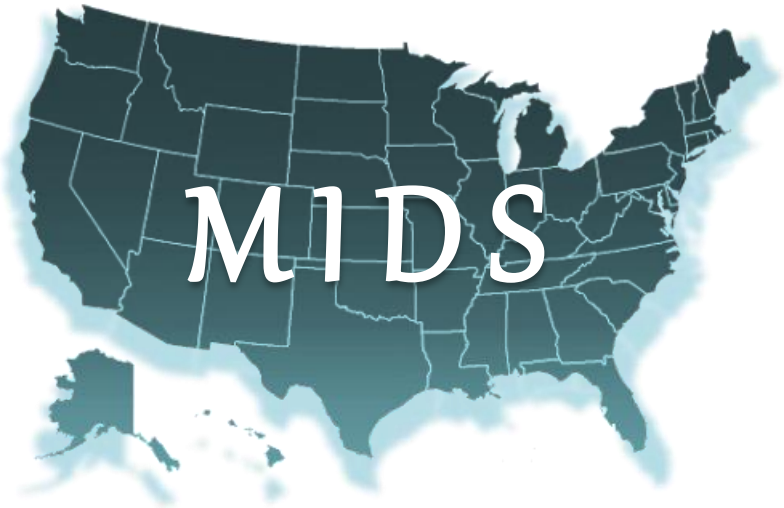

INSTRUCTIONS GUIDE
2017 MULTISTATE INSURANCE DIVERSITY SURVEY

State of California · District of Columbia
State of Oregon · State of Washington

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I. BACKGROUND

In 2011, the State of California established the Insurance Diversity Initiative. The Initiative focuses on transparency and administers surveys to understand the state of supplier diversity and governing board diversity amongst the state's top insurers, those with written premiums of $100 million or more in California. Between 2012 and 2016, insurers increased their procurement with California diverse businesses by $770 million.

In 2016, the Multistate Insurance Diversity Survey (MIDS) Initiative was established to understand the state of supplier and governing board diversity amongst the nation's now $1.84 trillion insurance industry. Through transparency, these efforts aim to encourage economic opportunities and increased procurement from the nation's diverse suppliers.

The MIDS Portal is the online platform through which your company will access, complete, and submit the survey; all reports will be accessible publically once the administration period has ended. All insurers that meet the threshold to report are requested to complete and submit MIDS.

Threshold:

- All insurance companies with written national premiums of $300 million or more and licensed in one of the four partner states; and/or
- All insurance companies with written California premiums of $100 million or more; and/or
- All insurance companies requested by one or more of the partner states in which the company is licensed has chosen to survey the company.

The survey questions are focused on supplier diversity. The survey seeks information about each company's supplier diversity program, outreach efforts, and procurement data with diverse suppliers, and is intended to facilitate supplier relationships between insurers and the nation's diverse businesses. Diverse businesses include: Minority Business Enterprises (MBEs), Women Business Enterprises (WBEs), Veteran (VOBEs) and Disabled Veteran Business Enterprises (DVBEs), and LGBT Business Enterprises (LGBTBEs).

As the MIDS lead state, California will be hosting three 2-part series webinars to provide in-depth instructions on how to complete the survey; the full training requires attending both sessions. **These technical conference calls will take place on Wednesdays at 8:30 AM (PST); each month**

More information about each webinar will be sent one week prior to each meeting**:**

- Part 1 Webinars: May 17, June 14, or July 12
- Part 2 Webinars: May 31, June 28, or July 26

Detailed information such as submission deadlines, portal access information, and instructions for completing the survey are all included below for your convenience and will also be accessible via the MIDS portal. Read and review all instructions herein very carefully to ensure you're completing the survey correctly.

II. SCHEDULE A&B SUBMISSION DEADLINES

	SCHEDULE A: *California Premium of $100 Million+*	**SCHEDULE B:** *National Premium of $300 Million+ or Requested by Partner State*
Survey Submission Date	**July 3, 2017**	**September 1, 2017**
Date to Request Extension	**June 26, 2017**	**August 25, 2017**
Extension Submission Date	**August 2, 2017**	**October 3, 2017**

- **July 3, 2017** – All insurance companies with written California premiums of $100 million or more: Both the narrative and charts sections of the survey electronically submitted through the online portal. (per statute July 1, deferred due to weekend)

- **September 1, 2017** – All insurance companies with written national premiums of $300 million or more and licensed in one of the four partner states and all insurance companies requested by one or more of the partner states in which the company is licensed has chosen to survey the company: Both the narrative and charts sections of the survey electronically submitted through the online portal.

- **August 31 - November 17, 2017** – All reports and report statuses will be published for public consumption on our website

To confirm which schedule applies to your company, please review the 2017 Respondents resource document which lists all companies and which schedule they are to report under; the list can be found on the California Department of Insurance website http://www.insurance.ca.gov/diversity/12-mids/. Final survey reports will be published on the MIDS website by August 31, 2017 (Schedule A companies) and November 17, 2017 (Schedule B companies).

All companies/groups are allotted a one-time 30-day extension upon request; all requests must be received a minimum of one week prior to your due date. All requests must provide company name and NAIC number of all companies that the extension is to include. You may submit your request to extend to mids.ca@insurance.ca.gov, and you will receive an email confirmation once your request has been acknowledged and approved.

III. CONTACT INFORMATION

If you have any questions regarding any part of the survey, send your inquiries to the email address listed at the base of your screen within the survey portal; this is the partner state in which your company has been assigned for review.

Remember to include your contact information, and a survey administrator will address your inquiry in the order it was received.

Note: All communications sent to all contacts related to MIDS will be sent from the California MIDS team.

*For any **technical inquiries** about the survey portal, email MIDS.CA@insurance.ca.gov*

IV. REGISTRATION

All companies that met the requirements to submit the 2016 MIDS already have an account; please use the same log-in information to complete and submit your company/group 2017 survey.

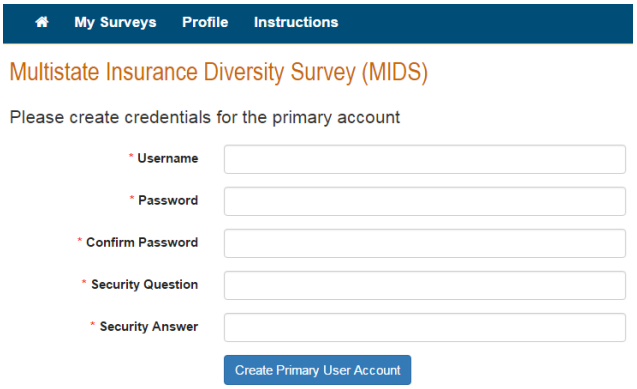
- You will be prompted to check the Acknowledgement box upon log-in; checking this box acknowledges your receipt of the survey and agreement to submit the survey by the survey submission date.

Any company that did not meet the threshold previously, please follow the below instructions to create a primary user account to complete and submit your company/group survey.

NEW USERS CREATING A PRIMARY USER ACCOUNT

Screenshots are included below to serve as a visual guide for each step in the registration process.

- The unique survey link you have received will direct you to the page where you will create the login for the primary user account – this user will be the primary user for a company's account and is able to create secondary users as needed
    - **NOTE:** *it is highly advised that only one primary account be created and the number of secondary user accounts be mindfully created to prevent any difficulty in keeping track of the changes being made to your company / group's survey(s)*



- When entering user information for your account, choose personal information that is easy to remember and note it down for future reference.
- Passwords require a minimum of 6 characters and *must* meet 2 of the following 3 requirements:
    - Alpha & numeric characters (A-Z, 0-9)
    - Uppercase & lowercase characters (A-Z, a-z)
    - Special characters (e.g. !@#$%^&*)
- You *must* check the Acknowledgement box in order to officially create an account; checking this box acknowledges your receipt of the survey and agreement to submit the survey by the survey submission date.

V. MIDS PORTAL

- Once registration is complete, you will be able to access the MIDS portal.
    - On May 8, 2017 the survey will be released; prior to May 8, you will only have access to the resource documents and managing users.
- The navigational panel at the top of the page will enable you to access various parts of the portal, these links include:

    - **My Surveys** – enables you to view and access all surveys created for your company / group

- **Manage Users** – enables you to create and add secondary users for your company / group; these users are able to access the survey and make edits, however, secondary users cannot create new users within the system

- **Profile** – this is where the primary user account information is stored; you are able to update user information, view the companies you're the primary contact for, change password, and change the security question

- **Instructions** – this entire instructional document for MIDS is readily accessible here

- **Glossary** – the terms, definitions, and industry categories for completing MIDS are readily accessible here

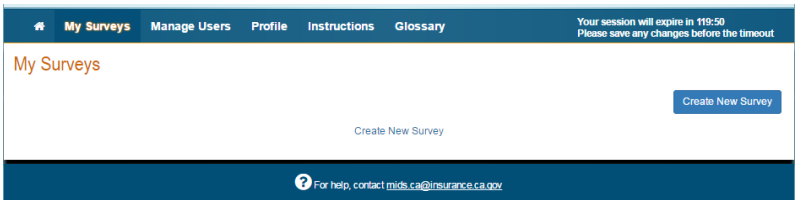
VI. REPORTING

Administrators of the 2017 Multistate Insurance Diversity Survey (MIDS) reserve the right to audit any information submitted in response to the survey. In the event of an audit, if it is found that any inaccurate or missing information was submitted with the express intent of falsifying and misrepresenting reported information of a company / group, the company / group may be subject to penalties.

- Upon logging in, you will always be redirected to the "My Surveys" page, where you will see if any surveys have been created for your company / group

  - If you are logging into the portal as a <u>returning user</u>, you will see all surveys tied to your account; including past surveys.
  - If you are logging into the portal as a new user, you will see a screen similar to the below shot.

    - If you see any existing surveys, it may be because there are multiple primary users assigned to different companies within your group that have begun surveys for their assigned companies



  - **NOTE:** *only edit / access surveys you have created or surveys that you are aware someone within your company / group has created and allowed you to access*

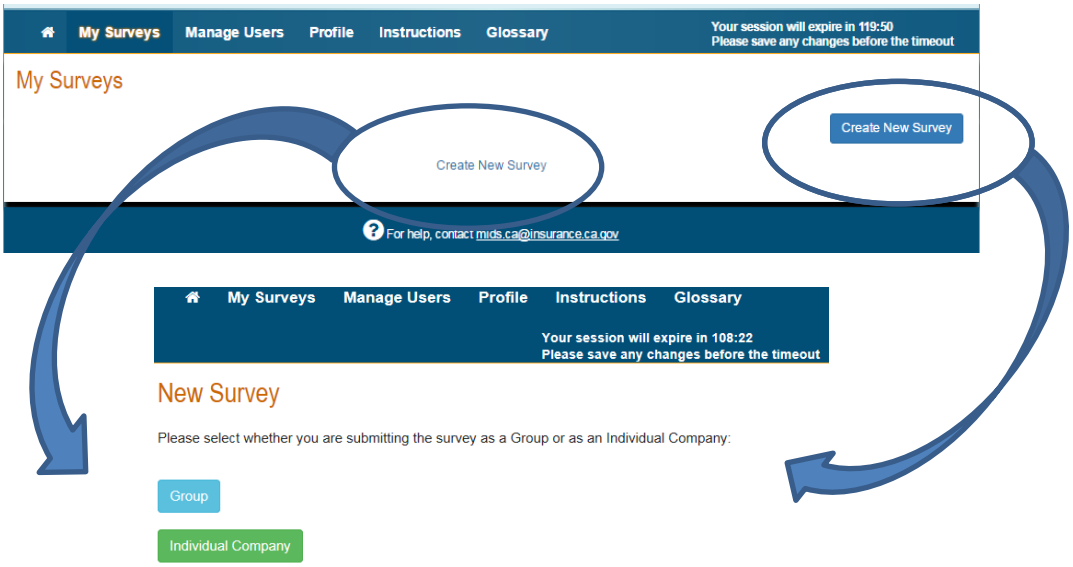
    - **DO NOT alter current year surveys you did not create and have no previous approval to alter, these may be surveys created by a different user for a company that is assigned to the same group as you, but for which you are not the primary contact**

  - Each session is set to expire within 120 minutes (2 hours), any time you move to a different page or save progress the expiration timer will reset your session back to 120 minutes

    - **NOTE:** *The CEO information section of the survey is* <u>unable to save progress continuously</u>*, it is advised that you complete this section in its entirety before changing sections to ensure progress is saved; the charts can be saved continuously*

Remember: if you do not save progress on any part of the survey and your session expires, you may lose any new information that was added and not saved prior to session expiration

- To create a new survey, click "Create a New Survey" link or "Submit New Survey" button (as shown in picture below), this will redirect you to a "New Survey" page where you will begin creating a new survey



GROUP OR INDIVIDUAL COMPANY

Your company / group may submit MIDS as part of a group or an individual report.

- **GROUP**
  - Select "Group" and continue on to the next page
  - A group report may include some or all of the companies listed under the "met the threshold to report" list; choose companies carefully and take special note of the NAIC numbers to avoid making the wrong selection. A group report should <u>only be created to report on 2 or more companies</u>.
    - Group report titles are customizable, enter a name that best represents and correctly identifies the group report you're filing; this name will be transferred to the public portal upon completion
    - **NOTE:** *in previous years companies have liked the option of including optional companies (companies that did not meet the threshold to report) as part of their group report; this option is available within the portal under the "did not meet the threshold to report" list*
  - After making your selection(s), click "Next" to see a preview of your report name and company selection(s), confirm these are the correct NAIC numbers, then click "Continue" to proceed to the "CEO Information" page
  - **NOTE:** If your company meets the CA premium threshold and you wish to submit a group report inclusive of all companies; the entire group will be subject to the CA premium threshold schedule and survey submission date.
- **INDIVIDUAL**
  - Select "Individual Company" and continue on to the next page

- An individual report can only be filed for ONE company at a time; choose the company you're filing an individual report for carefully and take special note of the NAIC numbers to avoid making the wrong selection

- After making your selection, click "Next" to see a preview of your company selection, confirm the NAIC number is correct, then click "Continue" to proceed to the "CEO Information" page

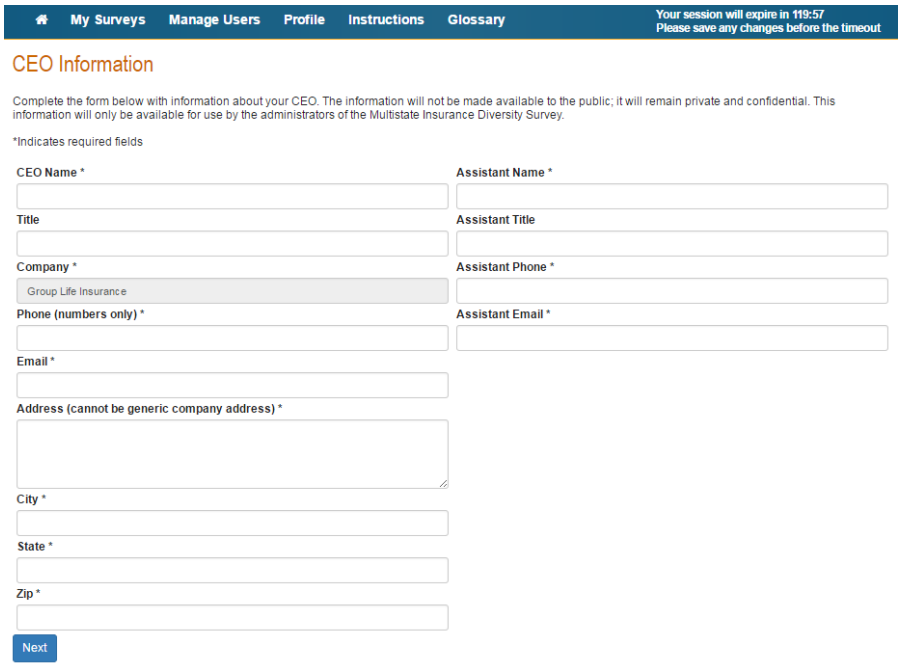
CEO CONTACT INFORMATION

- Enter contact information as it pertains to your group / company

- Ensure the contact information provided for the CEO and CEO's Assistant is true and accurate; **DO NOT** enter generic company information here

  - *Reminder: CEO information is* unable to save progress continuously*, it is advised that you complete this part in its entirety before changing sections to ensure progress is saved*

- The CEO contact information is for internal use only; this section is not released publically as part of the submitted survey



- Click "Next" to proceed to "Survey Navigation"

SURVEY NAVIGATION

This is the primary landing page for accessing all survey sections; this page is broken down into CEO Information and the insurer supplier diversity survey sections.

1. NARRATIVE – INSURER SUPPLIER DIVERSITY

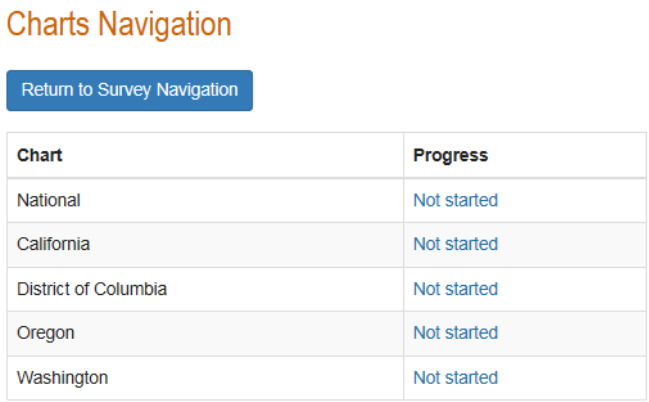
- This link leads directly to the Narrative of the Insurer Supplier Diversity portion of the survey, here you'll respond to questions based on your company / group's procurement efforts

The portal offers you the option to choose a previous survey from your account via a drop down menu; the information in the narrative portions of the survey will then populate in the current year's survey. This may help to streamline the process, but information should be modified or updated accordingly to reflect the most current information for the company prior to submission.

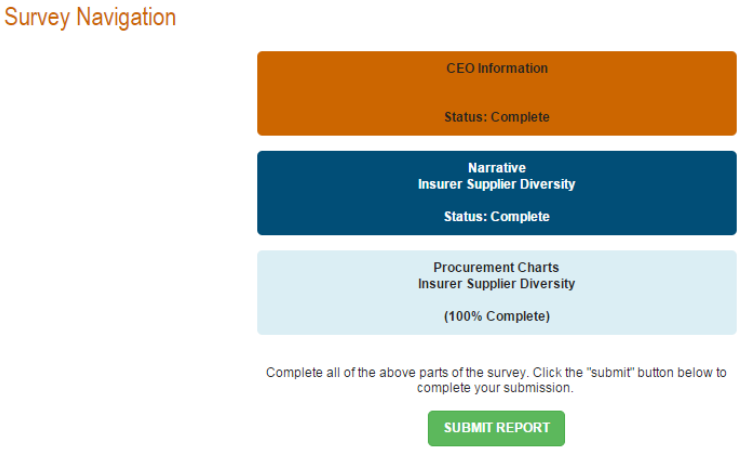
- You may click "Return to Survey Navigation" to go back to the primary landing page at any time

2. CHARTS – INSURER SUPPLIER DIVERSITY

- This link leads directly to a secondary landing page called "Charts Navigation"
  - You may click "Return to Survey Navigation" to go back to the primary landing page at any time
- All five charts requested to complete MIDS are listed here; you are able to track completion of each chart here
- To access a chart, click "Not started" under the "Progress" column for whichever chart you'd like to begin work on



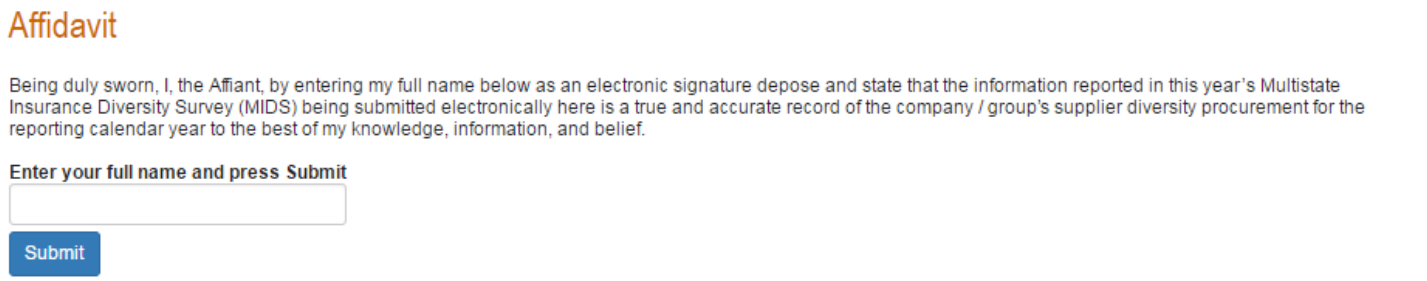
Once the CEO Information and both of the Insurer Supplier Diversity survey sections have been completed, you will be able to submit your company / group's report by click the "Submit Report" button located at the bottom of this landing page. Review all entered information carefully prior to submitting a report to ensure all information is true and accurate to the best of your knowledge.



AFFIDAVIT

The Affidavit must be electronically signed with your full name to officially submit your company / group's report for review. Read it carefully before signing your full name and clicking "Submit" to complete the submission process. The affidavit should be signed with the name of the person that your company designates to sign; be sure if you are signing someone else's name they are aware that it is their name assigned to the submission.

- ***Remember:*** once you click "Submit" after electronically signing the Affidavit, you will no longer be able to edit the survey, without the assistance of an administrator; ensure that the information you've entered into your survey is true and accurate to your knowledge before signing and submitting the report



POST-SUBMISSION

- Once the Affidavit is signed and submitted, you will return to the "My Surveys" page where your submission will officially be marked as "submitted"
- The "Print" option will direct you to the Print landing page where you have the ability to print out any or all of your submitted survey.
    - **NOTE:** *you are able to print out any section of the survey prior to submission as well, just select "File" and "Print" (CTRL+P) within your web browser to print any page you're on*

REVIEW

- Upon receipt, the administrators of MIDS will review your submission and determine if it is complete or incomplete
    - If the submission is determined to be complete, no further action from your company / group will be required
    - If the submission is determined to be incomplete, your company / group will be notified once the review is completed to inform you which portions are incomplete and need to be updated
        - Once you have updated your survey as requested, you will resubmit your report for review and go through the review process again
        - The review process will be thorough, to avoid multiple resubmissions, it is strongly advised that you read the instructions very carefully and complete the survey as accurately as possible to avoid errors and to expedite the review process

VII. NARRATIVE: Insurer Supplier Diversity

The Insurer Supplier Diversity (ISD) portion of this survey examines insurers' procurement efforts with diverse businesses.
The portal offers you the option to choose a previous survey from your account via a drop down menu; the information in the narrative portions of the survey will then populate in the current year's survey. This may help to streamline the process, but information should be modified or updated accordingly to reflect the most current information for the company prior to submission.

QUESTION 1

- Select the appropriate response as it applies to your company / group
    - General company / group diversity statements *are not* considered Supplier Diversity Policy Statements and therefore will not satisfy the requirements of this question
    - Each response option in this question has a corresponding question, remember to respond accordingly
        - If the supplier diversity policy statement is not finalized, and you are able to share it, you may choose <u>yes and make a note that this is a draft and not finalized</u>. If the supplier diversity statement is not finalized and cannot be shared, you must submit your survey with "no – but creating on in the next 12 months".

QUESTION 2

- Select the appropriate response as it applies to your company / group
    - General company / group diversity programs *are not* considered Supplier Diversity Programs, and therefore will not satisfy the requirements of this question
    - Each response option in this question has a corresponding question, remember to respond accordingly

QUESTION 3

- If you selected "Yes" remember to respond to **<u>(a), (b), (c), and (d)</u>** as they apply to your company / group
- Report on outreach and communications strategies and practices from 2016 specifically
- Part B is specific to any outreach conducted *within* the company / group
    - *Example:* Company X recently developed a new supplier diversity program and decided to announce the program and the company's new diversity initiatives by emailing a memo to all company employees and executives
- Part C offers a host of outreach and communication practices as options; select <u>all</u> that apply
    - For each category of outreach and communication practices, share the name of the best program / organization you work with and / or event that you attended
        - *Example:* Company X attended a certification group's annual procurement conference and was able to implement the ideas and strategies shared within their own supplier diversity program; this event contributed substantially to the growth of their supplier diversity program

- If none of the options provided on the form match your company / group's outreach and communication practices, complete the section at the bottom of the list labeled "OTHER, please specify:" and enter your practices

- In Part D, explain if any of the outreach and communications strategies and practices have increased and / or established new relationships with diverse businesses

  - *Example:* Company X has developed good working relationships with representative organizations for MBEs because of increased participation in business matchmaking events

QUESTION 4

- If your company / group procures any goods or services and / or contracts with any Veteran Owned Businesses, select "Yes"

QUESTION 5

- If your company / group procures any goods or services and / or contracts with any Disabled Owned Businesses, select "Yes"

QUESTION 6

- In Part A, if your company / group tracks procurement spend with diverse subcontractors, select "Yes"

  - These subcontractors can also be defined as Tier 2 suppliers

  - You must explain your response in Part B regardless of whether you selected "Yes" or "No" for Part A

QUESTION 7

- If applicable, provide details or examples of what kinds of targets or goals exist and how your company / group expects to reach these targets or goals; include if they are long-term or short-term goals (i.e. quarterly, annual, 10-year, etc.)

QUESTION 8

- Describe any and all accomplishments, awards, updates, progress, and / or best practices achieved / established by your company / group with regards to supplier diversity – include all highlights

QUESTION 9

- Include any additional information about your company / group that was not shared anywhere else in the survey; this includes any sort of explanation of variances within your answers.

QUESTION 10

- Provide the accurate and direct information for 3 distinct main points of contact within your company / group's supplier diversity and / or procurement operations; this information will be publicly disseminated and available for viewing on the website for interested diverse business enterprises

  - **Primary Contact** – main contact for all supplier diversity operations in your company / group

- If your company / group does not have a designated supplier diversity program manager, include contact information for the daily operations manager of procurement services

- **Secondary Contact** – a high-level manager or supervisor who oversees the procurement practices within the company

- **General Contact** – general supplier diversity inquiry address or the company's general inquiry address

NOTE: If your survey is submitted omitting a contact; upon review, it will be returned and requested to be updated.

VIII. CHARTS: Insurer Supplier Diversity

The charts are a data collection tool built to measure procurement amounts with diverse suppliers nationally and also within each of the partner states. Detailed instructions and examples for each table on these charts are included below. Read these instructions carefully and deliberately to avoid making errors in your entries.

REPORTING BY CHART

- **Procurement information for your company / group will be reported from calendar year 2016.**

- In sum, there are 5 identical charts; each to report procurement information for each of the following:

  - **CHART 1:** National – this chart is inclusive of spend within the United States of America

  - **CHART 2:** California

  - **CHART 3:** Washington, D.C. *(listed as 'District of Columbia' on the Charts Navigation page)*

  - **CHART 4:** Oregon

  - **CHART 5:** Washington

- ***Remember:*** each chart entails reporting for a different state, with the exception of the national chart which entails reporting for procurement in the United States (all 50 states; including the partner states). Carefully review all records before entering data to confirm it is for the correct calendar year and state.

- ***Procurement Spend Scenarios:***

  1) If your company / group has both Diverse Spend and Total Procurement to report within a designated location, check the box stating **"Diverse spend percentage available in (LOCATION)"** found on all five of the charts for MIDS

  2) If your company / group only has Diverse Spend (no total procurement available) to report in a designated location, check the box stating **"Diverse spend ONLY in (LOCATION)"** found on all five of the charts for MIDS

  3) If your company / group only has Total Procurement (do not track diverse spend) to report in a designated location, check the box stating **"Total Procurement ONLY; do not track diverse spend in (LOCATION)"** found on all five of the charts for MIDS

  4) If your company / group only has Total Procurement (true zero/no diverse spend to report) within a designated location, check the box stating **"Total Procurement ONLY; no diverse spend to report in (LOCATION)"** found on all five of the charts for MIDS

5) If your company / group refuses to report procurement figures in a designated location, check the box stating **"Refuse to report data in (LOCATION)"** found on all five of the charts for MIDS

   - After you have checked one of the above options, you will be prompted to complete the chart based on the scenario you have chosen.

   NOTE: ***If you change your spend scenario after completing the chart, your data will be lost***

- If your company / group does not procure any goods / services within a designated location, you may check the box stating **"Check here if you do not procure any goods / services in (LOCATION)"** found on all five of the charts for MIDS

  - *Example:* **Company X** is located in Washington and procures absolutely no goods / services from suppliers headquartered in Washington DC. However, Company X met the threshold to report on 2017 MIDS and now has to complete the requested charts.

    - Company X may check the box at the beginning of the Washington DC charts to indicate that it does not procure any goods / services in Washington DC

  - After checking the box, click "Save and Continue" through the remaining tables to save progress and be redirected to the secondary landing page and begin a different chart

NOTE: Each chart now includes an additional comment box for companies to share any additional information that is deemed necessary to explain additional potential scenarios or variants with its charts data

REPORTING BY CERTIFICATION

- There are a total of 7 individual tables on each chart, broken out by 3-5 categories, respectively:

  1. **Total Procurement**

  2. **Women Business Enterprises (WBE)**

     A. Total Diverse Spend ($)

     B. Total Dollars in Contracts Signed ($)

     C. Total Number of Unique Paid Suppliers (#)

  3. **Minority Business Enterprises (MBE)**

     A. Total Diverse Spend ($)

     B. Total Dollars in Contracts Signed ($)

     C. Total Number of Unique Paid Suppliers (#)

     D. Total Diverse Spend ($) by Ethnicity

  4. **Disabled Veteran Business Enterprises (DVBE)**

     A. Total Diverse Spend ($)

B. Total Dollars in Contracts Signed ($)

C. Total Number of Unique Paid Suppliers (#)

5. **Lesbian, Gay, Bisexual, Transgender Business Enterprises (LGBTBE)**

A. Total Diverse Spend ($)

B. Total Dollars in Contracts Signed ($)

C. Total Number of Unique Paid Suppliers (#)

6. **Multi-Certified Business Enterprises (MCBE)***
******The only combination of certifications that are reportable here are WBEs / MBEs / DVBEs / LGBTBEs / VOBEs; do not report any other type of certification for Table 6*

A. Total Diverse Spend ($)

B. Total Dollars in Contracts Signed ($)

C. Total Number of Unique Paid Suppliers (#)

D. Number of Multi-Certified Business Enterprises by Certification Combination (#)

E. Total Diverse Spend ($) by Ethnicity

7. **Veteran-owned Business Enterprises (VOBE)**

A. Total Diverse Spend ($)

B. Total Dollars in Contracts Signed ($)

C. Total Number of Unique Paid Suppliers (#)

D. Number of Multi-Certified Business Enterprises by Certification Combination (#)

- If your company / group does not procure any goods / services with a designated business enterprise (WBE/MBE/DVBE/LGBTBE/MCBE/VOBE), you may check the box stating **"Check here if you do not procure any goods / services with (CERTIFICATION)"** found on all designated business enterprise tables on all five of the charts for MIDS
  - *Example:* **Company X** procures absolutely no goods / services with WBEs in the United States of America and is requested to report any spend with this designated business enterprise for 2017 MIDS
    - Company X may check the box at the beginning of table 2 on the National charts to indicate that it does not procure any goods / services with WBEs in the United States of America

TABLE 1: TOTAL PROCUREMENT

- Table 1 on each chart reports on overall **total procurement spend** by industry category
  - TOTAL PROCUREMENT SPEND is the total dollar ($) amount of invoices **paid out to *all* suppliers** (diverse *and* non-diverse) for services rendered, reported specifically by industry category

- Industry categories are outlined on the "Survey Glossary & Industry Categories" resource document found within the portal and on the California MIDS Resource webpage

'A' TABLES: TOTAL DIVERSE SPEND (TABLES 2A, 3A, 4A, 5A, 6A, & 7A)

- 'A' tables on each chart report on **total diverse spend** by certification in each industry category
  - TOTAL DIVERSE SPEND is the total dollar ($) amount of invoices **paid out** to diverse suppliers for services rendered, reported specifically by industry category
  - This figure includes ***any* payments** made to diverse suppliers, including contract payments, purchase orders, etc.
  - Spend is reported by certification and industry category
- *Examples*:
  - Paid invoice of a $500 purchase order with a DVBE for Office Supplies
    - This is a standalone invoice that constitutes procurement from a diverse vendor; any such invoices should be reported in table A for each respective location based on where the supplier is headquartered
    - This $500 would be reported on table 4A (DVBE) under section (g) Office Supplies
  - Paid invoice of a $1,000 payment as a result of / part of a $5,000 contract with a WBE for Print Services
    - If only $1,000 of the $5,000 contract was paid out to a diverse business in the 2016 calendar year, then that is the only figure to be reported here
    - This $1,000 would be reported on table 2A (WBE) under section (h) Print Services
- Reference this set of instructions for all 'A' tables: 2A, 3A, 4A, 5A, 6A, and 7A

'B' TABLES: TOTAL DOLLARS IN CONTRACTS SIGNED (TABLES 2B, 3B, 4B, 5B, 6B, & 7B)

- 'B' tables on each chart report on the **total dollars in contracts signed** between your company / group and diverse businesses
  - TOTAL DOLLARS IN CONTRACTS SIGNED is the total dollar ($) amount of all contracts signed between your company / group and a diverse business
    - Include the total dollar amount of the signed contract, ***regardless*** of whether payments were made for work performed / goods purchased
  - A contract signed for *any* amount in calendar year 2016, even if no part of it was paid out to the diverse business should be reported here
  - **NOTE:** *Since reporting is done by calendar year, multi-year contracts should be reported by the average amount for* one year *only*
    - Hypothetically, if a two-year contract was signed for $100,000 and was in effect from 2015-2017, only $50,000 should be reported for calendar year 2016

- *Examples*:
    - A one-year $5,000 contract with a WBE for Print Services should be reported, even if only $1,000 of it was paid out to the diverse business
        - This $5,000 contract must be reported on table 2B (WBE) under section (h) Print Services
    - A $10,000 contract with a LGBTBE for Legal Services signed in 2016 should be reported, even if no part of it was paid out to the diverse supplier
        - This $10,000 must be reported on table 5B (LGBTBE) under section (m) Legal Services
- Reference this set of instructions for all 'B' tables: 2B, 3B, 4B, 5B, 6B and 7B

'C' TABLES: TOTAL NUMBER OF UNIQUE PAID SUPPLIERS (TABLES 2C, 3C, 4C, 5C, & 6C)

- 'C' tables on each chart report on the **total number of unique paid suppliers** by certification type in each industry category, and reported within the appropriate dollar range
    - TOTAL NUMBER OF UNIQUE PAID SUPPLIERS is the total number (#) of unique paid suppliers to whom your company / group **paid out** an invoice in calendar year 2016 – this can be a contract invoice or a standalone invoice
- *Example*: **Company X** is completing the California chart
    - Company X first determines it paid out invoices to **3 different WBEs** in calendar year 2016; these unique WBEs are California diverse suppliers because they have a headquarters address in California
    - Company X then determines that all 3 WBEs are Advertising / Marketing firms and reviews the **total sum paid out** to all 3 WBEs for services rendered:
        - WBE #1 – Company X paid out 2 invoices, totaling $40,000 in 2016
        - WBE #2 – Company X paid out 1 invoice, totaling $40,000 in 2016
        - WBE #3 – Company X paid out 3 invoices, totaling $101,000 in 2016
    - Company X will now report these 3 WBEs on table 2C under section (a) Advertising / Marketing:
        - WBE #1 and #2 will be reported in the **<$50k** range as they were both paid less than $50,000
        - WBE #3 will be reported in the **$100k-$500k** range as it was paid over $100,000 but less than $500,000

	(a) Advertising / Marketing
<$50k	2
>= $50k but < $100k	
>= $100k but < $500k	1
>= $500k but < $1M	
>= $1M but < $5M	

>= $5M but < $10M	
>= 10M	
TOTAL	3

- Reference this set of instructions for all 'C' tables: 2C, 3C, 4C, 5C, 6C and 7C

'D' TABLES: TOTAL DIVERSE SPEND BY ETHNICITY (TABLES 3D & 6D)

- 'D' tables appearing exclusively on minority and multi-certified charts requests your company / group to report on the total diverse spend ($) by ethnicity
    - TOTAL DIVERSE SPEND BY ETHNICITY is the total dollar ($) amount of invoices paid out to diverse suppliers for services rendered, reported specifically by the ethnicity of the minority business enterprise
- Reference this set of instructions for both 'D' tables: 3D and 6D

TABLE 6E: NUMBER OF MULTI-CERTIFIED BUSINESS ENTERPRISES BY CERTIFICATION COMBINATION

- Table 6E on each location chart reports on the combination of certifications of the multi-certified business enterprises reported on table 6C
- All combinations for the five (5) reportable certifications are listed here, indicate the total number of each combination of certifications that your company / group worked with
- The final total in this category *must* match the final total in table 6C

SUMMARY TABLES

- There are 3 summary tables at the end of each chart that ***do not require input*** by your company / group; review the data you reported to confirm that all information provided is true and accurate
- The values in these tables will automatically generate values based on the data reported in Tables 1-7, respectively

    1. **Summary of Procurement Spend** – the final percentage listed here is an accurate value of your company / group's total procurement spend with diverse businesses based on the data you entered
    2. **Summary by Certification** – this is the aggregate data reported on all tables for all the certifications on a chart which forms an overall reflection of your company / group's procurement with a particular certification in any given partner state or in the United States
        - e.g., WBE
            - Final total from Table 1A will be populated in the column labeled "Total Diverse Spend ($)" in this table
            - Final total from Table 1B will be populated in the column labeled "Total Dollars in Contracts Signed ($)" in this table
            - Final total from Table 1C will be populated in the column labeled "Total Number of Unique Paid Suppliers (#)" in this table

3. **Summary by Industry Category** - this is the aggregate data reported on all tables for all the industry categories on a chart which forms an overall reflection of your company / group's procurement within a particular industry in any given partner state or in the United States

    - e.g., Advertising / Marketing

        - Final total from the first column labeled "Advertising / Marketing" on Table 1 will be populated in the column labeled "Total Procurement Spend Overall ($)" in this table

        - Final total from the first column labeled "Advertising / Marketing" on Tables 2A, 3A, 4A, 5A, 6A and 7A will be populated in the column labeled "Total Diverse Spend ($)" in this table

        - Final total from the first column labeled "Advertising / Marketing" on Tables 2B, 3B, 4B, 5B, 6B and 7B will be populated in the column labeled "Total Dollars in Contracts Signed ($)" in this table

        - Final total from the first column labeled "Advertising / Marketing" on Tables 2C, 3C, 4C, 5C, 6C and 7C will be populated in the column labeled "Total Number of Unique Paid Suppliers (#)" in this table

IX. GLOSSARY

Disabled Owned Business Enterprise (DOBE)
'Disabled owned business enterprise' means a business enterprise physically located in the United States or its trust territories, that is at least 51 percent owned by person(s) with disabilities, or, in the case of any publicly owned business at least 51 percent of the stock of which is owned by one or more persons with disabilities, and whose management and daily business operations are controlled by one or more of these individuals, who provide proof of United States citizenship or legal resident alien status.

Disabled Veteran Business Enterprise (DVBE)
'Disabled veteran business enterprise' definitions tend to vary as currently there is no uniform definition available for DVBEs. Each definition for a DVBE has been specified by the government agency that created its own program. The federal government, for example, has two categories and several states have their own state-level definitions and requirements (such as CA & NY, see definitions below). Companies are encouraged to determine what constitutes a DVBE for the state within which they conduct business with a DVBE.

> **CALIFORNIA:** 'Disabled veteran business enterprise' has the same meaning as defined in subparagraph (A) of paragraph (7) of subdivision (b) of Section 999 of the Military and Veterans Code, or any successor provision. Disabled veteran business enterprise certification eligibility requirements shall be consistent with those imposed by the Department of General Services, and this section applies only to those disabled veteran business enterprises certified by the Department of General Services." (Source: http://www.leginfo.ca.gov/cgi-bin/displaycode?section=mvc&group=00001-01000&file=999-999.13)

Diverse Business / Supplier
This can be any Women Business Enterprise (WBE), Minority Business Enterprise (MBE), Disabled Veteran Business Enterprise (DVBE), Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE), or a Multi-Certified Business Enterprise (MCBE) – which is a combination of one or more of the enumerated certifications – headquartered in one of the partner states administering MIDS.

Diverse Spend
Procurement dollars spent exclusively with diverse businesses (WBE / MBE / DVBE /VOBE/ LGBTBE).

Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)
A LGBTBE is a U.S.-based for-profit, independent business that is at least 51% owned and controlled by one or more LGBT persons who are U.S. citizens or lawful permanent residents; in the case of any publicly-owned business, at least 51% of the equity is owned and controlled by one or more LGBT persons who are U.S. citizens or lawful permanent residents and whose management and daily operation is controlled by one or more of the LGBT owners.

Minority Business Enterprise (MBE)
'Minority business enterprise' means a business enterprise, physically located in the United States or its trust territories, that is at least 51 percent owned by a minority group or groups, or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more minority groups, and whose management and daily business operations are controlled by one or more of these individuals. "Minority" includes African Americans, Hispanic / Latino Americans, Native Americans, Asian Pacific Americans, and/or Multi-Ethnic Americans who provide proof of United States citizenship or legal resident alien status.

Outreach
Practices and strategies implemented to bring awareness to, introduce, and/or make a connection between two organizations. For the purposes of this survey, "outreach" focuses on the practices and strategies of an insurer to bring awareness to, introduce, and/or make connections within the context of its diversity programs (supplier diversity and/or governing board diversity).

Procurement
This is the act of acquiring, buying goods, services or works from an external source, often via a tendering or bid process.

Supplier Diversity Policy Statement
Any language that refers to a company / group's policies specifically in regards to supplier diversity, with the goal of procuring goods and services from diverse businesses; this is *not* a general diversity statement of a company / group.

Supplier Diversity Program
A formal plan and / or structure set up specifically for a company / group to implement its supplier diversity policy statement; this is *not* a general diversity program of a company / group.

Supplier/Vendor Headquarters
'Headquartered' means where the supplier/vendor's home office is located. You may purchase from their office in California, while they are headquartered in Washington. This procurement would be reported on the Washington and National charts, not California charts.

Tier 2 Supplier
A company that supplies goods / services for the Tier 1 company (primary company that is in contract). A Tier 2 company is typically smaller than a Tier 1 company.

Veteran Owned Business Enterprise (VOBE)
'Veteran owned business enterprise' means a business enterprise physically located in the United States or its trust territories, that is at least 51 percent owned by a current or former member of the United States' military or armed forces, or, in the case of any publicly owned business at least 51 percent of the stock of which is owned by one or more of these individuals, and whose management and daily business operations are controlled by one or more of these individuals, who provide proof of United States citizenship or legal resident alien status.

Women Business Enterprise (WBE)
'Women business enterprise' means a business enterprise physically located in the United States or its trust territories, that is at least 51 percent owned by a woman or women, or, in the case of any publicly owned business

at least 51 percent of the stock of which is owned by one or more women, and whose management and daily business operations are controlled by one or more of these individuals, who provide proof of United States citizenship or legal resident alien status.

X. INDUSTRY CATEGORIES

The following descriptions of industry categories are based on the 2017 North American Industry Classification System (NAICS) definitions; with the exception of the language added in italics below.

These are provided as a guidance tool and as such are broad in their depictions; companies / groups are not limited to the confines of the descriptions listed here to provide data about the categories

ADVERTISING / MARKETING
Sector 54 Professional, Scientific, and Technical Services (the sector as a whole)

- **541810 Advertising Agencies:** This industry comprises establishments primarily engaged in creating advertising campaigns and placing such advertising in periodicals, newspapers, radio and television, or other media. These establishments are organized to provide a full range of services (i.e., through in-house capabilities or subcontracting), including advice, creative services, account management, production of advertising material, media planning, and buying (i.e., placing advertising).

- **541613 Marketing Consulting Services:** This U.S. industry comprises establishments primarily engaged in providing operating advice and assistance to businesses and other organizations on marketing issues, such as developing marketing objectives and policies, sales forecasting, new product developing and pricing, licensing and franchise planning, and marketing planning and strategy.

- Illustrative Examples:
    - Customer services management consulting services
    - New product development consulting services
    - Marketing management consulting services
    - Sales management consulting services

FINANCIAL / INVESTMENT SERVICES
Sector 52 Finance and Insurance

- **5231 Securities and Commodity Contracts Intermediation and Brokerage:** This industry group comprises establishments primarily engaged in putting capital at risk in the process of underwriting securities issues or in making markets for securities and commodities; and those acting as agents and/or brokers between buyers and sellers of securities and commodities, usually charging a commission.

CLAIMS SERVICES
Sector 52 Finance and Insurance

- **524291 Claims Adjusting:** Comprises establishments primarily engaged in investigating, appraising, and settling insurance claims.
    - *This may include: cause-of-loss investigators, claims adjusting, claims processing services, claims consultants, fire investigators, insurance claims investigation services, insurance settlement offices, and*

loss control consultants; as well as, auto body shops, general contractors, landscapers, remediation services, and other similar services related to the claims process.

FACILITIES
Sector 56 Administrative & Support and Waste Management and Remediation Services

- **561210 Facilities Support Services:** This industry comprises establishments primarily engaged in providing operating staff to perform a combination of support services within a client's facilities. Establishments in this industry typically provide a combination of services, such as janitorial, maintenance, trash disposal, guard and security, mail routing, reception, laundry, and related services to support operations within facilities. These establishments provide operating staff to carry out these support activities; but are not involved with or responsible for the core business or activities of the client. Establishments providing facilities (except computer and/or data processing) operation support services and establishments providing private jail services or operating correctional facilities (i.e., jails) on a contract or fee basis are included in this industry.

HUMAN RESOURCES
Sector 54 Professional, Scientific, and Technical Services (The Sector as a Whole)

- **541612 Human resources Consulting Services:** This U.S. industry comprises establishments primarily engaged in providing advice and assistance to businesses and other organizations in one or more of the following areas: (1) human resource and personnel policies, practices, and procedures; (2) employee benefits planning, communication, and administration; (3) compensation systems planning; and (4) wage and salary administration.

- Illustrative Examples:
    - Benefit or compensation consulting services
    - Employee assessment consulting services
    - Personnel management consulting services
    - Human resources consulting services

INFORMATION TECHNOLOGY
Sector 51 Information (The Sector as a Whole)

The Information sector comprises establishments engaged in the following processes: (a) producing and distributing information and cultural products, (b) providing the means to transmit or distribute these products as well as data or communications, and (c) processing data.

The main components of this sector are the publishing industries, including software publishing, and both traditional publishing and publishing exclusively on the Internet; the motion picture and sound recording industries; the broadcasting industries, including traditional broadcasting and those broadcasting exclusively over the Internet; the telecommunications industries; Web search portals, data processing industries, and the information services industries.

- **541513 Computer Facilities Management Services:** This U.S. industry comprises establishments primarily engaged in providing on-site management and operation of clients' computer systems and/or data processing

facilities. Establishments providing computer systems or data processing facilities support services are included in this industry.

OFFICE SUPPLIES
Sector 44-45 Retail Trade (4532 Office Supplies, Stationery, and Gift Stores)

- **453210 Office Supplies and Stationery Stores:** This industry comprises establishments primarily engaged in one or more of the following: (1) retailing new stationery, school supplies, and office supplies; (2) retailing a combination of new office equipment, furniture, and supplies; and (3) retailing new office equipment, furniture, and supplies in combination with selling new computers.

PRINT SERVICES
Sector 31-33 Manufacturing

- **323 Printing and Related Support Activities:** Industries in the Printing and Related Support Activities subsector print products, such as newspapers, books, labels, business cards, stationery, business forms, and other materials, and perform support activities, such as data imaging, platemaking services, and bookbinding. The support activities included here are an integral part of the printing industry, and a product (a printing plate, a bound book, or a computer disk or file) that is an integral part of the printing industry is almost always provided by these operations.
  Processes used in printing include a variety of methods used to transfer an image from a plate, screen, film, or computer file to some medium, such as paper, plastics, metal, textile articles, or wood. The printing processes employed include, but are not limited to, lithographic, gravure, screen, flexographic, digital, and letterpress. In contrast to many other classification systems that locate publishing of printed materials in manufacturing, NAICS classifies the publishing of printed products in Subsector 511, Publishing Industries (except Internet). Though printing and publishing are often carried out by the same enterprise (a newspaper, for example), it is less and less the case that these distinct activities are carried out in the same establishment. When publishing and printing are done in the same establishment, the establishment is classified in Sector 51, Information, in the appropriate NAICS industry even if the receipts for printing exceed those for publishing. This subsector includes printing on clothing because the production process for that activity is printing, not clothing manufacturing. For instance, the printing of T-shirts is included in this subsector. In contrast, printing on fabric (or grey goods) is not included. This activity is part of the process of finishing the fabric and is included in the Textile Mills subsector in Industry 31331, Textile and Fabric Finishing Mills.

PROFESSIONAL SERVICES
Sector 54 Professional, Scientific, and Technical Services (The Sector as a Whole)

The Professional, Scientific, and Technical Services sector comprises establishments that specialize in performing professional, scientific, and technical activities for others. These activities require a high degree of expertise and training. The establishments in this sector specialize according to expertise and provide these services to clients in a variety of industries and, in some cases, to households. Activities performed include: accounting, bookkeeping, and payroll services; architectural, engineering, and specialized design services; computer services; consulting services; research services; advertising services; photographic services; translation and interpretation services; veterinary services; and other professional, scientific, and technical services. ***Actuarial services*** *should be included in this section.*

This sector *excludes* establishments primarily engaged in providing a range of day-to-day office administrative services, such as financial planning, billing and recordkeeping, personnel, and physical distribution and logistics. These establishments are classified in Sector 56, Administrative and Support and Waste Management and Remediation Services.

For the purposes of this survey, ***legal services*** *will be counted in a separate category and should not be reported here.*

TELECOM
Sector 51 Information

- **517 Telecommunications:** Industries in the Telecommunications subsector group establishments that provide telecommunications and the services related to that activity (e.g., telephony, including Voice over Internet Protocol (VoIP); cable and satellite television distribution services; Internet access; telecommunications reselling services). The Telecommunications subsector is primarily engaged in operating, and/or providing access to facilities for the transmission of voice, data, text, sound, and video. Transmission facilities may be based on a single technology or a combination of technologies.

  Establishments in the Telecommunications subsector are grouped into three industry groups. The first two are comprised of establishments that operate transmission facilities and infrastructure that they own and/or lease, and provide telecommunications services using those facilities. The distinction between the first two industry groups is the type of infrastructure operated (i.e., wired and/or wireless, or satellite). The third industry group is comprised of establishments that provide support activities, telecommunications reselling services, or many of the same services provided by establishments in the first two industry groups, but do not operate as telecommunications carriers. Establishments primarily engaged as independent contractors in the installation and maintenance of broadcasting and telecommunications systems are classified in Sector 23, Construction.

  Establishments known as Internet cafes, primarily engaged in offering limited Internet connectivity in combination with other services such as facsimile services, training, rental of on-site personal computers, game rooms, or food services are classified in Subsector 561, Administrative and Support Services, or Subsector 722, Food Services and Drinking Places, depending on the primary activity.

REAL ESTATE
Sector 53 Real Estate and Rental and Leasing

- **531 Real Estate:** Industries in the Real Estate subsector group establishments that are primarily engaged in renting or leasing real estate to others; managing real estate for others; selling, buying, or renting real estate for others; and providing other real estate related services, such as appraisal services.

  This subsector includes equity Real Estate Investment Trusts (REITs) that are primarily engaged in leasing buildings, dwellings, or other real estate property to others. Mortgage REITs are classified in Subsector 525, Funds, Trusts, and Other Financial Vehicles.

Establishments primarily engaged in subdividing and developing unimproved real estate and constructing buildings for sale are classified in Subsector 236, Construction of Buildings. Establishments primarily engaged in subdividing and improving raw land for subsequent sale to builders are classified in Subsector 237, Heavy and Civil Engineering Construction.

TRAVEL / ENTERTAINMENT
Sector 71 Arts, Entertainment, and Recreation (The Sector as a Whole)

The Arts, Entertainment, and Recreation sector includes a wide range of establishments that operate facilities or provide services to meet varied cultural, entertainment, and recreational interests of their patrons. This sector comprises (1) establishments that are involved in producing, promoting, or participating in live performances, events, or exhibits intended for public viewing; (2) establishments that preserve and exhibit objects and sites of historical, cultural, or educational interest; and (3) establishments that operate facilities or provide services that enable patrons to participate in recreational activities or pursue amusement, hobby, and leisure-time interests.

Some establishments that provide cultural, entertainment, or recreational facilities and services are classified in

other sectors. *Excluded* from this sector are: (1) establishments that provide both accommodations and recreational facilities, such as hunting and fishing camps and resort and casino hotels are classified in Subsector 721, Accommodation; (2) restaurants and night clubs that provide live entertainment in addition to the sale of food and beverages are classified in Subsector 722, Food Services and Drinking Places; (3) motion picture theaters, libraries and archives, and publishers of newspapers, magazines, books, periodicals, and computer software are classified in Sector 51, Information; and (4) establishments using transportation equipment to provide recreational and entertainment services, such as those operating sightseeing buses, dinner cruises, or helicopter rides, are classified in Subsector 487, Scenic and Sightseeing Transportation.

Sector 72 Accommodation and Food Services (The Sector as a Whole)

The Accommodation and Food Services sector comprises establishments providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption. The sector includes both accommodation and food services establishments because the two activities are often combined at the same establishment.

Excluded from this sector are civic and social organizations; amusement and recreation parks; theaters; and other recreation or entertainment facilities providing food and beverage services.

LEGAL SERVICES
54 Professional, Scientific, and Technical Services

- **5411 Legal Services / 541110 Offices of Lawyers:** This industry comprises offices of legal practitioners known as lawyers or attorneys (i.e., counselors-at-law) primarily engaged in the practice of law. Establishments in this industry may provide expertise in a range or in specific areas of law, such as criminal law, corporate law, family and estate law, patent law, real estate law, or tax law.

- **541120 Offices of Notaries:** This industry comprises establishments (except offices of lawyers and attorneys) primarily engaged in drafting, approving, and executing legal documents, such as real estate transactions, wills, and contracts; and in receiving, indexing, and storing such documents.

- **541199 All Other Legal Services:** This U.S. industry comprises establishments of legal practitioners (except offices of lawyers and attorneys, settlement offices, and title abstract offices). These establishments are primarily engaged in providing specialized legal or paralegal services.

- Illustrative Examples:
    - Notary public services
    - Patent agent services (i.e., patent filing and searching services)
    - Paralegal services
    - Process serving services

Examples of services and their industry categories (also found in FAQ):
The categories and their descriptions are provided as a guidance tool and as such are broad in their depictions. Please use "other" for those that you are unable to fit into the outlined categories.

- **Underwriting expenses** – Claims Services

- **Employee benefits** – report only if your company is doing business with a firm that provides services related to employee benefits - Professional Services

- **Sponsorships or contributions** – report only if your company is doing business with a firm that provides

services related to sponsorships/contributions - Professional Services

- **Reporting agencies** (ex. Standard & Poor's) – Professional Services
- **Third party administrator handling new business and claims processing** – Claim Services
- **Attorney fees directly to the law firm** – Legal Services
- **Staffing/Temp Help** – report only if your company is doing business with a firm that provides services – Human Resources
- **Placement/Recruiter fees (to place permanent employees) report only if your company is doing business with a firm that provides services** – Human Resources