

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

In the matter of the appeal of

Morgan Specialized Contracting, Inc.

FINAL ORDER 23-11

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

This order arises from an administrative appeal brought on behalf of Morgan Specialized Contracting, Inc. ("MSC" or "Appellant") pursuant to section 144.2 of title 5 of the New York Codes, Rules and Regulations.¹ Appellant seeks reversal of the decision of the Division of Minority and Women's Business Development (the "Division"), dated April 21, 2020, to deny MSC's May 8, 2017, recertification application as a Woman-owned Business Enterprise ("WBE").

Applicant submitted a written appeal, dated August 14, 2020. The Division submitted its response to the appeal, dated July 26, 2023, together with the affidavit of Raymond Emanuel, Certification Director, dated July 24, 2023. Administrative Law Judge ("ALJ") David A. Murad presided over the appeal. The issues on appeal were whether the woman owner relied upon for recertification (1) shared in the risks and profits in proportion to her ownership interest in the business enterprise, as required by 5 NYCRR § 144.2(c)(2); (2) made decisions pertaining to the operation of the business enterprise, as required by 5 NYCRR § 144.2(b)(1); and (3) demonstrated adequate managerial experience or technical competence, and working knowledge and ability needed to operate the business enterprise, as required by 5 NYCRR § 144.2(b)(1)(i) and 144.2(b)(1)(ii).

On October 26, 2023, the Division received a Recommended Order from Judge Murad that recommended affirmation of the Division's denial of the application to certify Appellant as a WBE on the grounds set forth in the Division's April 21, 2020, denial letter.

¹ The Division's April 21, 2020, denial determination pre-dates the December 2, 2020, amendments made to 5 NYCRR Parts 140 et al. Accordingly, the eligibility criteria set forth under the former regulations are referenced throughout this final order.

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 recertification, dated April 21, 2020, is affirmed. Accordingly, MSC will be removed from the Division's directory for Minority and Women-owned Business Enterprises.

November 27, 2023

Jason M. Clark, EVP and Executive Director

Division of Minority and Women's Business Development