THE CITY OF NEW YORK
DEPARTMENT OF SMALL BUSINESS SERVICES

ROBERT W. WALSH
COMMISSIONER

NEW YORK CITY
DEPARTMENT OF SMALL BUSINESS SERVICES

REQUEST FOR PROPOSALS FOR

NEW YORK CITY BUSINESS SOLUTIONS CENTERS
PIN# 801-SBS80155

ADDENDUM No. 1

June 17, 2008

<u>This addendum includes the following information:</u>

Section I: **Changes to the RFP**
Section II: **Questions & Answers: Questions Submitted in Writing to the Department of Small Business Services and Answered by DSBS Staff**
Section III: **Questions & Answers: Questions Submitted and Answered at the Pre-Proposal Conference on June 5, 2008**
Section IV: **List of Attendees at the Pre-Proposal Conference on June 5, 2008**
Section V: **Appendix 3 – Business Client Volume**
Section VI: **Attachment C – Acknowledgement of Addenda**

<u>Section I: Changes to the RFP</u>

The original text on page 12:
"See Appendix A for a description of the Workforce1 Career Centers"
has been changed to:
"See Appendix 1 for a description of the Workforce1 Career Centers".

The original text on page 13:
"State and justify the criteria the proposer will use to determine which clients are most appropriate for assistance (either from the Training Funds program or the State Advance NY program)"
has been changed to:
"State and justify the criteria the proposer will use to determine which clients are most appropriate for assistance from the Training Funds program."

The original text on page 13:
"State and justify the criteria the proposer will use to determine which training product is more appropriate for clients" **has been removed**.

Appendix 3 **has been added** to the Request for Proposal. Appendix 3 includes NYC Business Solutions Center Dashboards for July – September 2007, October – December 2007, and January – March 2008.

Section II: Questions & Answers: Questions Submitted in Writing to the Department of Small Business Services

Proposal Submission		
1.	Q	Will you distribute a copy of the sign in sheet from last week's bidders' conference?
	A.	The attendance sheet can be found at the end of the addendum.
2.	Q	In the Section 1 –Time table the dates do not correspond to Present Dates. Which are correct?
	A	The dates provided in the RFP are correct.
3.	Q	Under the Proposal Package Contents Checklist IV., B. pg. 16, should the organizational chart include the overall proposer's organization up to the CEO?
	A	Yes.
4.	Q	Given the complexity of the RFP, is any consideration being given to extending the proposal deadline? Proposals are due in only 17 days and that is not much time?
	A	No. All proposals are due on the deadline listed in the RFP.
5.	Q	If a proposer plans to team with or subcontract some of the services, what, if any, documents are required from the subcontractor as part of the proposal package?
	A	The respondent should include a letter of intent from the subcontractor as part of the proposal. Additional information can be found in Appendix 2 and on page 8 of the Request for Proposal.
Partnerships		
6.	Q	What are some partners used currently by existing BSC's? Are there system wide partners (Other than Workforce1 Career Centers) that are used by all the centers? Other mandated partners?
	A	The only mandated partner for the NYC Business Solutions Centers are their co-located Workforce1 Career Center, which serves as a source of job candidates meet business hiring needs. The NYC Business Solutions Centers have a wide variety of partnerships with local development corporations, Chambers of Commerce, non-traditional lenders, pro-bono attorneys, and other business services providers.
Service Delivery		
7.	Q	Our understanding from the RFP and the conference is that as a Business Solutions Center contractor, we will be responsible for working with small businesses to develop job openings and determining the qualifications that are needed for each job. However, will it be the responsibility of the One-Stop to provide eligible candidates to fill the jobs we help businesses create?
	A	Yes. The NYC Business Solutions Center will be responsible for acquiring small business customers that can benefit from hiring assistance, and then sufficiently documenting the business need. The Workforce1 Career Center is held accountable

		for recruiting and pre-screening candidates based on the documented business need. Both Centers are responsible for coordinating complementary aspects of candidate referrals and ensuring hires for the employer. The hiring goal for NYC Business Solutions Center is the same as the placement goal for the Workforce1 Career Center.
8.	Q	To what extent can we expect the One-Stop to develop a pool of candidates whose qualifications are a good match for our business clients' needs?
	A	The Workforce1 Career Centers held accountable for recruiting and pre-screening candidates based on the documented business need. A description of the Workforce1 Career Center can be found in Appendix 1.
9.	Q	Will the one stop be responsible for recruiting a sufficient number of job seekers who are well matched to our client business needs?
	A	The Workforce1 Career Center is held accountable for recruiting and pre-screening candidates for job orders developed by the Business Solutions Center. The hiring goal for NYC Business Solutions Center is the same as the placement goal for the Workforce1 Career Center.
10.	Q	If there is not a good match, or if the one stop pool is not large enough, will the Business Solutions Center contract have the authority to look elsewhere for candidates?
	A	The Business Solutions Center contractor is required to coordinate with the Workforce1 Career Center to source candidates for open job orders. The Business Solutions Center cannot source candidates from anywhere else.
11.	Q	Similarly, if there is not a good match between Workforce1 Career Center job seekers and Business Solutions Center jobs, who is responsible for bringing the system into alignment- DSBS?
	A	The Agency provides oversight and technical assistance to both the NYC Business Solutions Center and the Workforce1 Career Centers. The Agency will provide both Centers with support in order to overcome challenges in achieving hiring goals.
Performance/Outcomes		
12.	Q	Are the Minimum Annual Service Levels as described on page 7 the basis for milestone payments as described in section E on page 4? Will there be other performance-outcome measures for this contract? If yes, what are other anticipated performance measures?
	A	The Minimum Annual Service Levels described on page 7 may be the measurements used for performance-based payments. The Agency will determine measurements for performance-based payments at the time of contract negotiations.
13.	Q	What, if any, minimum outcomes would there be for services outside the scope of hiring and financing?
	A	The Agency will determine minimum outcomes for other services besides hiring and financing at the time of contract negotiations.
14.	Q	Can an approved line of credit be counted towards "Financing Applications Awarded?"
	A	As stated in the RFP, the contractor will be required to meet minimum goals for loans awarded. Approved lines of credit will be considered favorably by the Agency, but are separate from loans awarded and will be tracked and counted separately.
Agency Support		
15.	Q	Would DSBS staff be available to make joint presentations along with the proposer to prospective customers and business groups? i.e. DSBS representatives to discuss other DSBS-related programs and city-wide small business programs and issues?

	A	Agency staff from the Business Development unit may be available to assist and/or participate in client meetings, based on the nature of the client request. However, the Agency would expect that the contractor's staff will be proficient in conducting client meetings and pitching services.
16.	Q	What other assistance would be provided by DSBS and its staff in promoting the Business Solutions Center and in marketing its services?
	A	The Agency will provide the contractor with branding guidelines and marketing materials. Additionally, the Agency provides interim training for contractors on business development when relevant, and shares best practices developed by other NYC Business Solutions Centers.
Technology		
17.	Q	If the winning contractor is not familiar with the city's 311 call center and the Siebel system, where and when would training for the contractor take place? Would on-site training be available prior to contract start date?
	A	The contractor would be provided with training on all required technology at the start of the contract.
Location/Equipment		
18.	Q	It was said at the conference that there would be no rental costs and the Business Solutions Centers would continue to be housed in their current spaces. Will there be additional costs for operations such as phone systems, use of and/or leasing/buying Xerox machines and other office equipment?
	A	The respondent does not need to include rent, equipment, and security as part of the price proposal. During contract negotiations, the Agency will determine the appropriate allocations within the budget.
19.	Q	Would we be able to operate out of our own offices, or at least in our own area, or would we have to work at the Small Business Center in downtown Brooklyn?
	A	The contractor will be required to be located in the NYC Business Solutions Center sites provided by the Department of Small Business Services. Specific sites have been identified in the Bronx, Brooklyn, and Staten Island. The contractor would be required to have sufficient staff on premises at all times to maintain operations and serve walk-in clients.
20.	Q	If new equipment is required, (such as computers, networking, etc), would capital expense be assumed by DSBS?
	A	The respondent does not need to include rent, equipment, and security as part of the price proposal. During contract negotiations, the Agency will determine the appropriate allocations within the budget.
21.	Q	Can you send measurements and outlines of the BSC centers in each location and an assessment of how many staff persons can fit in the space?
	A	The contractor will be provided with measurements and outlines of the NYC Business Solutions Centers at the time of contract negotiations. Historically, the Bronx and Brooklyn Centers have had 4-6 staff, and the Staten Island Center has had 2-3 staff.

Section III: Questions & Answers: Questions Submitted and Answered at the Pre-Proposal Conference on June 5, 2008

Proposal Submission		
1.	Q	Is there a maximum page number for the proposal?
	A.	No. We expect the proposal to provide sufficient and succinct responses to all questions in the RFP.
2.	Q	Why are RFPs being offered at this time? Why are RFPs not being offered for the Manhattan and Queens sites?
	A	The Agency is seeking contractors that can attain a high volume of outcomes and demonstrate innovation in service delivery in order to achieve increasing goals.
Partnerships		
3.	Q	Do you know if partner organizations in the Bronx and Brooklyn have individual workforce goals, in order for us to assess whether or not they would be open to coordinated job placement activity.
	A	The Agency cannot provide information on workforce goals for other organizations. The Agency additionally requires that the NYC Business Solutions Centers work exclusively with the Workforce1 Career Centers to meet the hiring needs of customers.
Service Delivery		
4.	Q	The implementation date is October 1st: Will there be a transition period or opportunity to transition with the existing service provider starting on that date? Is the transition period meant to be earlier than that date? Is there any transition time envisioned in the process?
	A	The anticipated start of the contract is October 1st. The Agency will facilitate the necessary transitions at the time of contract negotiations. The contractor will be expected to begin delivering services on the first day of the contract.
5.	Q	Can we find out what the average demand for services has been for each borough?
	A	The Agency has provided dashboards of quarterly performance in Appendix 3. These dashboards represent historical performance and are not an indication of the level of service delivery that the Agency expects to achieve going forward, nor is it encompassing of all metrics that the Agency will use to measure performance in the future.
6.	Q	How many service requests do BSC's receive monthly, quarterly and yearly?
	A	The Agency has provided dashboards of quarterly performance in Appendix 3 that show service request volume by Center. These dashboards represent historical performance and are not an indication of the level of service delivery that the Agency expects to achieve going forward, nor is it encompassing of all metrics that the Agency will use to measure performance in the future.
7.	Q	What types of services have been requested?
	A	The Agency has provided dashboards of quarterly performance in Appendix 3 that show service request volume by customer group.
8.	Q	What is the ratio to walk-ins vs. non-walk-in customers?
	A	The Agency currently does not track walk-in customer volume.
9.	Q	Are calls from 311 going to the Business Solutions Center right now?
	A	Yes.

10.	Q	Is there a large volume of calls from 311?
	A	An estimated 450 calls per month get transferred from the City's 311 system to the NYC Business Solutions Centers. The 311 system currently does not break down the calls on a per Center basis.
11.	Q	Are we responsible for all requests made through 311? For example, maintenance requests? Graffiti removal?
	A	The contractor is required to answer all 311 requests routed to the Center. If the customer request does not fall into the suite of services provided by the NYC Business Solutions Centers, the contractor is required to refer the 311 request to DSBS.
12.	Q	When we are talking about clients or customers, is there a benchmark that makes them a client or customer? At what point is a client interaction deemed a "service request?"
	A	A client/customer is defined as an entrepreneur or small business that has made contact with the NYC Business Solutions Center. A service request is provided to a client/customer at the point in time when the client/customer has made a request for assistance, and the NYC Business Solutions Center has begun providing that assistance.
13.	Q	Do you need the venders to come up with different training funds products?
	A	No. We require the contractor to connect clients with the NYC Business Solutions Training Funds product, which is managed by the Agency.
14.	Q	For loan application facilitation, does DSBS have any restrictions for the source of funding? Are there any institutions that you recommend or require contractors to work with or is it open to any Community Development Financial Institution or Bank?
	A	The Agency does not restrict, recommend or require specific lenders for loan application facilitation. However, the Agency strongly advises the vendor to use discretion in choosing a legitimate, legally viable lender institution.
15.	Q	When we work with other Community Board Organizations, who have their own placement goals to place people, who gets credit for the placement? Does it vary according to borough?
	A	The Agency cannot provide information on workforce goals for other organizations. The Agency additionally requires that the NYC Business Solutions Center work exclusively with the Workforce1 Career Centers to meet the hiring needs of customers. The contractor will only receive credit for placements achieved through this process.
Performance/Outcomes		
16.	Q	Are milestone payments tied directly to annual service goals?
	A	The Minimum Annual Service Levels described on page 7 may be the measurements used for performance-based payments. The Agency will determine measurements for performance-based payments at the time of contract negotiations.
17.	Q	How do you decide payment structure?
	A	As is specified on page 4 of the RFP, the Agency will determine payment structures at the time of contract negotiations.
18.	Q	Can you clarify what you mean by managing "incentives" on page 15?
	A	The contractor is expected to manage their staff in a way that produces outcomes for clients, and is expected to meet minimum service levels. The contractor will need to provide goals and motivation for staff in order to meet minimum service levels.
19.	Q	Would DSBS consider any other performance goals as part milestone for payments?

	A	As is specified on page 4 of the RFP, the Agency will determine payment structures at the time of contract negotiations. The Agency will consider at that point in time if other performance metrics would be used for performance based payments.
20.	Q	With regard to the "number of successful financing applications" does this mean approved loans? At what point in the process would the loan application be counted toward performance goals?
	A	The contractor would be able to count a loan awarded towards annual goals at the point in time where the client was approved for the loan. The client is not required to accept the loan in order for the contractor to count the award.
21.	Q	Can we know what the historic levels of hiring have been?
	A	The Agency has provided dashboards of quarterly performance in Appendix 3 that show historic levels of achievement for hiring goals. These dashboards represent historical performance and are not an indication of the level of service delivery that the Agency expects to achieve going forward, nor is it encompassing of all metrics that the Agency will use to measure performance in the future.
Agency Support		
22.	Q	What is DSBS' role in working with the NYC Business Solutions Centers?
	A	The Agency will provide the contractor with both oversight and technical assistance in service delivery and achieving outcomes. The Agency is looking to create a franchise model, where a client can receive the same service in the same format that leads to the same outcome, irrespective of which Center the client attends. The Agency will provide the contractor with branding guidelines and marketing materials.
23.	Q	Is there any plan in place to make the Business Solutions Centers work more closely with the Workforce 1 centers?
	A	The Agency provides oversight and technical assistance to both the NYC Business Solutions Center and the Workforce1 Career Centers. The Agency will provide both Centers with support in order to overcome challenges in achieving hiring goals.
Technology		
24.	Q	Will we be required to use Siebel? What is Siebel? What technology platforms do we need to use? What is the need for interfacing systems, if at all?
	A	The Business Development Division uses Siebel CRM On-Demand as its customer relationship management tool. This is an industry standard web-based application. The contractor will be required to have high-speed internet in order to use Siebel.
25.	Q	Are both the 311 system and Siebel customer relations tools? Is it one system?
	A	The contractor does not need to be familiar with the City's 311 call center – since there is only a one-way call forward relationship – there are no systems to learn. Agency staff are trained to run reports from the 311 system – this is not a function the contractor would need to fill. The Agency will train the contractor on how to use its Siebel CRM On-Demand system.
26.	Q	What kind of technology support will the contractors get?
	A	The Agency will provide training to the contractor on all required technology systems.
27.	Q	Will Siebel help us track outcomes? Many organizations have elaborate tracking systems – How much will we need to use Siebel?
	A	The contractor will be required to use Siebel to track outcomes and manage client relationships.
28.	Q	Is there anything we can look at so we can anticipate how Siebel works?
	A	A product demo for Siebel can be viewed by going to

		http://crmondemand.oracle.com/en/index.htm
Location /Equipment		
29.	Q	Do the new vendors have to pay rental costs on the spaces allocated for the BSC's?
	A	The respondent does not need to include rent, equipment, and security as part of the price proposal. During contract negotiations, the Agency will determine the appropriate allocations within the budget.
30.	Q	With regard to the equipment already in the center, will the contractor have to do upgrade of computers etc?
	A	The contractors are allowed to do upgrades but they are not mandatory. Prior to any upgrades the contractor is required to discuss this with DSBS Program staff and it is up to DSBS Program staff to decide if the upgrade is necessary.
Funding		
31.	Q	With regard to use of funds, do we have flexibility as to how we use the funds to achieve the outcomes or are we limited to using funds for staffing?
	A	The contractor is required to use funds to meet program goals. Previous budgets include personnel services and OTPS costs. The budget will be determined at the time of contract negotiations. The contractor may propose reallocations to the budget at a later point in time, but any such reallocations will require Agency approval.
32.	Q	Is there a budget for a start-up phase and a separate general operating budget? Or is it that once the contractor starts operating the Business Solutions center, they have one budget?
	A	There is no budget for start-up costs. The contractor is required to begin providing services on the first day of the contract.
Staffing		
33.	Q	How much staff will be needed to run the centers? Will this be disclosed according to borough?
	A	The respondent may propose staff levels at each Center. Historically, the Bronx and Brooklyn Centers have had 4-6 staff, and the Staten Island Center has had 2-3 staff.
34.	Q	Are contractors expected to bring their own staff to the centers?
	A	The Agency expects the contractor to identify and recruit staff with the appropriate requirements for each role. However, the Agency retains the right to conduct interviews with all staff candidates before an offer is made, and will participate in the decision-making process for all staff hiring decisions. The Agency expects the contractor to monitor staff performance and act accordingly.

Section IV: List of Attendees at the Pre-Proposal Conference on June 5, 2008

COMPANY NAME	MAILING ADDRESS	CITY	ST	ZIP	E-MAIL ADDRESS	CONTACT Person	PHONE
Chrysallis Empowerment and Transformation	c/o 240 Crown Street #5D	Brooklyn	NY	11225	chrysemp1@aol.com	Dr Boyd Bell	(718) 467-0444
West Brighton LDC	1207 Castleton Ave	Staten Island	NY	10310	smeeker@wbcldc.org	Susan Meeker	(718) 816-4775
EDSI	100 S Broad Street Suite 1210	Philadelphia	NY	19110	jfarrell@edsincorprated.com	Joe Farrell	(215) 356-7722
CAMBA INC	884 Flatbush Avenue	Brooklyn	NY	11226	paisleyd@camba.org	Paisley Demby	(718) 282-2500
Sentry Corporate Services	20 W 20th Street, 2 Floor, Suite 215	New York	NY	10011	sentrycorp@gmail.com	Denise Edwards	(212) 822-8802
Hospitality Scorecard Solutions	1269 E 56th Street	Brooklyn	NY		caldonpd@yahoo.com	Peter Caldon	(347) 254-6934
SEEDCO	915 Broadway, 17th Floor	New York	NY	10010	mpettinato@seedco.org	Marla Pettinato	(917) 493-7038
Arbor ET	116 John Street	New York	NY		rjohnson@arbornyc.com	Robin Johnson	(646) 648-2953
NSF	420 23rd Street	New York	NY		tgreenfield@gdcinvestments.com	Tim Greenfield	(917) 545-4780
Success Unlimited NY	24 Bronson Avenue	Scarsdale	NY	10583	jcoleman@successunlimitedny.com	Jim Coleman	(914) 837-5077
Wildcat Service Corp.	2 Washington Street	New York	NY	10004	tcantrell@wildcatatwork.org	Timothy C. Cantrell	(212) 209-6105
BEDC	175 Remsen Street	Brooklyn	NY		mgomez@bedc.org	Mercedes Gomez	(718) 500-4600
BCC	25 Elm Place St. 200	Brooklyn	NY	11201	jnigro@brooklynchamber.com	Jeannette Nigro	7188751000 x114
BCC	25 Elm Place St. 200	Brooklyn	NY	11201	kcollins@brooklynchamber.com	Kelvin Collins	7182465219 x2023
BOEDC	198 E 161 Street, Suite 501			10457	kshackford@boedc.org	Kate Shackford	(718) 590-3948
Bronx Chamber	1200 Water Pl				lenny@bronxchamber.org	Lenny Caro	(718) 828-3900
Goodwill Fnd	504 Grand St E31	New York	NY	10002	pdavies@thepublicgoodnyc.com	Patricia Davies	(646) 346-4089
Grant Associates	60 Madison Ste 703	New York	NY	10010	dedelson@grantassociates.com	Diane Edelson	212-684-2700 x23
Spherion	420 Lexington Ave				kevinjohnson@spherion.com	Kevin Johnson	(212) 983-8800
Rebel Visions	222 Pruchase Street, #117	Rye	NY	10580	eddie.johnson@rebelvisions.com	Edward Johnson, PMP	9146184454 x801
Grant Associates, Inc	168-25 Jamaica Ave	Jamaica	NY	11432	ptopgay@grantassociatesinc.com	Pinsto Topgay	(718) 557-6742
Accion New York	115 E 23rd Street 7th Floor	New York	NY	10010	pquintero@accionnewyork.org	Paul Quintero	(212) 387-0377
SoBRO	555 Bergen Avenue 3rd Floor	Bronx	NY	10455	mjohnson@sobro.org	Miriam Johnson	(718) 732-7540
Project Enterprise	144 West 125th Street, 4th Floor	New York	NY	10027	bethd@projectenterprise.org	Beth Dunphe	(212) 678-6734
ICBO	5 Penn Plaza Suite 2367	New York	NY	10001	kzhou@manhattanmbec.com	Karen Zhou	(646) 378-2142
Goodwill	9 Bond Street	Brooklyn	NY	11201	jmaul@goodwillny.org	John F Maul	(718) 246-5219
Womens Venture Fund	545 8th Avenue			10018	specialprojects@wvf-ny.org	Jeanette Reed	2125630499 x804
Wildcat Service Corp.	2 Washington Street	New York	NY		brodriguez@wildcatatwork.org	Ben Rodriguez	(646) 342-4416
NYANA	267 Broadway	New York	NY	10007	ytshering@nyana.org	Yanki Tshering	(212) 898-4112

Business Solutions Centers

July to September, 2007

Business Client Volume

	Business Solutions Centers	Bronx	Brooklyn	Lower Manhattan	Queens	Staten Island	Upper Manhattan	System Totals
Volume	Total Businesses Served	341	414	912	294	48	556	2,224
	% change over previous quarter	(-18%)	(-21%)	(-1%)	(-22%)	9%	5%	(-9%)
	Service Requests	562	519	1,432	607	50	792	3,963
	% change over previous quarter	(-5%)	(-26%)	15%	(-17%)	22%	(-9%)	2.5%

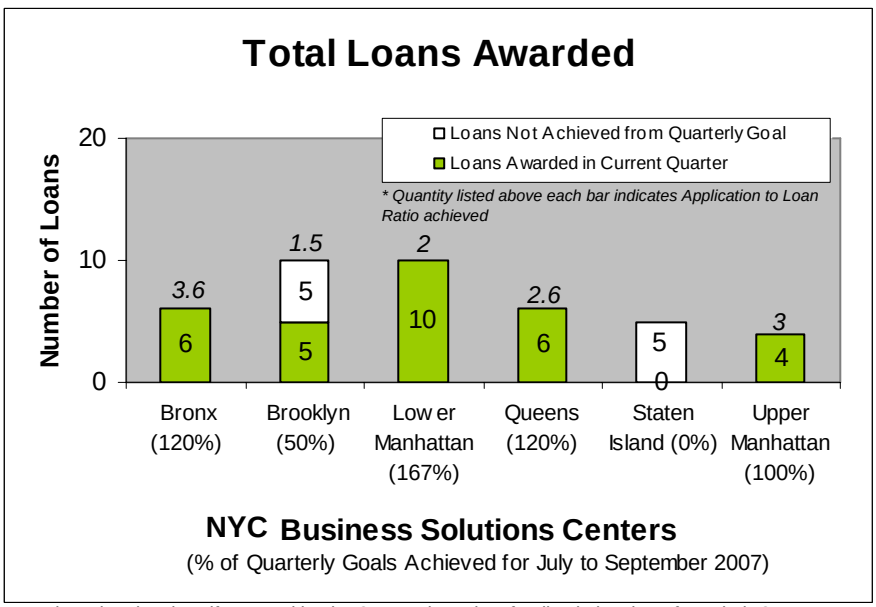
Financing Objective

NYC Business Solutions Centers provide financing assistance by helping with loan packaging and credit repair. NYC Business Solutions Centers are evaluated on two quantitative measures:

- **Loans awarded:** defined as the total volume of loans awarded to businesses in a quarter.
- **Application-to-loan ratio:** defined as the total number of applications submitted in a given quarter, divided by the total number of applications awarded in the same quarter.

System Highlights

- 31 loans awarded through Business Solutions Center facilitation (76% increase over last quarter)
- 506 business received financing assistance (0% increase over last quarter)
- Application-to-Loan Ratio of 2:1



Loans Awarded

- This is the first quarter where loan targets were set and measured.
- 4 of 6 Centers met or exceeded their loan goals.

Application-to-Loan Ratio

- Application-to-loan ratios are defined as the number of applications submitted in a quarter, divided by the number of applications approved in that same quarter.
- Loans have indefinite timeframes for approval; therefore, applications may not be approved in the same quarter that they are submitted.

** Financing data is self-reported by the Centers based on feedback they hear from their Customers.*

Business Solutions Centers
July to September, 2007

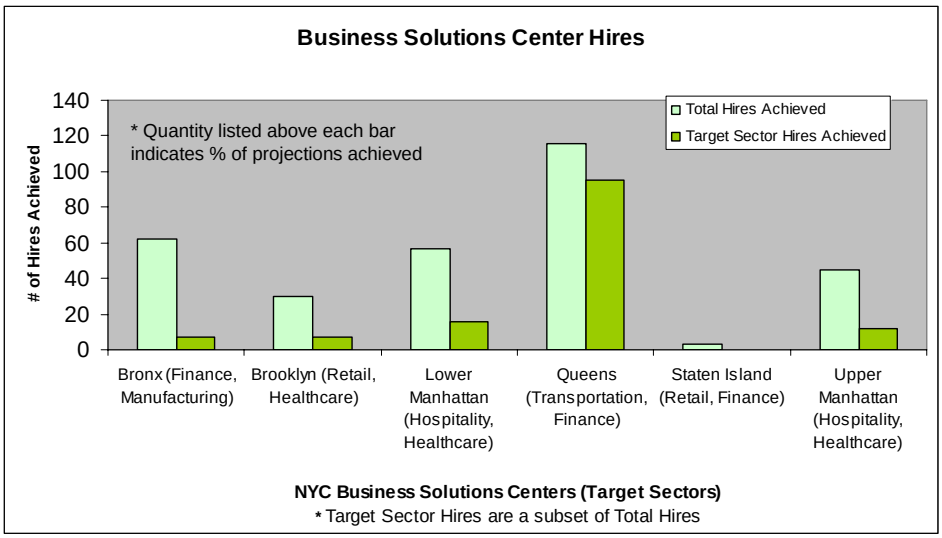
Hiring Objective

NYC Business Solutions Centers provide hiring services by prescreening and referring qualified candidates to meet a business's staffing needs. These candidates are sourced exclusively through the Workforce1 Career Centers, which have identical goals; both are evaluated on three quantitative measures:

- **Hires:** the total volume of hires made on job orders developed by NYC Business Solutions Centers.
- **Target Sector Hires:** the total volume of hires made towards job orders from the two target sectors strategically selected by the Career Centers.
- **Target Sector Fill Rates**

System Highlights

- 104% of system quarterly hiring goal achieved
- 313 employees hired via NYC Business Solutions Center job orders (40% increase over last quarter)
- 59% of 144 job orders developed met fill rate expectations
- 137 hires were made in Target Sectors
- 55% of the 58 Target Sector job orders developed met fill rate expectations

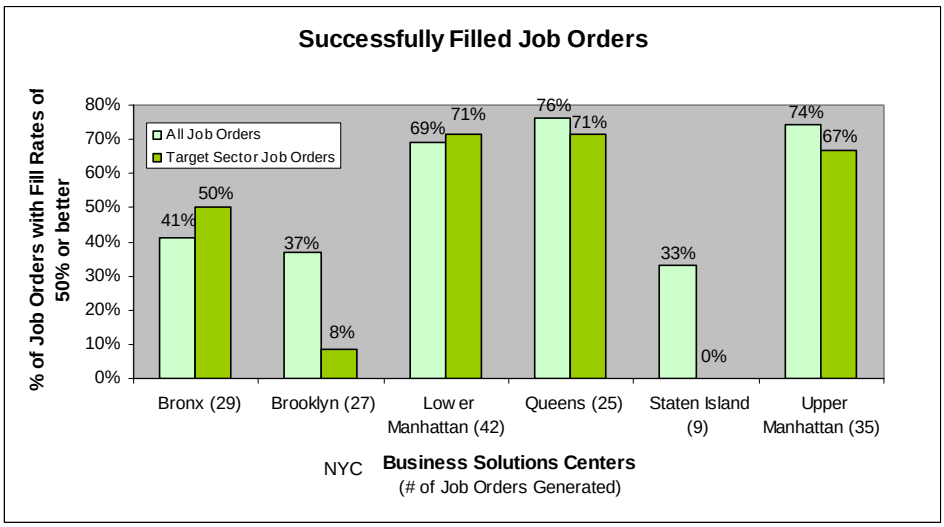


Hires

- This is the first quarter where hires are being measured and exclusively sourced through the Career Centers.
- 4 of 6 Centers met or exceeded their hiring goals.

Target Sector Hires

- Goals were set jointly by NYC Business Solutions Centers and Career Centers for two target sectors.
- Only two of six Centers achieved their target sector hiring goals. Average achievement was 50% of projections.



Fill Rates

- 4 of 6 Centers met expectations.
- System-wide, 59% of all job orders had fill rates of 50% or better, and 47% were completely filled.

Partnership Objective

- The purpose of this objective is to:
  1. Meet the needs of customers requiring services that the Center itself does not provide, by partnering with business assistance organizations that do provide those services (**measured by outbound referrals with needs met)**. Entering these partnerships will enable the Centers to focus resources more effectively on their own service offerings.
  2. Supplement the services provided by other business assistance organizations with services that the Center provides **(measured by inbound referrals served)**. Entering these partnerships will enable the Center to receive more qualified leads for customers that can take advantage of the Centers' service offerings.

- Partner organizations can either be a source of inbound or outbound customer referrals depending on their specific service offerings. Some example services are:
  - Legal advice
  - Real estate assistance
  - Tax planning and accounting

- For July – September, Centers were evaluated on two quantitative measures:
  - **Outbound referrals with needs met:** Centers set goals for referrals out to partner organizations (as self-reported by the Center). Beginning in October, outbound referrals served will be defined as having made a verifiable connection with a partner organization.
  - **Inbound referrals served:** Centers set goals for incoming referrals from partner organizations that meet with a BSC counselor. Beginning in October, inbound referrals served will be defined as having met with a BSC Counselor <u>and</u> requested a service (verified by a service request in Siebel).

New Objectives in Development

There are several additional objectives that Centers have developed strategies for in the operating plans. In the coming months, Centers will set targets and be evaluated on additional objectives:

- Training: provision of training technical assistance to operating businesses
  - # of pre-applications submitted
  - % of submitted pre-applications that are approved to proceed to the application phase
- Operations: improving service delivery and customer satisfaction through Center operations and technology tools
  - Ratings from Mayor's Office of Operations comment cards
  - Siebel data quality
- Startup and Pre-startup services: provision of specific services to pre-start-ups and start-ups that will increase the viability of their successful launch

Next Report

The next quarterly report for NYC Business Solutions will be released on Monday, January 21st.

NYC Business Solutions Centers
October to December, 2007

NYC BUSINESS SOLUTIONS

Business Client Volume

Business Solutions Centers		Bronx	Brooklyn	Lower Manhattan	Queens	Staten Island	Upper Manhattan	System Totals
Volume	New Businesses Served	261	297	710	309	79	381	2,037
	% change over previous quarter	18%	21%	4%	26%	80%	4%	5%
	Total Businesses Served	378	340	1,004	387	81	590	2,779
	% change over previous quarter	12%	(17%)	11%	33%	80%	7%	(2%)
	Service Requests	535	485	1,506	700	97	951	4,274
	% change over previous quarter	(5%)	(7%)	5%	15%	94%	20%	8%

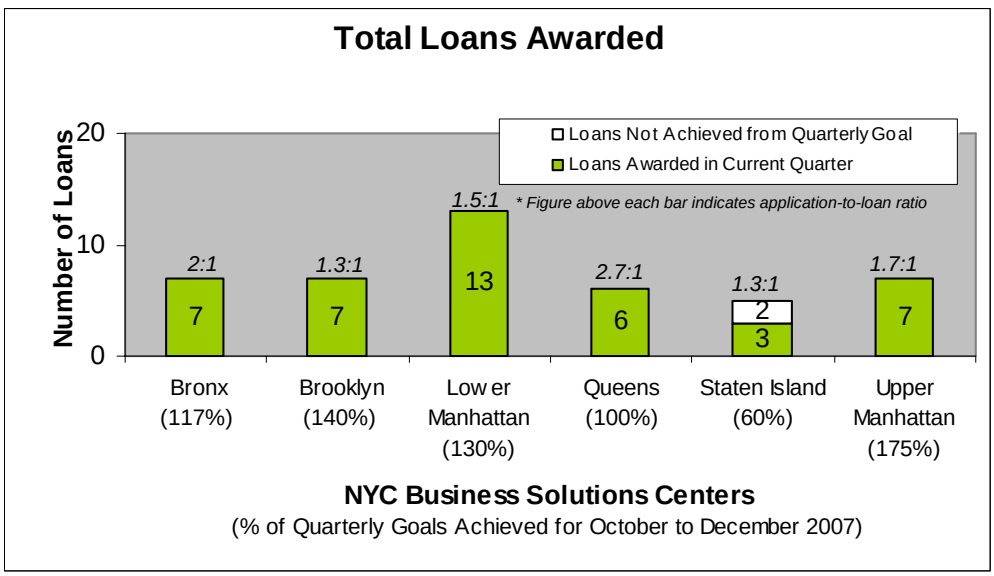
Financing

NYC Business Solutions Centers provide financing assistance by helping with loan packaging and credit repair. NYC Business Solutions Centers are evaluated on two quantitative measures:

- **Loans awarded:** defined as the total volume of loans awarded to businesses in a quarter.
- **Application-to-loan ratio:** defined as the total number of applications submitted in a given quarter, divided by the total number of applications awarded in the same quarter.

System Highlights

- 43 loans awarded through Business Solutions Center facilitation (39% increase over last quarter)
- 447 business received financing assistance (12% decrease from last quarter)
- Application-to-loan ratio of 2:1



Loans Awarded

- Five of six Centers met or exceeded their loan goals. We expect Centers to increase their goals for the following quarter.
- Over $4,455,000 was awarded to clients. 60% of these loans came from alternative lenders.

Application-to-Loan Ratio

- All Centers met or exceeded their application-to-loan ratios this quarter.
- Ratios currently are calculated based on timeframes, not based on each individual loan submitted, because loans have indefinite timeframes for approval.

** Financing data is self-reported by the Centers based on feedback they hear from their customers.*

NYC Business Solutions Centers
October to December, 2007

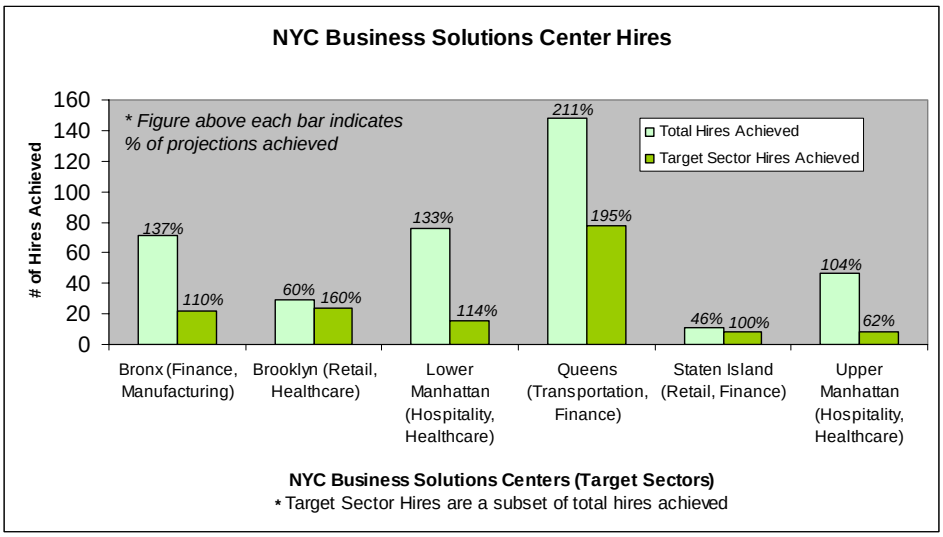
Hiring

NYC Business Solutions Centers provide hiring services by prescreening and referring qualified candidates to meet a business's staffing needs. These candidates are sourced exclusively through the Workforce1 Career Centers, which have identical goals; both are evaluated on three quantitative measures:

- **Hires:** defined as the total volume of hires made on job orders developed by NYC Business Solutions Centers.
- **Target Sector Hires:** defined as the total volume of hires made towards job orders from the two target sectors strategically selected by the Career Centers.
- **Target Sector Fill Rates:** defined as the percent of positions filled out of the total positions available with each target sector job order.

System Highlights

- 129% of system quarterly hiring goal achieved
- 382 employees hired via NYC Business Solutions Center job orders (22% increase over last quarter)
- 49% of 245 job orders developed met fill rate expectations (19% decrease from last quarter)
- 156 hires were made in Target Sectors (14% increase over last quarter)
- 42% of the 62 Target Sector job orders developed met fill rate expectations (23% decrease from last quarter)

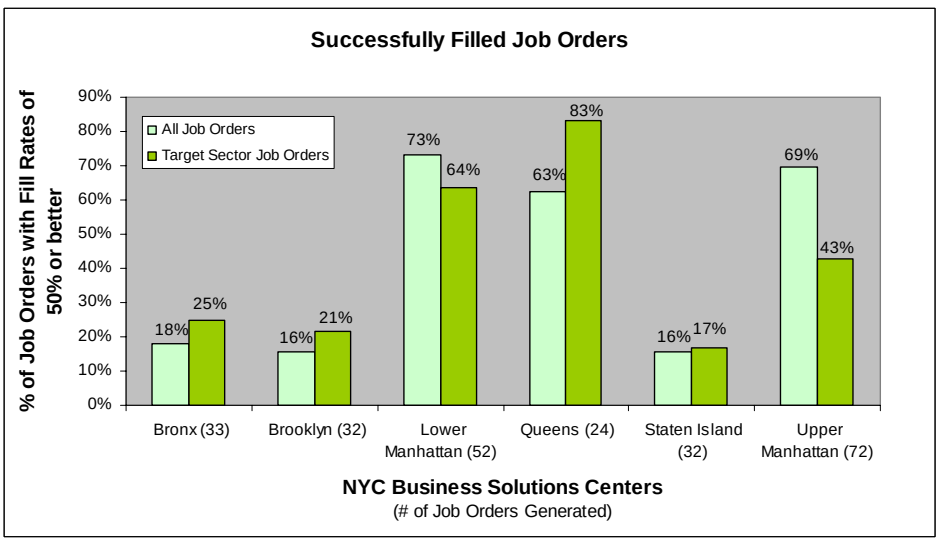


Hires

- Four of six Centers met or exceeded their hiring goals. Brooklyn and Staten Island did not meet their goals.
- High volume in some Centers was achieved through several large job orders. SBS encourages Centers to maintain a portfolio of small and large job orders in order to ensure better fulfillment for small businesses.

Target Sector Hires

- All six Centers met or exceeded their target sector goal this quarter. This is a significant improvement over last quarter, where only two Centers met or exceeded expectations.



Fill Rates

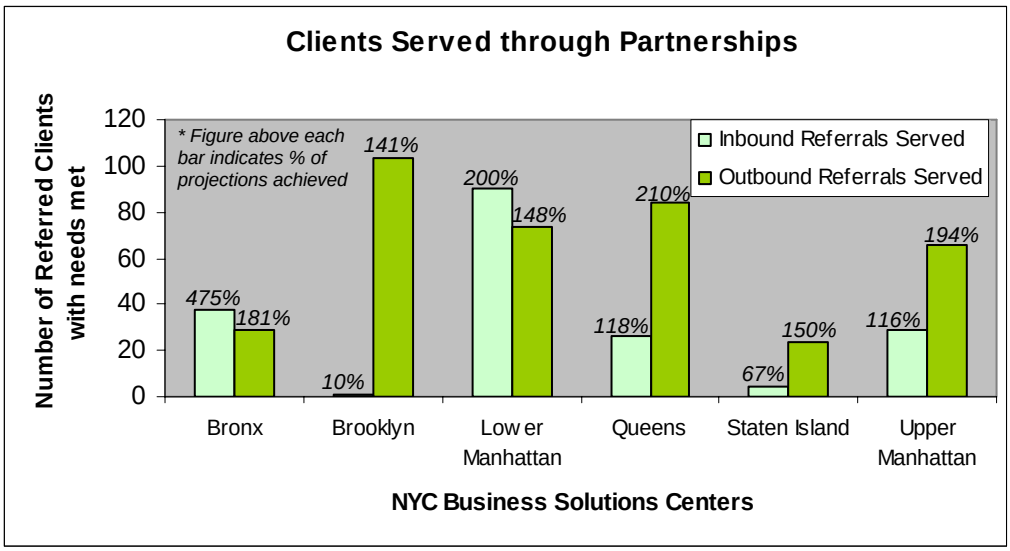
- Fill rates measure how well Centers meet specific and defined business hiring needs.
- Target sector fill rates were not as successful this quarter. Only two of six Centers met or exceeded their goals, as compared to four Centers meeting their goals last quarter.
- Next quarter, fill rates will be evaluated for all job orders generated.

Business Solutions Centers
October to December, 2007

Partnership

NYC Business Solutions connects businesses with partner organizations in order to provide businesses with access to services not directly provided by the Centers. NYC Business Solutions Centers are evaluated on two quantitative measures:

- **Inbound referrals served:** defined as having met with a BSC Counselor and requested a service (verified by a service request in Siebel).
- **Outbound referrals served:** defined as a business that has been referred out to and made a verifiable connection with a partner organization.



Inbound Referrals Served

- Centers directly served 188 clients that were referred in by strategic partners.
- Five of six Centers exceeded their goals for inbound referrals. Brooklyn did not meet their goal.
- Lower Manhattan had three times the volume of inbound referrals as other Centers, serving 90 clients this quarter.

Outbound Referrals Served

- Centers served 380 clients through outbound referrals to strategic partners.
- All Centers exceeded their goals for outbound referrals.
- Outbound referrals accounted for approximately 10% of services provided to clients by Centers.

Training

NYC Business Solutions connects businesses with the Training Funds program in order to increase the number of businesses that receive funding to upgrade the skills of their employees and improve business operations. NYC Business Solutions Centers are evaluated on two quantitative measures:

- **Pre-applications submitted:** defined as the number of pre-applications submitted for Training Funds by businesses recruited by the Business Solutions Center.
- **Pre-applications approved:** defined as the percent of pre-applications submitted that are passed on to the application phase.
- The training objective will be evaluated beginning in January 2008.

Operations

NYC Business Solutions Centers continuously focus on improving Center operations in order to serve their customers. NYC Business Solutions Centers are evaluated on one target objective:

- **Data quality**: maintaining high-quality, complete data in Siebel in order to maximize the system's utility and enable it as an effective tool for informing business decisions.

NYC Business Solutions is also improving the ability to assess and provide services to customers through a revised intake process. The new intake process, which will be implemented across all Centers in early February, will allow standardization of business stage definitions, customer-specific service strategies, and re-engagement strategies for new business clients.

NYC Business Solutions Centers
January to March, 2008

Business Client Volume

Business Solutions Centers		Bronx	Brooklyn	Lower Manhattan	Queens	Staten Island	Upper Manhattan	System Totals
Volume	New Businesses Served	189	278	722	427	84	346	2,046
	% change over previous quarter	(27%)	(6%)	2%	38%	6%	(9%)	0%
	Total Businesses Served	239	278	968	513	86	548	2,628
	% change over previous quarter	(37%)	(19%)	(4%)	33%	6%	(7%)	(5%)
	Service Requests	466	416	1,616	762	104	935	4,299
	% change over previous quarter	(13%)	(14%)	7%	9%	7%	(2%)	1%

Business Stage

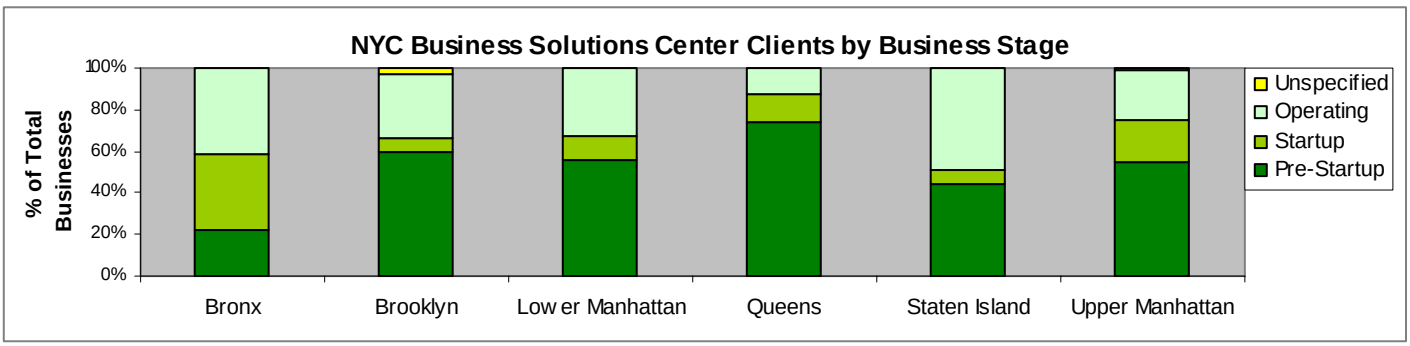
NYC Business Solutions Centers segments its client base by business stage in order to provide clients the right service at the right point in time, based on a client's specific needs. NYC Business Solutions Center clients fall into one of three stages: pre-startup, startup, or operating business.

A pre-startup is defined as a client who is exploring owning a business, but has not yet taken any steps towards that goal. A startup is defined as a client who has committed to opening a business and has taken at least one step towards a business launch. An operating business is defined as a client who has made its product and/or service available to consumers, or has made at least one sale.

Pre-startup Volume
- 56% of the system's clients are pre-startups. Volume ranged from 22% to 74% of total businesses.

Startup Volume
- 15% of the system's clients are startups. Volume ranged from 6% to 36% of total businesses.

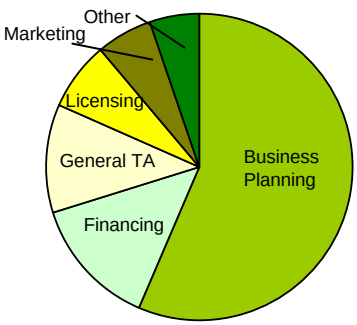
Operating Business Volume
- 28% of the system's clients are operating businesses. Volume ranged from 13% to 49% of total businesses.



Pre-startup Services
- Over half of pre-startups requested assistance with Business Planning (56%). Financing was the second most requested service (14%).

Startup Services
- Half of all startups wanted business planning (35%) or financing (23%). Marketing was the next most requested service (12%).

Operating Business Services
- Operating businesses primarily requested financing (22%), hiring (19%), or business planning (18%).



NYC Business Solutions Centers
January to March, 2008

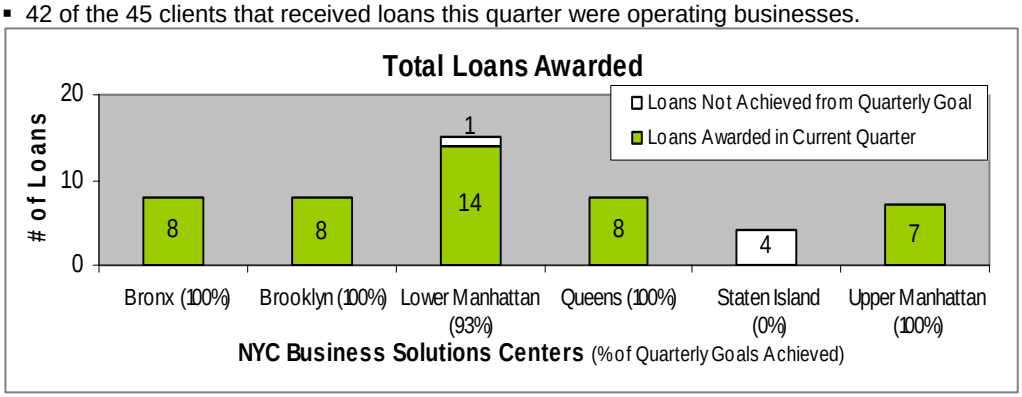
Financing

NYC Business Solutions Centers provide financing assistance by helping with credit repair, collecting loan documentation, preparing loan applications, and submitting applications to the appropriate lender. NYC Business Solutions Centers are evaluated on two quantitative measures: loans awarded and application-to-loans ratios.

***Loans awarded** is defined as the total volume of loans awarded to businesses in a quarter. **Application approval rate** is defined as the proportion of applications submitted in a given quarter that are approved.*

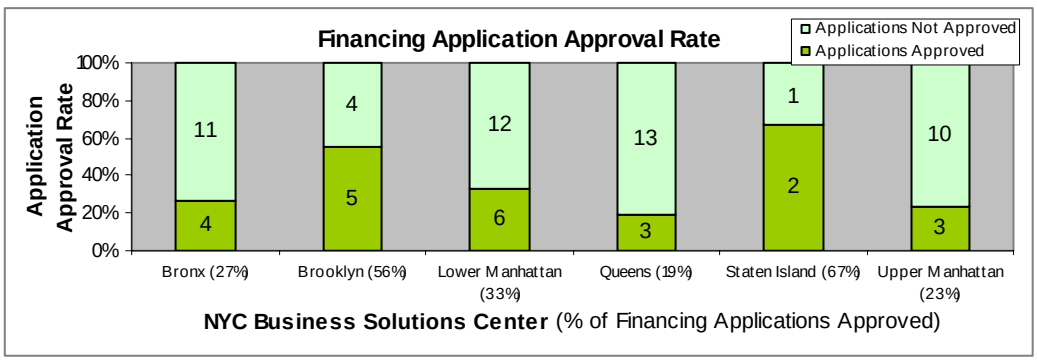
Loans Awarded

- Five of six Centers met their loan goals, resulting in 45 loans awarded this quarter.
- 68% of loans were awarded by alternative lenders.
- 38% of loans were for $30K or less, and 33% of loans were for $100K or more.
- 42 of the 45 clients that received loans this quarter were operating businesses.



Financing Application Approval Rate

- All Centers met or exceeded their application-to-loan ratios this quarter.
- We track the rate at which submitted applications are approved.



SYSTEM PERFORMANCE

45
loans awarded to startup and operating businesses through Center facilitation

90%
of system's quarterly goal for loans achieved

5%
growth over previous quarter's performance

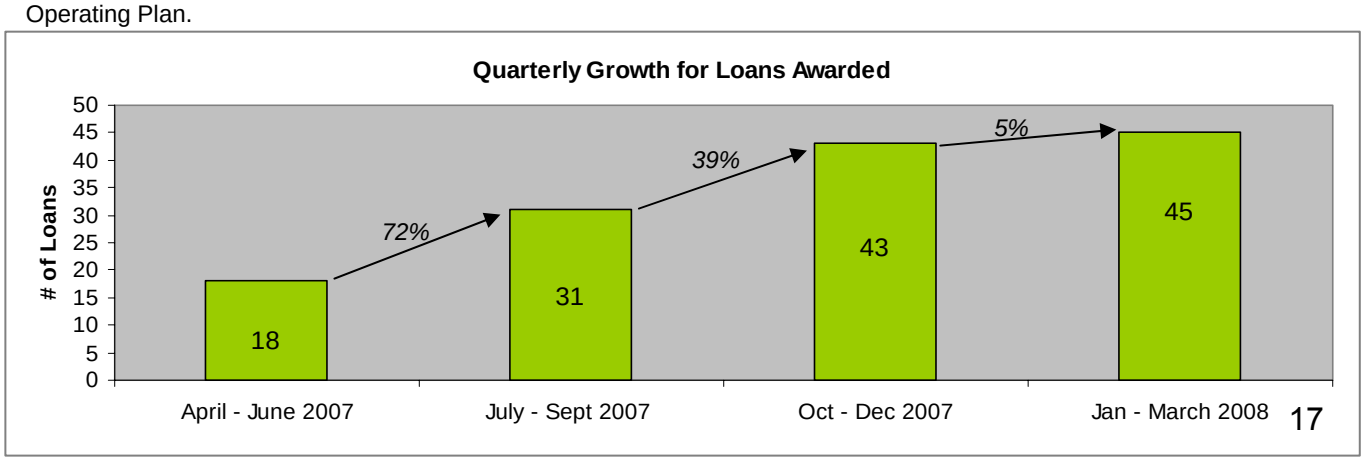
$5.3 Million
awarded to clients through loans

31%
of submitted loan applications approved

641
services provided to clients seeking financing assistance

System Quarterly Growth

- There has been consistent quarter-over-quarter growth in the number of loans awarded since the launch of the Strategic Operating Plan.



NYC Business Solutions Centers
January to March, 2008

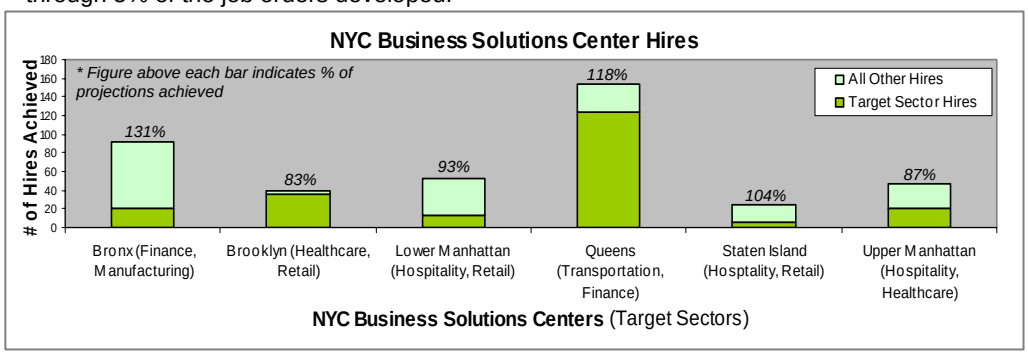
Hiring

NYC Business Solutions Centers provide hiring services by sourcing qualified candidates to meet a business' staffing needs. These candidates are sourced exclusively through the Workforce1 Career Centers, which have placement goals that are equal to NYC Business Solutions hiring goals; both are evaluated on three quantitative measures: hires, target sector hires, and fill rates.

***Hires** are defined as the total volume of hires made on job orders developed by NYC Business Solutions Centers. **Target sector hires** are defined as the total volume of hires from the two target sectors strategically selected by the Career Centers. **Fill rates** are defined as the percent of positions filled out of the total positions available with each job order.*

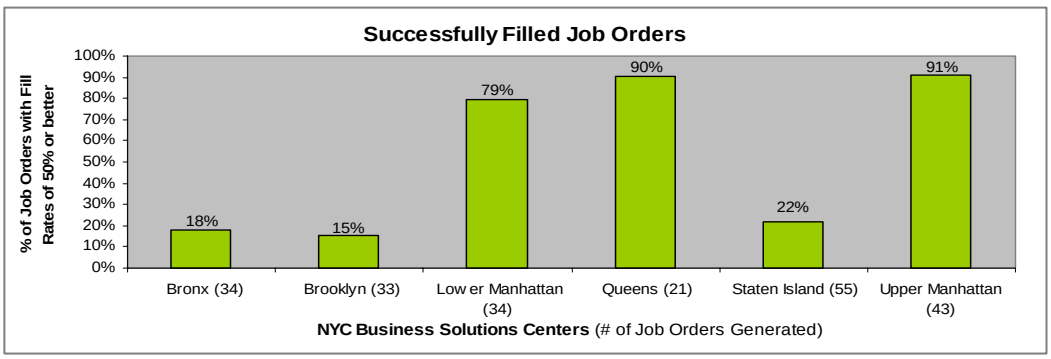
Hires

- All six Centers met or exceeded their goals for both overall hires and target sector hires.
- Three Centers achieved almost half of all placements in March, indicating either a significant lag in data entry, or a lack of strategically pacing monthly achievement towards goals.
- Placement volume was primarily driven by a few large accounts. 50% of placements came through 5% of the job orders developed.



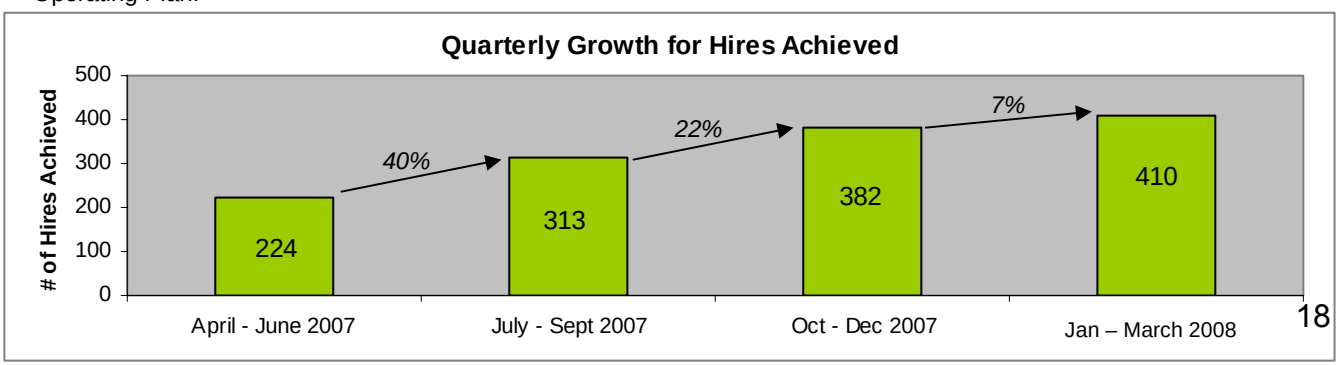
Fill Rates

- Centers were less successful in fill rate achievement for small businesses then they were for large businesses.
- Three of six centers met or exceeded fill rate goals. The Bronx, Brooklyn, and Staten Island fill rates were under 50% of all but 22% of job orders.



System Quarterly Growth

- There has been consistent quarter-over-quarter growth in the number of hires achieved since the launch of the Strategic Operating Plan.



SYSTEM PERFORMANCE

410
hires achieved for Business Solutions Center employers (107% of system goal)

7%
growth over previous quarter's performance

221
hires achieved in Target Sectors (54% of total hires)

54%
of job orders generated this quarter met at least half of the employer hiring need

66%
of openings with large employers filled (299 hires achieved out of 450 openings)

25%
of openings with small employers filled (111 hires achieved out of 443 openings)

NYC Business Solutions Centers
January to March, 2008

Partnerships

NYC Business Solutions connects businesses with partner organizations in order to provide businesses with access to services not directly provided by the Centers. NYC Business Solutions Centers are evaluated on two quantitative measures: inbound referrals served and outbound referrals served.

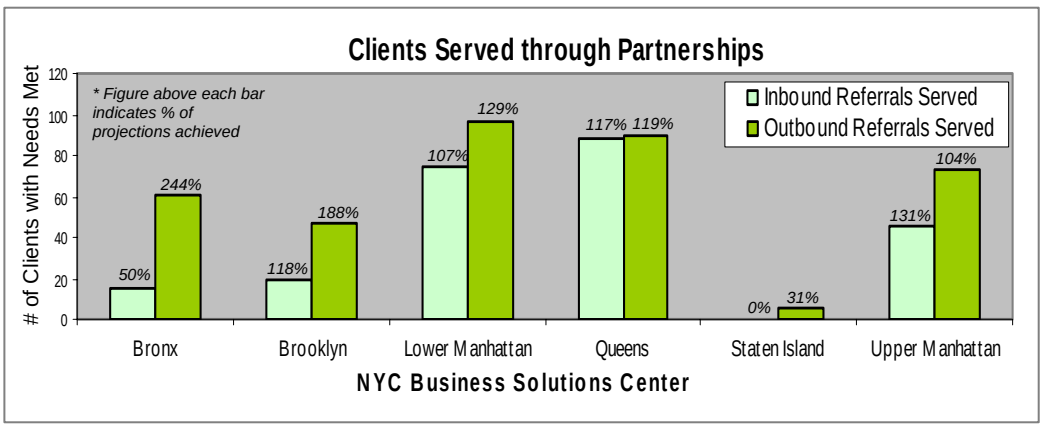
***Inbound referrals served** is defined as a client that has been referred to the Center by a strategic partner and subsequently received a service (verified by a service request in Siebel). **Outbound referrals served** is defined as a business that has been referred out to and made a verifiable connection with a partner organization.*

Inbound Referrals Served

- Four of six Centers met or exceeded their goals for inbound referrals served. The Bronx and Staten Island did not meet their goals.
- Centers have identified banks as a robust source of inbound referrals, as they largely serve operating businesses who are more likely to want other services provided by the Centers.

Outbound Referrals Served

- Five of six Centers met or exceeded their goals for outbound referrals served. Staten Island did not meet their goal.
- Outbound referrals accounted for approximately 10% of service volume.



SYSTEM PERFORMANCE

244
clients referred by strategic partners that received Center services

372
clients referred to strategic partners for services

105%
of system's quarterly goal for inbound referrals achieved

130%
of system's quarterly goal for outbound referrals achieved

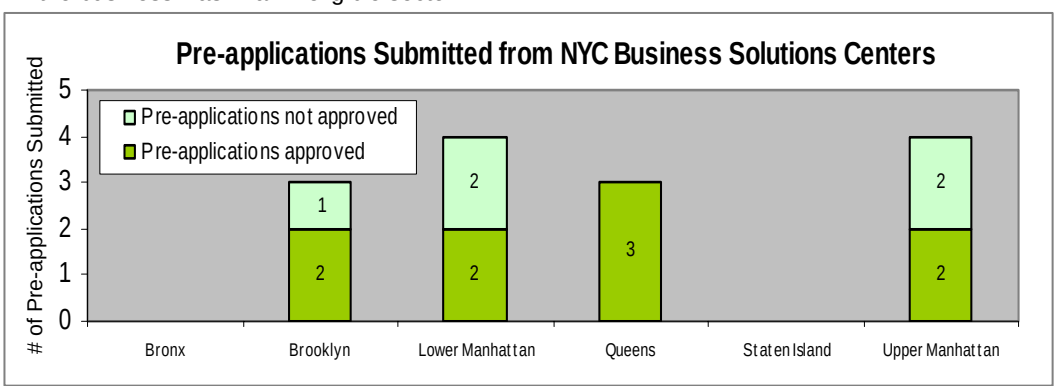
Training

NYC Business Solutions connects businesses with the Training Funds program that provides businesses with funding to upgrade the skills of their employees and improve business operations. NYC Business Solutions Centers are evaluated on two quantitative measures: pre-applications submitted and pre-applications approved.

***Pre-applications submitted** is defined as the number of pre-applications submitted for Training Funds by businesses recruited by the Business Solutions Center. **Pre-applications approved** is defined as the percent of pre-applications submitted that are passed on to the application phase.*

Pre-applications from NYC Business Solutions

- Three of six Centers met or exceeded their goals for submitted pre-applications. The Bronx and Staten Island did not submit any pre-applications.
- Two of six Centers met or exceeded their goals for pre-applications approved. The Bronx, Lower Manhattan, Staten Island, and Upper Manhattan did not meet their goal.
- The predominant reason why submitted pre-applications were not approved was because the business was in an ineligible sector.



SYSTEM PERFORMANCE

14
pre-applications submitted from NYC Business Solutions Center clients

9
submitted pre-applications that were approved for the application phase

ATTACHMENT C

ACKNOWLEDGEMENT OF ADDENDA

RFP TITLE: NEW YORK CITY BUSINESS SOLUTIONS CENTERS PIN #: 801-SBS80155

Directions: Complete Part I or Part II, whichever is applicable, and sign your name in Part III.

Part I

Listed below are the dates of issue for each Addendum received in connection with this RFP:

Addendum # 1, Dated _____, 2008

Addendum # 2, Dated_____ , 2008

Addendum # 3, Dated_____, 2008

Addendum # 4, Dated _____ , 2008

Addendum # 5, Dated_____, 2008

Addendum # 6, Dated_____, 2008

Addendum # 7, Dated_____, 2008

Addendum # 8, Dated _____, 2008

Addendum # 9, Dated _____ , 2008

Addendum #10, Dated _____, 2008

Part II Acknowledgement of No Receipt

_____ No Addendum was received in connection with this RFP

Part III

Proposer's Name: _____

Proposer's Authorized Representative:

Name: _____

Title: _____

Signature: _____ Date: _____

Please note: Proposers must include completed ATTACHMENT C - Acknowledgment of Addenda, which is part of the RFP document - with their proposals. (See Attachment C)

Shaazad Ali
Assistant Commissioner