Bulletin Number: A-301 R1
Date Issued: 3/12/1993
Date Last Updated: 12/7/09
Bulletin Name: Voucher Preparation Changes for MWBE Reporting

Purpose: To ensure agencies have the most current guidance on MWBE reporting requirements, the information in this Bulletin has been updated.

Pursuant to Article 4A of the Economic Development Law, OSC and DED’s Division of Minority and Women’s Business Development (DMWBD) have agreed on a voucher coding requirement. The coding requirement is designed to use the Central Accounting System (CAS) to collect information to be used by DMWBD to generate reports on (1) discretionary payments made by agencies, and (2) the portion of those discretionary payments that are made to MWBE’s.

DMWBD recognizes that while these reports will show total payments to MWBE’s in dollars and as a percentage of total discretionary payments, the reports may not necessarily reflect the aggressive efforts made by some agencies to include MWBE’s in all procurements. Accordingly, it is very important that agencies also submit MWBE expenditure reports directly to DMWBD pursuant to DMWBD’s Revised Agency Reporting Guidelines, which can be found at www.nylovesmwbe.ny.gov.

Voucher Coding Requirement:

If the payment is discretionary as defined later in this Bulletin, agencies must enter a "D" in the Statewide Indicator field as shown on Exhibit A. A "D" must be coded on all discretionary payments whether or not made to an MWBE. All payments processed without a "D" will be considered non-discretionary.

Agencies that bulkload vouchers must ensure the "D" Statewide Indicator is included in all discretionary payment transactions.

Note: The "Indicator-Statewide" is a five position alphanumeric field. The "D" code can be entered in any of the five positions.

The reports generated by DMWBD will only be as accurate as the "discretionary" indicators and payee ID’s that are entered into the CAS. Careful voucher preparation and entry into the CAS will help avoid time-consuming follow-up in explaining report amounts to DMWBD.

Discretionary: "Discretionary" payments are those payments in which the agency has had some discretion in the selection of vendors, contractors or individuals providing goods or services. For purposes of MWBE reporting, the following are included among discretionary payments and should be coded with a "D":

http://osc.state.ny.us/agencies/abulls/a301r1.htm
Payments for emergency goods and services;
- Consortia payments;
- Payments against contracts with travel agents.

**Non-Discretionary:** The following types of payments are considered non-discretionary:

- Payments to any governmental entity or public benefit corporation (except when that entity completed with for-profit organizations for the contract);
- Payments for employee fringe benefits;
- All payments, including travel reimbursements to employees (except when they are providing goods/services as non-employees);
- Travel payments to lodging establishments and travel agents selected by employees;
- Payments made directly to a common carrier;
- Payments to preferred sources*;
- Payments against statewide term contracts (P Contracts, including "as specified" contracts)*;
- Payments for real estate leases negotiated by an entity other than your agency;
- Sole source contract payments (as determined by OGS guidelines for sole source contracts)*;
- Payments for utilities, postage, telephone;
- Conference fee payments;
- Payments for magazines/periodicals/journals;
- Membership payments to associations and professional licensing fees paid by agencies;
- Payments to not-for-profit (NFP) organizations (except when the NFP competed with for-profit organizations for the contract).

*Notwithstanding the characterization of preferred source payments, sole source payments and payments against statewide term contracts as "non-discretionary,” (i) the portion of payments made by a preferred source to a certified MWBE that enters into a subcontract with the preferred source, (ii) sole source contract payments to a certified MWBE, and (iii) payments to certified MWBE’s on statewide term contracts are to be reported to DMWBD in accordance with the Revised Agency Reporting Guidelines found at www.nylovesmwbe.ny.gov.

**Reporting:** The VOU065 payee list by agency and voucher includes the Statewide Indicator. Agencies can then use the VOU065 to verify the inclusion or exclusion of the Statewide Indicator on payments. Statewide Indicator is also included in payments history (M171) records provided to agencies.

If any payment is inaccurately coded, contact your agency liaison at DMWBD at (518) 292-
5250 for correction of MWBE reporting. Agencies should note that OSC is providing the means for DED to accumulate this information, but OSC will not take any action to change incorrect Statewide Indicator data in payment history records.

DMWBD will use the information collected by the CAS to monitor and report on the level of participation by MWBE’s in each agency’s payments for goods and services. This will eliminate some agency MWBE reporting requirements. However, certain agency MWBE reporting must continue, such as reporting on sub-contractors and petty cash payments, as well as identification of uncertified MWBE’s. Specifics on revised agency reporting requirements will be sent to agencies by DMWBD.

Questions:

Direct questions on this Bulletin to:

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