



OMWBE GUIDELINES FOR AGENCY REPORTING

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Note: Updated postings are identified in green.

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OMWBE GUIDELINES FOR REPORTING

GENERAL:

The purpose of this document is to provide state agencies with guidance for reporting expenditures in a manner that allows the Office of Minority and Women's Business Enterprises (OMWBE) to calculate the expenditures by state agencies with certified Minority Business Enterprises (MBE), Women's Business Enterprises (WBE), and non-certified businesses.

These guidelines are intended to provide for the efficient collection and reporting of expenditure data and allow OMWBE to report agency compliance with annual goals established pursuant to Chapter 39.19 RCW.

LEGAL AUTHORITY:

Chapter 39.19 RCW establishes the minority and women's business enterprise program. The statute applies to all public works and procurement, specifically chapters 28B.10, 39.04, 39.29, 43.19, 43.105, and 47.28 RCW.

The statute requires OMWBE to establish annual percentage goals for the participation of minority and women's businesses, and to establish a system of monitoring compliance. The statute also requires each state agency to comply with the annual goals established by OMWBE.

All agencies are required by WAC 326-40-050 to make expenditure data available to OMWBE.

EXPENDITURE REPORTING - OVERVIEW:

OMWBE prepares utilization reports based upon data submitted by state agencies. OMWBE does not verify the correctness of any of the data elements, such as identity of payee, dollar amount, or type (assigned sub-object). OMWBE does issue a Part 3 Sub-Contractor Correction Report to advise the agency when the reported taxpayer identification number ("TIN") of a firm does not match the firm's TIN in OMWBE's database. This report also identifies any decertified firms during the reporting period. (See Appendix E Page 13).

These reports are intended to reflect the discretionary purchasing decisions of the agencies. Therefore, only those expenditures categorized in 38 sub-objects are analyzed (See Appendix A). These 38 sub-object categories typically represent acquisitions where the agency has discretion to select the vendor. The sum of the expenditures in these sub-objects constitutes the "Reporting Base" except for Travel (GB, GG and GD). OMWBE has determined sub-objects GB, GG and GD to be additive exceptions (See Appendix B). Expenditure records in all other sub-objects are not part of the utilization reports. **NOTE: OFM/DES now supplies OMWBE with additive exception data which includes all certified firm utilization reported in the remaining sub-objects not identified in Appendix A. OMWBE Reports this data quarterly.**

REPORTING PROCESS:

The reporting process begins when a state agency electronically reports its expenditures (“record”). Records are reported to OFM/DES through the Agency Financial Reporting System (AFRS) and through the use of the AFRS OM Sub-contractor screen or directly to OMWBE by providing an electronic monthly batch report. In all instances, individual expenditures must be recorded in accordance with the format set forth in Appendix C.

Agencies that report their expenditures directly to OFM/DES satisfy the reporting requirement by requesting reports produced by OFM/DES from one of the following OFM/DES systems:

AFRS History - AFRS Data Warehouse and OMWBE Sub-contractor Part 3

AFRS Data Warehouse –	Includes all expenditures in any of the 38 sub-objects (except travel) and all expenditures for which an Exception has been approved.
Part 3 -	Includes payments by prime contractors to certified subcontractors or suppliers, expenditures to certified travel agencies, and expenditures to certified vendors that are credit card transactions. Also includes additive exception data as provided by OFM/DES.

NOTES:

AFRS History Part 1: Enter the appropriate Exception Code; i.e., “E” “S” “K” or “N.” OFM/DES will determine using the vendor type and sub-object code if the OMWBE Pay Flag field (as approved by OMWBE) has a “B” for Participation Base or “0” for removal from the Participation Base. The agency is not allowed to enter “B” or “0” in this field but can replace a “B” or “0” with an “E” “S” “K” or “N” exception code flag (See Appendix B for the allowed Exceptions). **NOTE: if the agency has entered any spaces in the Pay Flag Field OFM/DES’s “0” or “B” will not populate and the flag will not post correctly.**

Part 3: In accordance with WAC 326-40-060, expenditures to travel agencies are counted at only twenty (20%) percent of the dollar amount of the payment. However, agencies should enter the full amount of the payment. OMWBE will calculate the adjustment so that the monthly report will reflect twenty (20%) percent of the total value in the MBE or WBE utilization column for Purchased Services. These payments will not be added to the Participation Base.

All payment entries must contain certain required elements to be analyzed, namely:

1. A valid 9-digit vendor Taxpayer Identification Number (TIN). **Note:** *The TIN number cannot contain identical digits, i.e., 000000000 or 999999999. (Blanks are not valid.)*
2. One sub-object selected from OFM/DES’s Chart of Accounts (See Appendix A), and
3. Dollar amount of the expenditure.

These records (“Reporting Base”) are then reviewed for the presence of a valid “Exception Code” (See Appendix B). These records are deleted. The remaining records constitute the “Participation Base” from which utilization percentages are calculated.

Agencies do not need to identify the certification status of firms (e.g., MBE, WBE, MWBE, or CBE). OMWBE verifies the certification status of a firm by checking the TIN number identified in the record with the firm’s TIN number shown in OMWBE’s Directory of Certified Firms. If the TIN numbers match, the dollar value of the record is aggregated to the report. **Therefore, it is important that the record include the vendor’s correct TIN number.**

In addition to obtaining credit for expenditures to M/WBE vendors, an agency may also obtain credit for expenditures with M/WBE travel agencies for airline tickets, and expenditures by vendors to M/WBE subcontractors and suppliers. Agencies must manually report this expenditure data in accordance with instructions contained in Appendix C and D.

DETERMINING MBE AND WBE UTILIZATION:

Credit is only given for payments made to minority or women business enterprises that are certified by OMWBE, using the following formula: The dollar amount of expenditures to MBEs and WBEs is divided by the Participation Base to obtain the utilization percentages.

Note: *Expenditures to Minority Women Business Enterprises (MWBE) are included in the MBE dollar amount and percentage.*

DETERMINING THE WINDOW OF CERTIFIED FIRM UTILIZATION:

OMWBE creates a “Window of Certified Firms” to determine what minority and women business can be included in the Performance Reports.

“Window” = The current fiscal year + 90 days prior into the reporting year in question.

For example, if the current reporting fiscal year is FY10 (July 09 - June 10) and the firm is currently certified at any time during April 2009 through June 2010, all payments made to the firm will count towards utilization for that entire fiscal reporting year.

REPORTS:

OMWBE provides each agency a quarterly report showing its cumulative participation base to date, amount expended with valid MBEs and WBEs and the resulting percentages, and individual MBE and WBE firms (See Appendix E). A summary of this information is included in the annual report OMWBE provides to the Governor and the Legislature.

Appendix A

MWBE PROGRAM SUB-OBJECTS

CONSTRUCTION	JE	Land
	JF	Buildings
	JG	Highway Construction
	JH	Improvements Other Than Buildings (Non State Hwy System)
	JJ	Grounds Development
ENGINEERING & ARCHITECTURAL SERV	JK	Architectural & Engineering Services
	JL	Capital Planning
PROFESSIONAL SERVICES	CA	Management & Organizational Services
	CB	Legal & Expert Witness Services
	CC	Financial Services
	CD	Computer & Information Services
	CE	Social Research Services
	CF	Technical Research Services
	CG	Marketing Services
	CH	Communication Services
	CJ	Employee Training Services
	CK	Recruiting Services
	CZ	Other Personal Services
PURCHASED GOODS	EA	Supplies & Materials
	FH	Raw Materials (Direct Materials)
	JA	Non-capitalized Assets
	JB	Non-capitalized Software
	JC	Furnishings & Equipment
	JM	Art, Library Reserve, Museum & Historical Collections
	JQ	Software
	JZ	Other Capital Outlays
PURCHASED SERVICES	EB	Communications & Telecommunications Services
	EE	Repairs, Alterations & Maintenance
	EF	Printing & Reproduction
	EH	Rentals & Leases: Furnishings, Equipment & Temporary Use of Space
	EP	Insurance
	ER	Other Purchased Services - Contractual
	ES	Vehicle Maintenance & Operating Costs
	EZ	Other Goods & Services
TRAVEL (PART 3 Sub-Contractor File)	FD	Freight-In
	GB	In-State Air Transportation
	GD	Other Travel Expenses
	GG	Out of State Air Transportation

Note: Agencies may petition for the inclusion of expenditures in other Sub-objects. See the instructions for additive exceptions in Appendix B.

Appendix B

EXCEPTIONS

All expenditures in any of the Sub-objects listed in Appendix A are automatically included in the agency reporting base. However, OMWBE has determined that agencies should have the opportunity to deduct certain of these expenditures from their reporting base because they may have no discretion to select the vendor. This “Exception” is accomplished when the agency enters one the following Exception pay flag codes in the “MWBE Pay Flag” field of the record.

Exception Code “E”:

Sub-object ALL - Only allowed on expenditures made to banks, credit unions, for services, loans, safety deposit box rental and fees – Examples: Frontier Bank, Banner Bank, Key Bank, Obee Credit Union. *Note: Exceptions are not permitted for actual credit card payments.*

Sub-object EA (Purchased Goods – Supplies & Materials; Groceries/Food) – Only allowed on expenditures made to supermarket and major grocery store chains for food – Examples: Safeway, Top Foods, Albertsons, Fred Meyer, Thriftway and QFC. *Note: Exceptions are not permitted for expenditures made to local specialty stores – Examples: ethnic, health, bakery, convenience stores.*

Sub-object EA/JA/JB/JC/JQ (Purchased Goods) - Only allowed on expenditures made directly to computer equipment and software manufacturers – Examples: Microsoft, International Business Machines (IBM), Hewlett-Packard (HP), Apple, Dell.

Sub-object EB (Purchased Services – Communications) – Only allowed on expenditures for letter postage, post office box and postage meter and or mailing machine rental and maintenance, and messenger service. Also permitted, internet service providers, telephone installation costs and local/long distance monthly telephone line and cellular service – Examples: AT&T, Arch Wireless, Centurytel, Cingular, Comcast, MCI, MetroCall, Nextel, Qwest, Reachone Internet, Sprint, US Cellular, Verizon, X5 Solutions. *Note: Exceptions are not permitted for telephone or cellular equipment or repair.*

Sub-object EB/ER (Purchased Services – Communications/Other Purchased Services) – Only allowed on expenditures for global express package delivery/tracking - Examples: FedEx, UPS, DHL.

Sub-object EE (Purchased Services – Repairs, Alterations & Maintenance) – Only allowed for expenditures required by the building owner/landlord when the agency does not have a choice in vendor selection.

Sub-object EH/EZ (Purchased Services – Rental & Leases/Other) – Only allowed on expenditures for the temporary use of space, including space for conferences and meetings.

Sub-object ER/EZ (Other Purchased Services/Goods & Services) – Only allowed on direct payment expenditures to radio and television broadcasting companies – Examples: Fisher Broadcasting, Infinity Broadcasting/CBS Radio, KBSG, KISW, KIRO, KOMO, KING 5. **Note: Not allowed for any payments for broadcasting equipment, service/repair or for any advertising/ad agencies.**

Sub-object ER/EZ/JE (Purchased Services and Construction/Land) – Only allowed on expenditures made to title companies – Examples: Pacific Northwest Title, Mason Co Title. **Note: Automatic exceptions are not permitted for local insurance agencies & brokerages.**

Sub-object ES (Vehicle Maintenance & Operating Costs) – Allowed on expenditures made to Gas Stations including the Voyager Fleet Card for vehicle gasoline only. **Note: Please record payments made to OMWBE Certified Gas Stations in the Part 3 Sub-Contractor file (See Appendix C).**

Sub-object JE (Construction – Land) – Allowed on expenditures for the acquisition of land.

Sub-object JF (Construction – Buildings) – Allowed on expenditures for the acquisition of buildings and interest cost on project loans accrued during the construction period.

Sub-object JM (Purchased Goods Art, Library Reserve, Museum & Historical Collections) Allowed on expenditures for the acquisition of works of art and historical landmarks.

Exception Code “S”:

Expenditures to DSHS-approved Community Rehabilitation Centers (previously known as Sheltered Workshops) in any sub-object.

Exception Code “N”:

Expenditures to government entities and non-profit organizations, including federal, state, county, and municipal governments in any sub-object - Examples of vendor keywords: County, City, State Agencies (Office of/Department/WA State), Post (office), School/University, Tribe/Tribal, Youth/Children, Health, Hospital, Medical, Fund, Foundation, Association, Club and Community.

Exception Code “K”:

Expenditures to non-certified firms pursuant to Department of General Administration “Mandatory-use” contracts in any sub-object. The “K” flag exception code is only allowed for Mandatory contracts. **Note: OMWBE is currently holding stakeholder workgroups to discuss the continuation of this OMWBE reporting guideline. To determine if a vendor has a current Contract visit GA/DES’s site at:**
<https://fortress.wa.gov/ga/inet/pca/pcacont.htm>

When are Part 1 Purchase/Credit Card Exception allowed: Report all purchase card transactions as Part 1 (These payments do not qualify for an exception code since the agency has the option in vendor selection). However, if the specific expenditure qualifies as one of the exceptions above, the E, S, K or N flag is allowed, i.e., if the payment is made to US Bank for a charge to Comcast specifically for wireless internet service (sub-object EB) the “E” flag is allowed on that expenditure. For more information please refer to Appendix D.

PETITIONS FOR EXCEPTION:

In addition to the pre-approved exceptions above, an agency may petition for additive or deductive exceptions. An additive exception may be allowed for an MWBE expenditure assigned a sub-object that is not on the list in Appendix A. A deductive exception may be allowed for a expenditure to a non-certified business where there were no available certified firms to participate at any level; e.g. prime, subcontractor or supplier. A petition for additive or deductive exception should be submitted in writing (mail or email) to OMWBE at the time the agency makes a purchasing decision. The following information is required:

- a) Agency number and contact person
- b) Sub-object code for the expenditure
- c) Vendor name
- d) Vendor Tax Identification Number (TIN)
- e) Dollar amount (actual or anticipated)
- f) Detailed justification for the petition

If OMWBE approves the petition, it will provide written instructions stating how the agency is to report the expenditure and which exception code to use in the internal accounting system. **NOTE:** Agencies do not need to submit a separate petition for additive exception for expenditures to certified travel agencies that are assigned sub-object GB, GG or GD. These expenditures should be reported in the same manner as payments to subcontractors (in Part 3). OMWBE has previously determined agencies will automatically receive a credit toward their MBE or WBE utilization (Purchased Services) equal to twenty (20%) of the actual total dollar value of these expenditures.

Appendix C

DATA ENTRY INSTRUCTIONS AND FORMAT

The following format is to be used when the agency reports directly to OMWBE:

DATA TITLE	CHARACTERS	FIELDS
Report Part (1 or 3)	1	01
Agency Number	4	02-05
Firm Name	32	06-37
Firm Fed ID (TIN) <i>(No dash)</i>	9	38-46
Pay Flag	2	47-48
Sub-object	2	49-50
Dollar Amount	15	51-65
Agreement Id/Contract #	11	66-76
Fiscal Year	2	77-78
Fiscal Month	2	79-80
Program	3	81-83
Sub-Program	2	84-85
Report Method (0)	1	86

OFM/DES Procedures For Correcting Previously Entered Records

For agencies reporting through OFM/DES, the following procedures must be followed to make corrections or changes to a previously entered record or transaction:

1. OMWBE-Related Coding; e.g., Vendor number, TIN, OMWBE Pay Flag, Sub-object and/or Agreement ID/Contract Number.

AFRS Reporting Source Agencies:

- For records in Report selection AFRS Data Warehouse that need to be updated for any corrections such as sub-object, pay flag designation or account coding:
 - Back out the entire incorrect record and enter a new record via journal voucher entry
 - Reconciliation for OMWBE corrections should be performed monthly
 - OFM/DES will process these corrections for a fiscal year until the end of that fiscal year (Phase 2). Once Phase 2* has closed no further corrections for the concluding fiscal year will be processed.
- For records in Report selection AFRS OMWBE Sub-contractor Part 3:
 - Enter the desired add or change directly to the OM.3 AFRS screen
 - Validations can be viewed on the OM.4 AFRS screen.

**Phase 2 closes mid September (See OFM/DES AFRS/CAFR Closing Schedule for exact dates) following the end of the subject fiscal year.*

Appendix D

REPORTING PURCHASE CARD EXPENDITURES

US Bank:

All Purchase Card payments made directly to US Bank's (Prime-Contractor) are reported in Part 1 under US Bank's TIN number. This action will allow all Purchase Card expenditures to be reflected in the Participation Base.

Flagging all payments in Part 1 to the Purchase Card is not allowed since the agency has a choice in vendor selection. However, if the specific expenditure qualifies as one of the exceptions listed in Appendix B, the E, S, K or N flag is allowed. **NOTE:** *If OMWBE has determined that the agency has blanket flagged all of their purchase card transactions unless an exception has been granted or is listed in Appendix B, the mass flags will be pulled off the data and included in the participation base.*

Pertaining to credit for M/WBE purchases made using the US Bank purchasing cards: OMWBE will process the M/WBE Purchase Card vendor payments by adding these payments to the Part 3 Sub-Contractor file (provided the vendor TIN is valid) this data is then reported on the ORS Match report of certified firms. When reviewing the quarterly ORS Match reports your agency should verify that all payments made to certified M/WBE's are identified. Please contact us with any questions.

ASSISTANCE / QUESTIONS:

CONTACT OMWBE:

For questions about these guidelines, contact the OMWBE Agency Support Unit at: 360-753-9693 or gking@omwbe.wa.gov

To determine the certification status of a firm, please view the Directory of Certified Firms at: http://www.omwbe.wa.gov/certification/certification_directory.shtml or contact the office at 360-753-9693.

A current copy of these OMWBE Guidelines for Agency Reporting or General information for State Agencies, i.e., interim contract language, I-200 information, Supplier Diversity Initiative, etc., can be found at OMWBE's web site at:

<http://www.omwbe.wa.gov/supplierdiversity/index.shtml> and
http://www.omwbe.wa.gov/supplierdiversity/supplierdiversity_reporting.shtml

CONTACT OFFICE OF FINANCIAL MANAGEMENT:

For AFRS Information Services Division – Technical questions and assistance contact: Help Line; **360-407-8182**; afrshelpdesk@ofm.wa.gov

For OMWBE Report training offered by OFM/DES's Information Services Division contact: <http://swfs.ofm.wa.gov/swt/schedule.asp>

CONTACT GENERAL ADMINISTRATION:

To determine if a vendor has a Current GA/DES Contract:
<https://fortress.wa.gov/ga/inet/pca/pcacont.htm>

For information on the US Bank Visa Card program:
<http://www.ga.wa.gov/pca/visaprogram.htm>

Appendix E

OMWBE UTILIZATION REPORTS (Sample Report Forms)

Performance Report

STATE OF WASHINGTON	<i>Report Date</i>						
OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES							
PERFORMANCE REPORT BY AGENCY AND CLASS OF CONTRACT							
Reporting Period:	<input type="text" value="Starting date"/>	Thru	<input type="text" value="Ending date"/>				
Agency/ Class of Contract**	MBE Dollars	%	WBE Dollars	%	Non-Certified Dollars	%	Participation Base Dollars
<input type="text" value="AGENCY NAME - NUMBER"/>							
<input type="text" value="CONSTRUCTION"/>							
<input type="text" value="ENGINEERING AND ARCHITECTURE"/>							
<input type="text" value="PROFESSIONAL SERVICES"/>							
<input type="text" value="PURCHASED GOODS"/>							
<input type="text" value="PURCHASED SERVICES"/>							
<input type="text" value="TRAVEL EXPENDITURES*"/>							
DEPT. TOTAL:							

*NOTE: If travel is listed above, the amount is 20% of the Actual Dollars Reported.

**NOTE: An Agency will only have the Classes of contracts listed in which they report expenditures.

Match Report

STATE OF WASHINGTON			<i>Report Date</i>
OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES			
MATCH REPORT -- BY AGENCY AND INDUSTRY			
Reporting Period:	<input type="text" value="Starting date"/>	Thru	<input type="text" value="Ending date"/>
<hr/>			
Agency/ Class of Contract**			Dollar
Cert. Status	ID#	Company	Amount
<hr/>			
AGENCY NAME - NUMBER			
<hr/>			
CONSTRUCTION	<input type="text"/>	<input type="text"/>	<input type="text"/>
		CLASS OF CONTRACT TOTAL:	<hr/>
ENGINEERING AND ARCHITECTURE	<input type="text"/>	<input type="text"/>	<input type="text"/>
		CLASS OF CONTRACT TOTAL:	<hr/>
PROFESSIONAL SERVICES	<input type="text"/>	<input type="text"/>	<input type="text"/>
		CLASS OF CONTRACT TOTAL:	<hr/>
PURCHASED GOODS	<input type="text"/>	<input type="text"/>	<input type="text"/>
		CLASS OF CONTRACT TOTAL:	<hr/>
PURCHASED SERVICES	<input type="text"/>	<input type="text"/>	<input type="text"/>
		CLASS OF CONTRACT TOTAL:	<hr/>
TRAVEL EXPENDITURES*	<input type="text"/>	<input type="text"/>	<input type="text"/>
		CLASS OF CONTRACT TOTAL:	<hr/>
		AGENCY TOTAL:	<hr/>

*NOTE: If travel is listed above, the amount is 20% of the Actual Dollars Reported.

**NOTE: An Agency will only have the Classes of contracts listed in which they report expenditures.

Part 3 Correction Report

Office of Minority and Women's Business Enterprises ORS PART 3 Correction Report

Fiscal Year/Month Agency Name & Number

Part 3	Vendor Name	ID#	S/O	Amount	Contract	OMWBE Comments/Corrections
39990	ABC Travel	xxxxxxxxx	GB	234.56	0313 0	TIN is YYYYYYYYYY on file - Please correct TIN
39990	XYZ Travel	xxxxxxxxx	GG	123.45	0313 0	Decertified 07/20/04 – No longer a certified firm
39990	123 Construction		JF	1234.56	0313 0	Blank TIN – Please correct TIN to ZZZZZZZZ

Please forward correction report to your accounting manager ASAP for adjustments

If you have questions regarding this report please contact your OMWBE Liaison....