



**Danya Labban**  
Auditor General

**MEMORANDUM**

**TO:** Charlette Hamamgian, Deputy Comptroller, Contracts and Procurement  
**CC:** Karine Apollon, Kebrina Carter, Elisheba Lewi, Jodi Sammons Chan, Frank Walston, Matthew Coffey  
**FROM:** Office of Auditor General  
**DATE:** May 15, 2024  
**RE:** Minority and Women-owned Business Enterprises Noncompetitive Small Purchase Method: Procedural Compliance Review

**Overview**

In January 2020, the City of New York adopted the Minority and Women-Owned Business Enterprises (M/WBE) Noncompetitive Small Purchase Method that enables City agencies to award contracts of up to \$500,000 for goods, professional services, and standard services directly to M/WBEs. With this launch, the Comptroller issued a Conditional Delegation and Approval to establish a maximum value of \$500,000 for the “self-registration” (in FMS) of these contracts awarded by the Department of Education (DOE), pursuant to NYC Charter § 328, as established in the DOE’s Procurement Policy and Procedures § 1-07(b), and pursuant to the internal procedures by the DOE regarding such contracts. This delegation and approval are contingent on terms in the conditional delegation, including a compliance review of at least 10% of all M/WBE Noncompetitive Small Purchase contracts awarded each quarter.

At the behest of the Office of Supplier Diversity (OSD), the Office of Auditor General (OAG) completed the review of the M/WBE Noncompetitive small purchase method of one contract for the period of January 1, 2024 through March 31, 2024.

**Selection and Scope**

OAG was provided with all M/WBE contracts self-registered by DOE’s Division of Contract and Purchasing (DCP) for the period of January 1, 2024 and March 31, 2024 (18 total). The Rat-Stat 2019 software was utilized to randomly select 10% of those contracts for review, with a minimum of one per quarter. The selected contracts included:

	<b>UAO Enterprises Inc.</b>	<b>Valles Vendiola LLP</b>
<b>Registration Date</b>	02/13/2024	03/01/2024
<b>Contract Amount</b>	\$436,800.00	\$134,030
<b>Document ID</b>	20249456567	20249456820

## Approach and Methodology

OAG reviewed the documents included in the packages collected prior to registration and maintained by DCP for the contracts to determine compliance with 12 attributes denoted below. The attributes were agreed upon by OSD and the Mayor’s Office of Contract Services (MOCS). OAG reviewed the packages of documents for compliance with the attributes described below:

### Attributes

- 1) Solicitation documents including outreach to all vendors
- 2) Vendor Quotes/responses from all interested vendors
- 3) Signed and dated Determination of Award form
- 4) Final signed contract
- 5) Invoices and receiving documentation that were created within 30 days of self-registration, if available
- 6) DOE’s Law Department approval
- 7) MOCS approval of subcontracting exceeding 40%, if applicable
- 8) PEP Agenda containing the self-registered contract
- 9) PASSPort Responsibility Determination, if applicable
- 10) Responsibility Statement
- 11) Evidence of the Comptroller’s Courtesy Copy of Contract on file
- 12) Amendments to the contract, if available

### Review Findings

Attributes	UAO Enterprises Inc. \$436,800.00	Valles Vendiola LLP \$134,030.00
Solicitation Document	Valid	Valid
Vendor Quotes/Response	Valid	Valid
Completed Determination of Award Form	Valid	Valid
Final Signed contract	Valid	Valid
Invoice and receiving documentation (If Available at time of submission)	Not Applicable	Not Applicable
Law Department Approval	Valid	Valid
MOCS Approval if subcontracting exceeds 40%	Not Applicable	Not Applicable
PEP Agenda	Valid	Valid
PASSPort RD for any procurement initiated in PASSPort	Not Applicable	Not Applicable
Responsibility Statement	Valid	Valid
Evidence of the Comptroller’s Courtesy Copy of Contract on File	Valid	Valid
Amendments	Not Applicable	Not Applicable

**Findings Key**

Valid = The document contained all critical components

Not Applicable = The attribute was not applicable to the contract

**Review Summary**

Based on OAG's review, there were four attributes that were not applicable to both contracts; Invoices and Receiving Documentation, PASSPort RD, MOCS Approval if Subcontracting Exceeds 40%, and Amendments. All eight attributes were in compliance ("Valid") for both contracts.