

# Directions for the Use of the Form 3 MBE Payments/Contract Compliance Database July 1, 2010 to June 30, 2011

For Fiscal Year 2011, the Governor's Office of Minority Affairs (GOMA) is again using the modified Form 3 MBE payments database that includes a more comprehensive accounting of MBE payment and contract compliance activity.

Form 3 will continue to track direct payments to MBE prime contractors, the same way it has since the database was first utilized for the FY 2005 MBE report. However, the Form 3 database now also tracks progress towards meeting MBE subcontracting commitments on a contract-by-contract basis.

This change broadens the focus to include MBE goal compliance in addition to aggregate FY MBE payment data and will enable management at all levels to assess the effectiveness of the MBE program from the perspective of contract compliance.

Most of the original data fields remain, but some have been re-named. You will still need to export 3 MS Word files, 3 Excel files, and 1 PDF file (or an additional Word file) from the database to send to GOMA.

## **2011 Instructions:**

This year will be the 7<sup>th</sup> year that the Form 3 payments database has been in use. The narrative instructions for the use of the Form 3 MBE Contract Compliance Database are as follows:

NOTE: You must include in the database all open contracts that have MBE subcontracting goals, regardless of whether the prime contractor made any payments to MBE subcontractors in FY 2011. An open contract is defined as a contract that has an expiration date on or after July 1, 2010. This applies to expiration dates for contract option periods and any contract modifications that extended the contract term beyond the original expiration date.

Before beginning the data entry, save the "GOMA\_MBE\_Form\_3\_2011" file to the computer hard drive and keep a backup copy. Make sure that the computer has Microsoft Access installed on the system. Otherwise, the application will not load. Click the "GOMA\_MBE\_Form\_3" link from GOMA's website, and select "Save" on the file download window.

The main menu screen has six options as follows:

- **Add Prime/Subcontract Information** – This data entry screen records the information that used to be entered manually on the Form 3 Spreadsheet that was used prior to 2005. Most of the information needed to populate the data entry screen is contained in the procuring unit's official procurement files.

- **Edit Prime/Subcontract Information** – This function allows the user to add or change information after the record has been saved.
- **View/Print Reports** – This function allows the user to view the four reports that are automatically generated. A discussion of these reports will follow.
- **Export Reports to Microsoft Word** – This function will generate text files that can be saved in “Rich Text Format” (.rtf) that can be read by Microsoft Word (.doc). **At the end of the data entry process, the user should generate and save three (3) Word files that represent the data portion of the GOMA 2011 MBE report submission.**
- **Export Reports to Microsoft Excel** – This function will generate data files that can be saved using an Excel spreadsheet (.xls or .xlsx) program. **At the end of the data entry process, the user should generate and save three (3) Excel files that represent the data portion of the GOMA 2011 MBE report submission.**
- **Exit** – This allows the user to exit the database application.

### Add Prime/Subcontract Information

When the user clicks the box next to this option, the main data entry screen will appear. This screen contains fields meant to capture prime contractor and subcontractor information. The data elements that must be entered are as follows:

- **Name of Prime Contractor** – Enter the name of the prime contractor.
- **Contractor EFIN/SSN** – Enter the prime contractor’s 9-digit Employer Federal Identification Number (EFIN) or Social Security Number (SSN) for contractors who are Sole Proprietors and do not have a EFIN.
- **Prime Contractor Classification** – Select the appropriate MBE classification using the scrolling field. The choices are as follows:
  - African American
  - Asian
  - Hispanic
  - Native American
  - Woman
  - African American Woman
  - Asian Woman
  - Hispanic Woman
  - Native American Woman
  - Disabled
  - Non-Profit (Certified)
  - Community Service Provider (Certified)
  - Disadvantaged
  - Non-Minority

**It is important that the correct classification is selected and clicked (highlighted) so that the database can generate accurate prime contractor data/reports.** If a prime contractor is not a MBE as defined, simply select and click (highlight) the “Non-Minority” designation.

- **Contract/ID Number** – Enter the contract number assigned to the contract by the procuring unit. If a FMIS Blanket Purchase Order (BPO) or Purchase Order (PO) exists, the BPO/PO number should be entered. Otherwise, use the internal agency ID#.

- **Prime Contractor Payments CTD** – Enter the total payments made to the prime contractor from the beginning of the contract through 6/30/11, i.e., Contract-To-Date.
- **Prime Contractor Payments FY** – Enter the total payments made to the prime contractor from 7/1/10 through 6/30/11, i.e., during the Fiscal Year.
- **Contract Expiration Date** – Enter the date the current contract period expires. If the contract is currently in an option period or under a modification to extend, enter the date the current option period or modification expires. If the contract expired sometime during FY 2011, enter the FY 2011 expiration date.
- **Prime Contract Start Date** – Enter the date the contract began.
- **Prime Contractor Awards CTD** – Enter the total prime contract award amount agreed to at the time of contract execution. If the contract is in an option period, include the total award amount for the base contract period, plus the total award amount of all prior option periods up to and including the current option period. For firm fixed price contracts, these amounts can usually be found in the executed contract document. For indefinite quantity contracts, this amount represents the procuring unit’s estimated purchasing volume.
- **MBE Goal %** - Enter the percentage of the MBE commitment agreed to by the prime contractor at the time of contract award. If ANY changes (increase or decrease) to the MBE goal/commitment % were made by written agreement between the agency and the prime contractor during the contract term, those changes should be noted in a written supplement to the Form 3 Compliance Summary Report and must include a copy of the written modification documenting the change.

Once all of the Prime Contract information has been entered, the cursor will go to the **Subcontract Information** box. Enter information on all subcontractors associated with this contract. The input rows expand to accommodate an unlimited number of subcontractors. Please enter the following data for each subcontractor:

- **Subcontractor Name**
- **MDOT Certification Number** – This number can be obtained from the MDOT certification database or FMIS.
- **MBE Classification** – This can be obtained from the MDOT certification database or from FMIS. Enter the appropriate MBE classification using the scrolling field. The choices are as follows:
  - African American
  - Asian
  - Hispanic
  - Native American
  - Woman
  - African American Woman
  - Asian Woman
  - Hispanic Woman
  - Native American Woman
  - Disabled
  - Non-Profit (Certified)
  - Community Service Provider (Certified)
  - Disadvantaged

**It is important that the correct classification is selected and clicked (highlighted) so that the database can generate accurate MBE subcontractor data/reports.**

- **Subcontract Amount** – Enter the total dollar amount the MBE subcontractor is/was projected to receive from the prime contractor, including amounts associated with already-exercised options and any other contract modifications. Do not include amounts for options not yet exercised. Award amounts for originally named MBEs can be found on the MBE Participation Schedule submitted by the prime contractor with the original bid/proposal and before contract commencement. Award amounts for MBEs added after contract commencement can be obtained/calculated from information contained in the contract modification document and/or the revised MBE Participation Schedule.
- **Actual Payments FY** – Enter the total actual verified payments made by the prime contractor during the FY to the MBE subcontractor for services rendered or products sold. **DO NOT include payments in this field that have not been verified in writing by the subcontractor.**
- **Actual Payments CTD** – Enter the total actual verified payments made by the prime contractor to the MBE subcontractor during the entire contract term, including option periods, for services rendered or products sold. As stated above, all subcontractor payments must be verified by the subcontractor before including them in the Form 3 database.

**NOTES:**

- (A) **MBE subcontractors who were certified at the time of contract award, but have since graduated from the MBE program because they have exceeded the size thresholds for participation CAN have their payments counted towards MBE goal achievement.**
- (B) **MBE subcontractors who failed to complete the mandatory annual re-certification process, resulting in decertification by MDOT CANNOT have their payments counted towards goal achievement, beginning from the date of MDOT’s decertification. For exact decertification dates, or to verify a MBE’s certification status, please contact the MDOT Certification Office at 410-865-1269 or 1-800-544-6056.**

**Corporate Purchasing Cards**

All MBE purchasing card transactions should be entered into the Form 3 database. P-card MBE payments may be entered as an aggregate amount by contractor. For example, if you made 25 purchases from Company Z for a total of \$50,000 in FY 2011 using the purchasing card, you may enter one record for Company Z for the total amount. The total payment amount should be entered in the “Prime Contractor Payments FY” field.

The MBE P-card totals entered in the Form 3 database should be equal to the sum of what is entered on Form 2 on the line entitled “Corporate Credit Card”, plus any purchases made from DGS statewide contracts. P-card payments representing purchases from DGS statewide contracts SHOULD NOT be reported by the using agency as an award on Forms 1 and 2, but should only be counted as payments on Form 3.

**Direct Vouchers**

Enter all reportable, one-time-only MBE direct voucher payments in the same way described above for corporate purchasing cards.

When you have completed entering all prime contractor and subcontractor payments, click the “**Save Record**” box at the bottom of the screen. Then click the “**Next Record**” box to enter additional records. When you have completed your data entry, click the “**Exit**” box to return to the main menu.

### **Edit Prime/Subcontract Information**

The “Edit Prime/Subcontractor Information” screen looks the same as the screens noted above. The only difference is this screen will show the first record entered and saved in the database. Using the “Next Record” button, you can go to a record to change data previously entered. Check to make sure that all of your MBE Classifications remain highlighted when editing a record. **Remember to save your changed data** by clicking “Save Record”.

### **View/Print Reports**

The application is designed to generate four reports. The user need only select which report to be viewed and printed or exported. The four report options are:

- **View Payment Verification of Minority Contracts** – This report provides payment detail by contract and summarizes FY subcontract award amounts in comparison to FY subcontract actual payment amounts.
- **View Total Actual Payments by MBE Classification** – This report breaks out all verified MBE subcontractor payments by MBE Classification. For example, this report will show the total amounts actually paid to African American subcontractors, Asian subcontractors, Women subcontractors, etc. and the total number of firms in each classification.
- **View Total Actual Payments by Prime Classification** – This report breaks out all payments made to prime contractors by minority/non-minority classification.
- **View Contract Compliance Summary Report** – This report shows the MBE compliance status for each contract with MBE subcontracting goals entered in the database. **Agencies that have contracts with MBE subcontract requirements should export to a Word or PDF file for submission with the other annual report documents to GOMA.**
- **Exit** – Takes the user back to the main menu.

**Tip:** Double-check your prime and subcontract data by selecting the View Total Actual Payments by MBE Classification (for subcontract payments) and View Total Actual Payments by Prime Classification reports. Dollar amounts appearing in unidentified MBE classifications (i.e., classifications with no name) indicate that some of the prime or subcontract data is incomplete.

### **Export Reports to Microsoft Word**

The database application is designed to generate three (3) reports in “Rich Text Format”. When you click a box on this menu to save and export a report, you will notice that the application uses an “RTF” extension. This file can be read and modified within Microsoft Word or Corel Word Perfect. This menu exports the same reports that were discussed in the “View/Print Reports” section listed above.

However, when the user clicks one of the export boxes, the application gives the report a default name and waits for the user to click the **“Save”** button. Before saving the file, please do the following:

- Give your file a unique name. For example, one default file name is **“Payment Verification of Minority Contracts.”** Simply add your agency initials to the default file name. An example would be **“DHMH – Payment Verification of Minority Contracts.”** This way, your file will be easy to identify and will not be overwritten by another file.
- Make sure you know where you are about to save the reports. You will need to know the file locations so you can transmit them to GOMA.
- Make sure that Microsoft Word or Corel Word Perfect is installed on your system. When you save the file, the application will open your default word processing program so you can read, modify or print your file.

Where the “File name” is entered, the user should change the name to include the agency initials. For example, DHMH files would be changed to “DHMH-Payment Verification of Minority Contracts.rtf.” This should be done for all Word and Excel files that are exported for email transmission to GOMA. When the user exports the Word files, Microsoft Word or Corel Word Perfect will open.

**Once the report has been exported into the Word or Corel application, the following information should be entered in the upper left-hand section of the report and the file saved prior to transmission to GOMA:**

- **Agency Name** - Enter the name of your agency. An example would be as follows: (**Agency Name:** Department of Human Resources)
- **For Fiscal Year** – Enter the Reporting Fiscal Year (2011). Your entry should look like this: (For Fiscal Year: 2011)

Please remember to save the files before you attach the files to an email for transmission to GOMA. These instructions apply to all “RTF” files.

### **Export Reports to Microsoft Excel**

This menu exports three (3) Excel spreadsheet reports: Prime Contract Information, Subcontract Information, as well as the new MBE Compliance Summary. Simply rename and save the Excel files in the same manner as described above. These files should also be transmitted to GOMA by email.

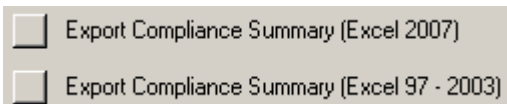
Email the following reports:

- Payment Verification of Minority Contracts (Word format)
- Total Actual Payments by MBE Classification (Word format)
- Total Payments by Prime Contractors (Word format)
- Prime Contract information (Excel format)
- Subcontract Information (Excel format)
- Contract Compliance Summary (Excel Format)
- Contract Compliance Summary (PDF or Word format)

If the user does not have email capabilities, the files can be copied to a CD and mailed to GOMA at the address listed below.

\*\*\*When exporting a report to Excel, please select the Excel export option that corresponds to the version of Microsoft Office installed on your machine. **If you do not select the correct version for exporting to Excel, the database may give you an error message.**

Example: If you are using Microsoft Office 2007 you would select the first option marked with (Excel 2007) otherwise you will need to use the option that has (Excel 97 – 2003) to export any of the reports to Excel.



Export Compliance Summary (Excel 2007)  
 Export Compliance Summary (Excel 97 - 2003)

### **Subcontracting Under MBE Prime Contracts (Double Counting)**

**MAJOR CHANGE MADE IN FY 2009; PLEASE READ: The database was re-programmed to eliminate the possibility of double counting payments to MBE subcontractors in cases where the prime contractor is a MBE.** Therefore, whether the prime contractor is a MBE or non-MBE, if there are subcontract payments to MBEs, you should enter both the total payments to the prime contractor AND the associated payments to any/all MBE subcontractors.

For example, if an African American prime contractor has made payments to one or more MBE subcontractors, in the past, you would have only reported the total payments to the MBE prime contractor. To avoid double-counting, you were instructed not to enter MBE subcontract payments. **Beginning with the 2009 modified compliance database, you will report both prime and subcontractor payments for those contracts where the prime contractor is a MBE.**

### **Technical Support Availability**

This year, GOMA will provide technical support directly to procuring units who need assistance entering data into the database and generating the Word/Excel files for transmission. Please contact the GOMA Help Desk at (410) 767-8232 during regular business hours and ask for the MBE Annual Report Help Desk.

### **Shared File Capabilities**

This Access file is designed to work in a “**shared file**” environment. If this file resides on a shared drive, anyone who has access to the shared drive can enter data into the database. This feature is helpful when an agency needs data input from several sources at several locations. The only requirement is that Microsoft Access is configured so that the **Tools | Options | Advanced** tab “Default Open Mode” option is marked “**Shared.**” Contact your database administrator for assistance regarding this matter.

## Multi-Year Use

This database application can and should be used to capture your contract compliance data for multiple fiscal years. Just be sure to maintain a master blank copy of the database application.

Copy the blank master copy to your hard drive but keep the master file on a floppy disc or CD. Change the name of the copied file from "GOMA\_MBE\_Form\_3\_2011" to "GOMA\_MBE\_Form\_3\_2012" for next year's report. You will then only need to add contracts awarded during FY 2012 and delete contracts that expired in FY 2011.

## If You Do Not Have Microsoft Access

If you do not have Microsoft Access, you can either obtain a copy of the **MS Access 2007 Run-Time Minimum** from GOMA or you can access the same program directly from the Microsoft website at <http://www.microsoft.com/downloads/details.aspx?FamilyID=d9ae78d9-9dc6-4b38-9fa6-2c745a175aed&displaylang=en>. If you would like a copy of the Run-time program from GOMA on CD, please contact GOMA at (410) 767-8232.

## Report Submission Requirements

All reports must be completed and submitted to GOMA on or before **Friday, August 19, 2011**. **Do not send the populated database document back to GOMA. Agencies submitting the Form 3 database, or incomplete exported files will have their submissions returned and will be considered in non-compliance with MBE reporting requirements.** Your seven (7) reports (3 Word, 3 Excel, 1 PDF or additional Word file) should be forwarded to GOMA as email attachments. Please email your reports to:

[JPetty@mdminorityBusiness.com](mailto:JPetty@mdminorityBusiness.com)  
[CBivens@MDMinoritybusiness.com](mailto:CBivens@MDMinoritybusiness.com)

If you have any problems transmitting your reports via e-mail, please contact the GOMA MBE Annual Report Help Desk.

You may also mail your reports to GOMA using a CD. Mail your CD to:

John Petty  
Governor's Office of Minority Affairs  
6 Saint Paul Street, Suite 1502  
Baltimore, MD 21202