



## SMALL BUSINESS RESERVE FY2023 QUARTERLY SUMMARY REPORT INSTRUCTIONS

SBR Quarterly report data is cumulative. Quarterly Summary Reports are due no later than 30 days following the fiscal quarter being reported and should contain data from the start of the fiscal year up to the end of the quarter being reported on.

No 4th quarter report is due. Instead, the full fiscal year is reported in the SBR Annual Summary Report.

### GENERAL GUIDELINES:

The objective of the Small Business Reserve (SBR) Program.

**B. Scope.** To the extent practicable, each procurement unit shall structure its procurement procedures to achieve the result that a minimum of 15 percent of the unit's total dollar value of procurements for goods, supplies, services, maintenance, construction, construction-related services, architectural services, and engineering services are expended directly with certified small businesses at the prime contract level. per **COMAR 21.11.01.06 (B)**. (b) Only those payments resulting from a procurement designated as a small business reserve procurement may be applied towards the procurement unit's overall small business reserve payment achievement.

The Governor's Office of Small, Minority & Women Business Affairs (GOSBA) is responsible for reporting the statewide performance of the SBR Program. An accurate measurement can only be made if each SBR unit is able to quantify and report the following values:

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- I. The total dollar value of all procurement payments made during the fiscal year, including corporate purchasing card payments (the **DENOMINATOR**).
- II. The total dollar value of all procurement payments made to SBR firms during the fiscal year, including purchasing card payments (the **NUMERATOR**).
- III. A breakdown of SBR payments resulting from designated procurements (**NUMERATOR**).
- IV. The number of *unique* SBR firms to receive a **designated** award or payment. This is the “T” Factor now being measured by GOSBA.

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. Procurement departments are typically responsible for processing the contractor’s awards and indicating whether an SBR award was “**designated**” or not.

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

State FMIS agencies must use the ANSWERS application to access the 067, 068 and 721 reports. The link for the ANSWERS application is <https://net.md.gov/apps/answers/>. (Note: If teleworking, you must be connected to Pulse Secure (VPN) to access ANSWERS.)

SBR report preparers with admin access to eMaryland Marketplace Advantage may also request a “SBR All Active Report” by emailing the [emma.helpdesk@maryland.gov](mailto:emma.helpdesk@maryland.gov). This report can help to verify whether a firm was certified in the SBR Program at the time of payment.

The [BPW Advisory 2005-1 Small Business Reserve Program](#) and the [GAD List](#) (also known as the Comptroller Objects Commodity Exclusion List) included in

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the SBR Reporting toolkit on the GOSBA website provides guidance in determining whether a payment or group of payments is/are exempt from SBR reporting. SBR units should contact the Department of General Services (DGS) Office of State Procurement (OSP) as it is now the control agency and/or GOSBA with questions regarding items that may/may not be reportable.

To verify the accuracy and completeness of each SBR unit's Quarterly Report, GOSBA requires 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 included as tabs in the report template. The objective here is to show your work. Show that you have reviewed ("scrubbed") your data to produce the most accurate report possible, given system limitations and coding situations.

Lines **1-6** instructions provide a description of the documentation required to support the amount 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 needed from ANSWERS to complete the template:

- 1) PCH065/067 SBR Payments Report
- 2) PCH068 SBR Designated Awards Report
- 3) A30USB12 SBR P-card Report – optional
- 4) PCH721 Credit Card Report (includes MBE and SBR flags)

***A note about credit card data*** – *We strongly advise you work with the MBE Liaison as only one of you should scrub the report. The purchases made from statewide contracts are included in SBR payment reporting. Preferred providers awards and payments are excluded from SBR reporting.*

MDOT iFMIS units should follow instructions provided by MDOT headquarters regarding SBR submissions.

The credit card reports for all SBR units can be accessed from RSTARS View Direct, ANSWERS PCH 721 reports, or directly from the USB monthly bank transaction statements. Each credit card administrator has access to the Level 3 credit card 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 in **Excel format**. If the View Direct hard-copy credit card reports are used, they should be scanned and submitted as an email attachment. Notations of any adjustments made to the report totals should be made directly on the reports. One very visible way is to highlight your data in various colors to indicate changes. In the excel example that is in this toolkit, **yellow indicates items excluded** and **blue indicates added back in**. It is a personal choice but one we find very easy to follow in reviewing your supporting documentation.

The “Small Business Reserve (SBR) Quarterly Summary Statement,” must be forwarded to the GOSBA SBR reports mailbox [sbrreports.gosba@maryland.gov](mailto:sbrreports.gosba@maryland.gov). The hard copy Summary Statement is not required.

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

SBR Quarterly Summary Reports are due no later than 30 days following the quarter being reported and should contain data from the start of the fiscal year.

No 4th quarter report is due. Instead, the full fiscal year is reported in the SBR Annual Summary Report.

## LINE-BY-LINE REPORT INSTRUCTIONS:

**To better help you understand these instructions, a separate Excel attachment has been prepared as an example. Please look at the cell references in the summary document for each line for a better understanding of the supporting back-up and how to leave an audit trail.**

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**Line 1, TOTAL CREDIT CARD PAYMENTS:** Enter the total value of procurement payments made by your agency from the start of the fiscal year up to the end of the current fiscal quarter, using the corporate purchasing card. Obtain this figure by using either the bank statements, FMIS View Direct reports, or the ANSWERS PCH721 report. All non-reportable/exempt items such as employee travel expenses, preferred provider payments, subscriptions, fuel purchases, utility payments, lease payments, etc., should be subtracted from the credit card total. Review the GAD exclusions list carefully to make sure you have subtracted all payments that should not be reported.

Please note that purchases made from (DGS) 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 DGS statewide office supply contracts are SBR-reportable (e.g., includable in the denominator).

**Example #2:** The DGS statewide contract for fuel oil; fuel oil is listed on the GAD document as a non-reportable expense and therefore should not be included in the SBR reports.

Enter the total adjusted credit card amount on Line 1 of the SBR Quarterly Summary Statement and include a tab behind the summary report in the template that supports this figure.

**Line 2, TOTAL CREDIT CARD PAYMENTS TO SBR CONTRACTORS:** Enter the total payments made in the previous fiscal quarter up to the close of the fiscal quarter being reported to SBR contractors using the corporate purchasing card. This amount is a subset of your Line 1 total after you made GAD adjustments (scrubbed the data). Enter the final adjusted SBR credit card payment total on Line 2 of the Summary Statement. This figure will be counted as "SBR Designated". Include a tab behind the summary report in the template that supports this figure. Be sure to include a count of the number of transactions to SBR Vendors, you will include this in Line 6.

**LINES 1 and 2 Credit Card Documentation:** As mentioned above, include tabs to support figures for Line 1 and Line 2. It is optional to include a column that describes each of the excluded items, but it may help others within your agency who review this report. Again, one very visible way to indicate your exclusions is to highlight data in yellow. It is a personal choice but one we find very easy to follow in reviewing your supporting documentation.

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**Line 3, TOTAL PROCUREMENT PAYMENTS**: Enter your unit's total reportable procurement payments (after "scrubbing") on this line. Start with the PCH067 report ("Reportable Amount") or the procurement payments report from your unit's financial system to determine this amount. Use the same process outlined above to make any necessary adjustments to the reportable amount, i.e., subtract amounts that are incorrectly showing as reportable and add back amounts that are incorrectly showing as non-reportable.

**Line 3 DOCUMENTATION REQUIREMENT**: Include a tab that shows the support for figure entered on Line 3. Label/color code items you exclude and add back into the reportable amount. Again, explaining your adjustments are optional. If it is an adjustment that is a nuance to your agency, then feel free to make a comment. For non-FMIS agencies, you should determine the best way to categorize and reflect the reconciliation based on the format of your financial reports.

**Line 4, SBR DESIGNATED PAYMENTS**: Create a tab that supports this figure that is the subset of your PCH067 report. The SBR Designated payments are the total of payments to SBRs where the Purchase Order or Blanket Purchase Order was flagged as an SBR procurement and indicated by a "Y" in the "SBR Procurement Indicator" column. You can add a "Y" flag in the "SBR Procurement Indicator" column for reportable DIRECT VOUCHERS paid to SBRs. ***Repeat...Direct Voucher payments to SBRs can be reported as designated.***

NOTE: The PCH067 report DOES provide a breakdown of designated vs non-designated SBR payments in the "SBR Procurement Indicator" column. It also indicates that the payment was made to a vendor that had current SBR status in FMIS when the payment was made (See Alert below).

**ALERT**: As discussed during past report preparation, eMaryland Marketplace Advantage (eMMA) and the FMIS vendor table may not always reflect current SBR status. Report preparers are cautioned that any payment made to an SBR where there is no "Y" flag in the "SBR Vendor" column, should verify the vendor's SBR certification was current to count the payment as SBR.

**Line 5, SBR NON-DESIGNATED PAYMENTS**: Enter the total dollar value of all payments made to SBR contractors in the previous fiscal quarter under contracts that were not designated as SBR. Calculate the non-designated SBR amount by subtracting the designated amount on Line 4 from the total SBR reportable amount showing on the system report after all adjustments were made. This is the amount to be entered on Line 5.

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

**LINES 4 and 5 DOCUMENTATION REQUIREMENTS:** As stated above, the ANSWERS PCH067 report provides you with the total SBR expenditure figure that must be segmented between Lines 4 and 5. Therefore, the total value of SBR payments entered on Lines 4 and 5 may not exceed the total SBR expenditure amount on the PCH067 report/finance report.

**Line 6, Total Number of SBR Contractors receiving award and payments:** Enter the **total number of SBR Contractors receiving awards and payments** up to the end of the current fiscal quarter, i.e., the total number of unique vendors, not the total number of transactions. Count/tally the number of individual firms from your support data (PCH068 Awards “SBR Indicator” column and PCH-067 Payments) and enter it on Line 6. If there are 50 payments made to a vendor, you count them as 1 SBR vendor.

**Lines 7 - 11: Do not enter data on these lines.** They are auto populated from data entered in lines 1, 2, 3, 4, and 5.

The “Notes” section at the bottom of the Summary Page should be used to put the agency/department’s SBR designated set aside achievement in context, if the agency has not met the 15% SBR designated spending goal.

SBR Compliance Managers, Lisa Mitchell Sennaar and Tanita Johnson are available to assist with any questions you may have regarding completion of the SBR Quarterly Reports. Please direct your inquiries via email to [lisa.sennaar@maryland.gov](mailto:lisa.sennaar@maryland.gov) or [tanita.johnson1@maryland.gov](mailto:tanita.johnson1@maryland.gov)

The completed excel spreadsheet/Small Business Reserve (SBR) Quarterly Report, inclusive of the Small Business Reserve Quarterly Summary Statement Template with supporting documentation must be forwarded to the SBR reports mailbox, [sbrreports.gosba@maryland.gov](mailto:sbrreports.gosba@maryland.gov). **Signatures are not required for SBR Quarterly Reports at this time.**

The hard copy Summary Statement is not required.

**DON'T FORGET TO INPUT YOUR  
AGENCY NAME  
IN THE HEADER OF THE EXCEL DOCUMENTS!**