

**ALAN G. HEVESI
COMPTROLLER**



**110 STATE STREET
ALBANY, NEW YORK 12236**

**STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER**

October 5, 2006

**Mr. Jim Ullery, President
Center for Organizational Energy, LLC
423A New Karner Road
Albany, New York 12205-3829**

Dear Mr. Ullery:

**Re: HESC Award of Contracts for Training
Services - Our File # SF20060305**

This is in response to your letter dated May 31, 2006 to the Office of the State Comptroller ("OSC"), protesting the award of contracts for training services by Higher Education Services Corporation ("HESC") to Hudson Valley Community College ("HVCC") and Glenville Communications ("Glenville").

The undisputed facts are as follows. HESC originally determined that the Center for Organizational Energy, LLC ("C4OE"), your company, was the winning proposer on the procurement of training services. However, when the proposed contracts between HESC and C4OE were forwarded to OSC for approval, as required by State Finance Law Section 112, OSC discovered that an error had been made in the calculation of the scoring of the cost proposals. Therefore, OSC rejected the contracts with C4OE and required that HESC apply the correct calculations and re-determine the identity of the winning proposer(s). The corrected cost proposal scoring resulted in a determination that HVCC and Glenville were, in fact, the winning proposers and HESC awarded them the contracts. HESC has now forwarded the proposed contracts with HVCC and Glenville to OSC for approval.

You allege that you began work on the contract prior to the approval of the Comptroller, at the behest of HESC. You ask that OSC provide you with a debriefing and allow you to review the pertinent cost proposal documents.

At the outset, we note that the procuring agency, and not OSC, has the responsibility to provide debriefings, including relevant documentation. We are advised that HESC has provided your firm with two telephone debriefings, and HESC has also provided you with documentation related to this matter. This appears to be sufficient.

Subsequent to our receipt of your letter, HESC rendered a final determination rejecting the protest you filed with HESC. We agree with HESC's determination. While the error in the cost calculation was unfortunate, HESC's award of the contracts to the actual winning proposers was in accord with, and indeed required by, the State Finance Law. Therefore, we can find no merit in your protest and we have approved those contracts. I advise you to raise with HESC any issue regarding the work you already commenced for HESC.

Sincerely,

A handwritten signature in black ink, appearing to read 'DJR', is written over a light blue circular stamp.

Daniel J. Ryan
Chief Auditor

jk

cc: HESC