



## **FY2015 SBR ANNUAL REPORT INSTRUCTIONS**

### **GENERAL GUIDELINES:**

The objective of the SBR Program is to designate or set aside enough procurements for small business-only participation so that contract payments to SBR contractors during the fiscal year equals or exceeds the 10% SBR target.

An accurate annual measurement of successful implementation of the SBR Program can only be made if each SBR unit is able to quantify and report the following values:

- I. The total dollar value of all procurement payments made during the fiscal year, including corporate purchasing card payments.
- II. The total dollar value of all procurement payments made to SBR firms during the fiscal year, including purchasing card payments.
- III. A breakdown of SBR payments resulting from both designated and non-designated procurements.

SBR units' accounting/finance departments are typically responsible for processing the majority, if not all of the requests for payment presented by contractors doing business with the state. Once the payment transactions are completed, the payment data required for SBR reporting must be extracted from the accounting system from which the payments were made.

**FMIS AGENCIES:** FMIS and RSTARS contain pre-programmed reports that are available to assist with SBR payment data capture and reporting. SBR report preparers are advised to review these standard reports and work directly with procurement, MBE and accounting staff to ensure that all reportable contract payments are included in your agency's SBR annual report.

The BPW and GAD documents included in the MBE/SBR Reporting toolkit on the GOMA website provide guidance in determining whether a payment or group of payments is exempt from MBE/SBR reporting.

The criteria for determining reportable payments for the SBR and MBE programs are the same, with the only exceptions being:

- 1) all preference purchases are excluded from SBR reporting, and,
- 2) if federal requirements conflict with SBR Program requirements

SBR units should contact the appropriate control agency and/or GOMA with questions regarding whether certain transactions are/are not reportable.

### **GOMA REPORT REVIEW PROCESS:**

In order to verify the accuracy and completeness of each SBR unit's annual report, GOMA is requiring more detailed documentation to support the data contained in the report. Specifically, any changes to the total payment amounts found on the accounting report containing the raw data, including the monthly P-card reports, must be noted on the second and third tabs of the GOMA report template.

The line-by-line instructions below provide a description of the documentation required to support the dollar amounts entered on each line.

#### **A. FMIS Using Agencies**

If you are a FMIS using agency, you will need to access the following reports to obtain the data you need to complete the template:

- 1) PCH065/067 SBR Payments Report
- 2) PCH068 SBR Designated Awards Report
- 3) A30USB12 SBR P-card Report
- 4) A30USB11 P-card MBE Summary Report
- 5) A30USB11 MBE Non-Match Report

State FMIS agencies must use the ANSWERS application to generate the 067 and 068 report. The link for the ANSWERS application is <https://net.md.gov/apps/answers/>. The MDOT modals must submit similar documentation in spreadsheet format from the MDOT FMIS system.

The credit card reports for all FMIS SBR units can be accessed from RSTARS View Direct, or directly from the USB monthly bank transaction statements. Each credit card administrator has access to the Level 3 report which provides more detailed information regarding items purchased.

## **B. Non-FMIS Agencies**

The 11 University campuses and all other non-FMIS units must submit system-generated reports from their respective financial systems, along with any other system documentation that supports the expenditures being reported.

All backup documentation must be submitted electronically. If the standard hard-copy credit card reports are used, they should be scanned and submitted as an email attachment with the report. Notations of any adjustments made to the credit card reports totals may be made directly on the reports.

### **SUBMISSION REQUIREMENTS:**

A copy of the “2015 Small Business Reserve Summary Statement” with all required signatures and supporting documentation must be forwarded to the GOMA reports mailbox, [reports.goma@maryland.gov](mailto:reports.goma@maryland.gov).

The hard copy Summary Statement with all original signatures must be sent via mail/courier delivery.

As was required last year, the chief financial officer or accounting director for each SBR unit must sign the SBR annual report, certifying that:

- 1) they have responded to the report preparer’s request for assistance with payment data verification,
- 2) they have reviewed the contents of the final report with the report preparer, and,
- 3) to the best of their knowledge, the payment data included in the report accurately reflects the unit’s total procurement payment volume for the fiscal year.

GOMA’s expectation is that, in the process of reviewing agency purchasing data and preparing the SBR report, SBR staff will request assistance from the finance/accounting office as necessary and appropriate.

The 2015 SBR Annual report deadline is Wednesday, September 30<sup>th</sup>.

### **LINE-BY-LINE REPORT INSTRUCTIONS:**

**Line 1:** Enter the total value of procurement payments made by your agency in FY 2014 using the corporate purchasing card. Use the A30USB11 MBE Summary Report to obtain the total monthly credit card payment volume. Then use the GAD exclusions list to review the A30USB11 MBE Match and Non-Match Report in order to identify all non-reportable transactions.

The sum total all of non-reportable transactions such as employee travel expenses, preferred provider payments, subscriptions, fuel purchases, utility payments, lease payments, etc., should be subtracted from the monthly credit card total (found on the A30USB12 MBE Summary Report) to arrive at the dollar amount that is entered on Line 1 of the Summary Statement.

Please note that purchases made from control agency (DBM, DGS, DOIT) statewide contracts using the corporate purchasing card are SBR-reportable unless the item/service is listed as one of the exclusions on the GAD list.

Example #1: Purchases made from the three current DGS statewide office supply contracts (Rudolph's, Staples, and AJ Stationers) are SBR-reportable because office supplies are not specifically excluded on the GAD list. Therefore, these transactions should be included in your report totals.

Example #2: The DGS statewide contract with Mansfield Oil for fuel oil; fuel oil is listed on the GAD document as a non-reportable expense and therefore should not be included in your report totals.

**Line 2:** Enter the total payments made in FY 2015 to SBR contractors using the corporate purchasing card. Using the A30USB12 SBR detail report, make any necessary adjustments to this amount based on the GAD exclusions list. Enter the final adjusted SBR P-card total on Line 2 of the Summary Statement.

**REMINDER: ALL preferred provider purchases are excluded from SBR reporting**

**LINES 1 and 2 P-CARD DOCUMENTATION:** On the "Credit Card Reconciliation" tab, use the template/grid provided on this tab to list, by month, all transactions being excluded. A complete record of each excluded item must be entered on the template, including a description of what was purchased. For example, if 10 employee travel items are being removed from the final credit card total, those items with the excluded amounts should be listed individually on the reconciliation tab and noted as "employee travel".

If the volume of excluded transactions is too large to include on the GOMA template, a separate spreadsheet or group of spreadsheets can be submitted. The FMIS hard copy reports from RSTARS View Direct may also be submitted to document credit card SBR activity, but must be notated to identify all excluded transactions and must include the final calculations showing the total excluded amount for each month being subtracted from the unadjusted original total to arrive at the final amounts entered on the Summary Sheet.

**Line 3, TOTAL PROCUREMENT PAYMENTS:** Enter your unit's total reportable procurement payments on this line.

For FMIS agencies, determining this amount begins with the total reportable DV/VC amount from the 067 report (Column J). For a number of reasons, the Column J total is never completely accurate, i.e., some transactions are shown as not reportable but actually are reportable, and others are shown as reportable but actually are not reportable.

Using the GAD exclusions list, review ALL transactions to identify which transactions, including SBR transactions, that need to be corrected by either deleting them from, or adding them back to the original Column J total. As part of your supporting documentation, you must include an explanation for why each transaction has been added to, or removed from the column J original total.

As stated above for credit cards, all purchases made from control agency statewide contracts are reportable unless they are specifically listed on the GAD exclusions list.

**Line 3 DOCUMENTATION REQUIREMENT:** If you enter an amount on Line 3 that is different from the total reportable amount shown on your FMIS/finance report, you must provide a reconciliation of the differing amounts on the tab labeled “Voucher-DV Reconciliation”. On this tab, you may either:

- 1) cut/paste the entire 067/accounting report and add notations/narrative to indicate what was added/deleted and why, or
- 2) cut/paste only the transactions that were added in or taken out of the original reportable total

The adds/deletes should be used to adjust the original total reportable amount shown in Column J of the 067 report or other accounting report. The final calculation to arrive at the adjusted reportable amount must be added to the bottom of the reconciliation tab and the final reportable amount entered on Line 3 of the Summary Statement.

For non-FMIS agencies, you must follow the same process for showing what transactions were added/deleted to arrive at the adjusted Line 3 amount.

**Line 4, SBR DESIGNATED PAYMENTS:** This line will be auto-populated by completing the Tab labeled “2015 Designated SBR Payments”.

The 067 report DOES NOT provide a breakdown of designated vs non-designated SBR payments, it only provides an indicator that a payment was made to a SBR registered vendor. However, if the FMIS BPO/PO document was flagged correctly as a designated SBR procurement when the contract was awarded and the BPO/PO was created (SBR “Y/N” field on the additional elements screen), those designated SBR awards can be tracked using the **FMIS 068 report**. This report captures the SBR status of the vendor at the time the document was created (“SBR\_Vend” column), and the designation status of the procurement (“SBR\_Ind” column). Report preparers are advised to run the 068 report at least once a quarter to keep track of all designated SBR contract awards so that the resulting contract payments can be easily identified as such on the 067 report.

On this SBR designated payment detail tab, for each contract designated for SBR only award, enter all of the award and payment information indicated. If the SBR contract was entered into ADPICS, you must provide the Blanket Purchase Order/Purchase Order number. If the contract was documented in some other system, provide your internal agency contract ID#.

If the SBR contract is currently active under an option renewal period, continue to include the contract ID#, start/end date, and Total Contract Award Amount for the base contract, not the renewal contract.

Enter the actual FY 2015 payment amount in the last column (Total FY 15 Contract Payment Amount). For convenience, you may summarize all SBR contracts, by vendor, where the "Total Contract Award Amount" was equal to or less than \$25,000 for maintenance, commodities and services (IT and professional), or less than \$100,000 for construction. All SBR-designated contracts above these thresholds should be listed separately on Tab 2.

For all designated payments entered on Line 4, evidence of SBR designation must be made available to GOMA upon request.

**Line #5, SBR NON-DESIGNATED PAYMENTS**: Enter the total dollar value of all other contract payments made to SBR contractors in FY 2015 under contracts that were not designated up front as SBR.

Calculate the non-designated SBR amount by subtracting the designated amount showing on Line 4 from the total adjusted SBR reportable amount arrived at when completing Line 3, "Total Procurement Payments". This is the amount to be entered on Line 5.

Non-FMIS agencies must keep track of designated procurements in whatever way is suitable within their respective procurement, contracting and accounting/financial systems.

**LINES 4 and 5 DOCUMENTATION REQUIREMENTS**: As stated above, the FMIS 067 report provides you with the total SBR expenditure figure that must be segmented between Lines 4 and 5. Therefore, the total value of payments entered on Lines 4 and 5 may not exceed the total SBR expenditure amount on the FMIS report/finance report. Any additional SBR payments must be detailed and documented on the "Voucher-DV Reconciliation" tab.

**Line 6**: Enter the **total number of payments** made to SBR contractors in FY 2015, i.e., the total # of individual payment transactions. Count/tally the number of individual SBR transactions on your financial report and enter it on Line 6. You will need to make adjustments to this number if transactions have been added or deleted.

**Lines 7,8 and 9**: Do not enter data on these lines. They are auto-populated from data entered into other fields.

GOMA compliance staff are available to assist with any questions you may have regarding completion of the SBR quarterly or annual reports. Please direct your inquiries via email to [reports.goma@maryland.gov](mailto:reports.goma@maryland.gov).