



New York State  
Department of Economic Development  
Division of Minority and Women's  
Business Development

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In the matter of the appeal of

**Care Security Systems, Inc.**

FINAL ORDER 19-05

From a denial of certification as a Women-owned Business Enterprise pursuant to Executive Law Article 15-A.

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This order arises from an administrative appeal brought on behalf of Care Security Systems, Inc. ("CSSI") pursuant to section 144.2 of title 5 of the New York Codes, Rules and Regulations. Appellant seeks reversal of the decision of the Division of Minority and Women's Business Development (the "Division"), dated July 21, 2017, to deny CSSI certification as a Woman owned Business Enterprise ("WBE").

Appellant initiated this appeal and requested a hearing on August 3, 2017. The Division acknowledged Appellant's request on November 23, 2018, and scheduled a hearing for December 18, 2018, for this matter to be heard. The hearing occurred as scheduled before Administrative Law Judge Maria E. Villa. Horace Flowers, Esq., appeared on behalf of Appellant, and Simon Wynn, Esq., represented the Division. The hearing concluded on that date and the record closed on March 1, 2019, upon receipt of the recording of the hearing.

The issues on appeal were whether CSSI demonstrated that Ms. Renee Schwab<sup>1</sup> made capital contributions in the form of money, property, equipment, or expertise, in proportion to her 51% equity interest in the business enterprise as required by 5 NYCRR § 144.2(a)(1); whether she as the woman owner relied upon for certification shares in the risks and profits in proportion to her ownership interest, as required by 5 NYCRR § 144.2(c)(2); whether she makes decisions pertaining to the operation of the business as required by 5 NYCRR § 144.2(b)(1); whether she

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<sup>1</sup> The Division notes that the denial letter for CSSI, issued on July 21, 2017, was addressed to a "Ms. Dolsa Schwab" however at the appeal hearing applicant was referred to as "Ms. Renee Schwab". At the hearing, Appellant clarified the record to reflect that Ms. Dolsa Schwab and Ms. Renee Schwab are in fact the same person. This Final Order references Ms. Renee Schwab.

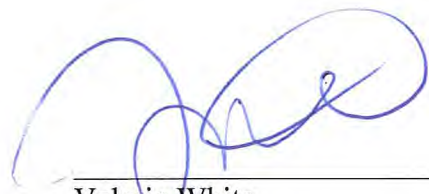
demonstrated that she has adequate managerial experience or technical competence to operate the business, as required by 5 NYCRR § 144.2(b)(1)(i); and whether she demonstrated control over the business enterprise and control of negotiations through the corporate bylaws, other documents governing the business, and the production of relevant documents as required by 5 NYCRR §§ 144.2(b)(2) and 144.2(b)(3).

On March 13, 2019, the Division received a Recommended Order from Administrative Law Judge Villa that recommended affirmation of the Division's denial of the application to certify CSSI as a WBE on the grounds set forth in the Division's July 21, 2017 denial letter.

After considering the appeal record, I accept the recommendation of the Administrative Law Judge as it pertains to the facts of this case. Incorporation by reference is hereby made with respect to the findings and conclusions of the Recommended Order.

It is hereby **ORDERED** that the decision to deny certification, dated July 21, 2017, is affirmed. Accordingly, CSSI will not be listed in the Division's directory for Minority and Women-owned Business Enterprises.

April 12, 2019



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Valerie White  
Executive Director  
Division of Minority and Women's  
Business Development