSIBILITY PROFILE

Attachment A

Business Unit #	Department ID #
Contract/PO #	Amendment Sequence #
Vendor Name	NYS Vendor ID #

Item 1: Issue Detail

For each issue disclosed by the vendor or found by the State contracting entity, describe the issue and its resolution.

Note: In the "Resolution" field, include the State contracting entity's assessment of the issue, its relevance to the vendor's responsibility for this procurement (including any supporting reasons), and any corrective or mitigating actions taken by the State contracting entity or vendor in response to the issues (attach additional pages if necessary). **If the State contracting entity believes the issue has no impact on this transaction, state the reason(s) justifying such statement.**

Issue Description	State Contracting Entity Resolution
1.	
2.	
3.	

Item 2: State Contracting Entity Process

Describe the steps **taken by the State contracting entity** to determine vendor responsibility including consideration of the vendor disclosures and the independent State contracting entity research, including but not limited to, internet sources, contracting entity records, and internal or external communication. If a Resource Checklist was used, it is acceptable to submit the completed list in lieu of describing the process.

Note: Do **not** submit copies of website search results or information found on the VendRep System.



Documenting the Agency Review



- Detailed summary of each issue resolution
- Contributing factors
- Vendor actions
- Issue status
- Agency explanation & resolution



Issues Documented on Profile



Item 1: Issue Detail

Issue Description	State Contracting Entity Resolution
1. Internal control issues	Vendor implemented corrective action plan
2. OSHA violations	Closed
3. Question 7.0	Ongoing



Issues Documented on Profile



Item 1: Issue Detail

Issue Description	State Contracting Entity Resolution
A search of the OSHA website found 2 current <u>serious</u> violations for the vendor with a total penalty amount of \$5,660.	Violations corrected on site, penalties paid, and case is closed. Vendor updated safety procedures to prevent future incidents. This has no impact on the overall responsibility determination for this vendor contract BECAUSE...



Issues Documented on Profile



Item 1: Issue Detail

Issue Description	State Contracting Entity Resolution
<p>While searching the NYS Department of State Tax Warrant Notice System, an unpaid tax warrant was found for \$2,674.93 belonging to a Jane Smith, which is the name of the vendor's Vice President of Finance.</p>	<p>Vendor supplied information (address history, affidavit statement, emailed confirmation, etc.) confirming the individual named on this warrant is not associated with this vendor. This issue has no impact on the responsibility determination</p> <p>BECAUSE...</p> <p>OR</p>



Issues Documented on Profile



Item 1: Issue Detail

Issue Description	State Contracting Entity Resolution
<p>While searching the NYS Department of State Tax Warrant Notice System, an unpaid tax warrant was found for \$2,674.93 belonging to a Jane Smith, which is the name of the vendor's Vice President of Finance.</p>	<p>Vendor has verified the person is an employee and has provided proof of a payment plan (see attached). This issue has no impact on our vendor responsibility determination BECAUSE...</p>



Issues Documented on Profile



Item 1: Issue Detail

Issue Description	State Contracting Entity Resolution
<p>A review of the vendor's financials in Grants Gateway shows the vendor's IRS 990 for fiscal year 2020 has a reported net loss of \$20,432 and a negative fund balance of \$1,290,000.00.</p>	<p>Vendor has provided an explanation of loss [provide summary detail] and has put into place a corrective action plan [summarize plan].</p> <p>This issue has no impact on our vendor responsibility determination for this vendor</p> <p>BECAUSE...</p>



Issues Documented on Profile



Item 1: Issue Detail

Issue Description	State Contracting Entity Resolution
<p>A Google search revealed a 2021 lawsuit alleging patent infringement. The vendor explains the case is ongoing.</p>	<p>The vendor denies these allegations and continues to contest the case during ongoing legal proceedings.</p> <p>The Agency will continue to monitor this issue and provide updates to OSC when appropriate.</p> <p>We find this issue to have no impact on our current responsibility determination</p> <p>BECAUSE...</p>



Issues Documented on Profile



Item 1: Issue Detail

Issue Description	State Contracting Entity Resolution
<p>The vendor disclosed a government audit that was conducted within the last 3 years which reported material weaknesses.</p>	<p>Vendor has initiated the following corrective plan [provide specifics] to prevent future occurrences.</p> <p>We find this issue has no impact on our responsibility determination</p> <p>BECAUSE...</p>



Issues Documented on Profile



Item 1: Issue Detail

Issue Description	State Contracting Entity Resolution
Vendor disclosed on its questionnaire that it withdrew its bid for a recent state contract [identify state agency and contract number]	The vendor requests to withdraw its bid due to a math error. We find this issue has no impact on our responsibility determination for this contract BECAUSE...



Issues Documented on Profile



Item 1: Issue Detail

Issue Description	State Contracting Entity Resolution
<p>WARN notice issued to the NYS Department of Labor (NYS DOL) on 8/10/20, alerting the NYS DOL of the layoff of 76 employees located in the "Revenue Excellence Departments."</p>	<p>Most colleagues were offered the opportunity to transfer to similar role in system office in Michigan -- with some being able to work remotely in Albany.</p> <p>Our agency believes this issue will not impact the vendor's ability to fulfill the requirements of this contract</p> <p>BECAUSE...</p>



Best Practices



It's the Little Things

Why Details Matter



Completed Documents

Current Information

Required Signatures



Vendor Responsibility Profile

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<http://osc.state.ny.us/vendrep/documents/vendrep/ac3273s.pdf>



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Vendor Responsibility Profile

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<input type="checkbox"/> Responsible <input type="checkbox"/> Non-Responsible		
Signature	Date:	
Print Name:	Title:	

<http://osc.state.ny.us/vendrep/documents/vendrep/ac3273s.pdf>



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	Issue Description	State Contracting Entity Resolution
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3.		

Item 2: State Contracting Entity Process

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<http://osc.state.ny.us/vendrep/documents/vendrep/ac3273s.pdf>



State Contracting Entity Process

Item 2: State Contracting Entity Process

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State Contracting Entity Process



Item 2: State Contracting Entity Process

Vendor's Responsibility Questionnaire



State Contracting Entity Process



Item 2: State Contracting Entity Process

Reviewed questionnaire and confirmed responses by conducting searches on the following websites:

Google, NYS DOS Warrants, NYS DOS Corporations, Workers' Comp Board, OSHA, NYS AG, OGS, OSC, OPWDD, and checked WCB/DOL Debarments.

In addition, our Agency has worked with this vendor on numerous occasions over the past 5 years, no service concerns.



Vendor Responsibility Questionnaire

Office of the State Comptroller
Online Services

New York State Comptroller
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Logout

Contract Search

My Apps

VR
VendRep
 SYSTEM

- HOME
- SEARCH VENDORS
- NOTIFICATION
- VIEW USERS
- GENERAL HELP
- FEEDBACK

Home > Vendor Search Results > Vendor Summary

[VALHALLA CUSTOM BUILDING AND SUPPLY, INC.](#) [Contract Data](#)

Vendor Summary

Legal Business Entity: VALHALLA CUSTOM BUILDING AND SUPPLY, INC.

Entity Information:

Legal Name: VALHALLA CUSTOM BUILDING AND SUPPLY, INC.
TIN (EIN or SSN): 129746329
Vendor ID: PRD0002841
Principal Place of Business: 1245 Western Avenue
 Albany, NY 12206
 United States
Telephone: (518)555-1234
Fax: (518)555-9999
Website: www.....
Email: iwaldorf@osc.state.ny.us

Form Information:

Business Type: Not-For-Profit
Business Activity: Non-Construction

Forms: [History](#)

Active Certified Form:

Form Name	Date Certified	Action
Vendor Responsibility NFP	Nov 27, 2017	View

Certified Form History:

Form Name	Date Certified	Action
Vendor Responsibility For-Profit Construction (CCA-2)	Jul 30, 2014	View
Vendor Responsibility For-Profit Construction (CCA-2)	Jul 28, 2014	View
Vendor Responsibility For-Profit Construction (CCA-2)	Jun 25, 2014	View



Vendor Responsibility Questionnaire

Office of the State Comptroller
Online Services

New York State Comptroller
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Logout

Contract Search

My Apps

Home > Vendor Search Results > Vendor Summary > Form Overview

[VALHALLA CUSTOM BUILDING AND SUPPLY, INC.](#) [Contract Data](#)

VendRep SYSTEM

- HOME
- SEARCH VENDORS
- NOTIFICATION
- VIEW USERS
- GENERAL HELP
- FEEDBACK

Form Overview

Form: Vendor Responsibility NFP
Status: [Certified](#)
Date Certified: Nov 27, 2017
Certified By:
Certifier's Title: XXX
Entity Information: [Basic Vendor Data](#)

Section	Modified	Modified By	Action
 I. Business Characteristics	Jan 10, 2017		View
II. Affiliates and Joint Venture Relationships	Jan 9, 2013		View
III. Contract History	Nov 27, 2017		View
IV. Integrity - Contract Bidding	Jun 27, 2013		View
V. Integrity - Contract Award	Feb 1, 2013		View
VI. Certifications/Licenses	Jan 9, 2013		View
 VII. Legal Proceedings	Nov 27, 2017		View
VIII. Leadership Integrity	Jan 9, 2013		View
IX. Financial and Organizational Capacity	May 31, 2013		View
X. Freedom of Information Law (FOIL)	May 31, 2013		View



Vendor Responsibility Questionnaire

Look back timeline

- 3 years for government audits
- 5 years general information
- 7 years for bankruptcies



Subcontractors

- Known at the time of award and valued at \$100k or more over the life of the contract
- WC/DB coverage required if vendors perform work in NY
- Subject to the same vendor review requirements



Resources



Resources

<http://osc.state.ny.us/vendrep/webresources.htm>



The screenshot shows the website for the Office of the New York State Comptroller, Thomas P. DiNapoli. The page is titled "Research Vendor Information" and is part of the "Vendor Responsibility" section. The left sidebar contains a menu with the following items: "Vendor Responsibility", "File a Questionnaire", "VendRep System", "Forms", "The Review Process", "Documentation Requirements", "Research Vendor Information" (circled in red), "Invoices, Purchase Orders and Payments", "Contracts and Procurements", and "Get Help". The main content area includes a heading "Research Vendor Information", a paragraph explaining that the links provide access to information resources for state contracting entities, a disclaimer that the office does not endorse these resources, and a list of links: "Legal/Regulatory Authority to Do Business", "Integrity", "Financial and Organizational Capacity", "Performance", and "General Resources". A PDF link for "Web Resource Guide - printer-friendly version (PDF)" is also present.

Office of the NEW YORK
STATE COMPTROLLER
NYS Comptroller
THOMAS P. DINAPOLI

Home > State Vendors > Vendor Responsibility > Research Vendor Information

Vendor Responsibility

- File a Questionnaire
- VendRep System
- Forms
- The Review Process
- Documentation Requirements
- Research Vendor Information**
- Invoices, Purchase Orders and Payments
- Contracts and Procurements
- Get Help

Research Vendor Information

The links below provide access to information resources that a State contracting entity may find helpful when completing a vendor responsibility review. Each resource has a short description and the link to the applicable website.

The Office of the State Comptroller does not endorse these resources or guarantee their accuracy.

- [Legal/Regulatory Authority to Do Business](#)
- [Integrity](#)
- [Financial and Organizational Capacity](#)
- [Performance](#)
- [General Resources](#)

• [Web Resource Guide - printer-friendly version \(PDF\)](#)



Workers' Compensation Board Employer Coverage Search

http://www.wcb.ny.gov/content/ebiz/icempcovsearch/icempcovsearch_overview.jsp

- Vendor's name and Federal employee identification number (FEIN) must match the vendor's information on the contract record
- Period of coverage must be current
- Forms must be signed



Resources



Topics	Training Title	Event Name/Date	Owner/Presenter	Presentation	Handouts
Procurement	Completing the Vendor Responsibility Profile - Part 1	eLearning	Bureau of Contracts	Video (mp4)	State employees: Watch video in SLMS & receive a completion certificate
Procurement	Completing the Vendor Responsibility Profile - Part 2	eLearning	Bureau of Contracts	Video (mp4)	State employees: Watch video in SLMS & receive a completion certificate



Contact Us

OSC Vendor Responsibility Team

VendRepauditor@osc.ny.gov

OSC Help Desk

866-370-4672 or 518-408-4672

ITServiceDesk@osc.ny.gov



Vendor Responsibility Team Contacts

Team Members	Phone Number	Email Address
Gregory Knox - Team Lead	838-910-4086	gknox@osc.ny.gov
Craig Coutant - Supervisor	838-910-4079	ccoutant@osc.ny.gov
Carmen Story - Supervisor	838-910-4071	cstory@osc.ny.gov
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Nicole Macy	838-910-4114	nmacy@osc.ny.gov
Danial Small	838-910-4080	dismall@osc.ny.gov
Tammie Sobieraj	838-910-4133	tsobieraj@osc.ny.gov
Kerri Brannigan	838-910-4099	kbrannigan@osc.ny.gov
Stephen Soldani	838-910-4131	ssoldani@osc.ny.gov
Vanessa Hartnett	838-910-4134	vhartnett@osc.ny.gov



Questions





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