

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

In the matter of the appeal of

## Jason Office Products Inc.

## FINAL ORDER 23-12

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

This order arises from an administrative appeal brought on behalf of Jason Office Products Inc. ("JOP" or "Appellant") 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 March 31, 2022, to deny JOP's March 9, 2021, certification application as a Woman-owned Business Enterprise ("WBE").

Applicant submitted a written appeal, dated May 25, 2022. The Division submitted its response to the appeal, dated August 9, 2023, together with the affidavit of Glenn Butler, Associate Certification Director, dated August 4, 2023. Administrative Law Judge ("ALJ") Deidre A. Chuckrow presided over the appeal. The issues on appeal were whether the woman owner relied upon for certification (1) made a capital contribution to the business enterprise proportionate to her equity interest, demonstrated by, but not limited to, contributions of money, property, equipment or expertise, as required by 5 NYCRR § 144.2(b)(2); (2) demonstrated adequate, industry-specific competence to make critical business decisions without relying upon other persons, as required by 5 NYCRR § 144.2(c)(1); and (3) made operational decisions on a day-today basis with respect to the critical functions of the business enterprise, as required under 5 NYCRR § 144.2(c)(2).

On November 22, 2023, the Division received a Recommended Order from Judge Chuckrow that recommended affirmation, in part, of the Division's denial of the application to certify Appellant as a WBE on the grounds set forth in the Division's March 31, 2022, denial letter. Judge Chuckrow found Appellant did not meet its burden to demonstrate that the Division's determination to deny its application for certification with respect to the eligibility criteria in 5

NYCRR §§ 144.2(b)(2) and 144.2(c)(2) was not based on substantial evidence. However, Judge Chuckrow found Appellant did meet its burden with respect to the eligibility criteria in 5 NYCRR § 144.2(c)(1).

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 March 31, 2022, is affirmed, in part, with respect to the eligibility criteria in 5 NYCRR §§ 144.2(b)(2) and 144.2(c)(2) and rejected, in part, with respect to the eligibility criteria in 5 NYCRR § 144.2(c)(1). Accordingly, JPO will not be listed on the Division's directory for Minority and Women-owned Business Enterprises.

March 8, 2024

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Jason Clark, EVP and Executive Director Division of Minority and Women's Business Development