



## INSTRUCTIONS TO ASSIST IN COMPLETING **ATTACHMENT B: PERSONAL FINANCIAL STATEMENT WORKSHEET**

This instruction sheet is intended to provide guidance on how to complete the **Attachment B: Personal Financial Statement Worksheet** for the Division of Minority and Women’s Business Development. The Personal Financial Statement Worksheet should be completed by all minority or woman business owners upon which Minority and Women Owned Business Enterprise (“MWBE”) certification is based in order to determine the individual net worth of each minority or woman applicant. Once the individual net worth has been determined, that figure should be used to complete **Attachment A: Personal Net Worth Affidavit**, a required document to be submitted for each minority or woman applicant upon which certification is based as part of the **MWBE Standard Application** and with the **MWBE Fast Track Application** for New York State MWBE certification. Each minority or woman upon which MWBE certification is based will need to complete and include their personal net worth documentation as part of the MWBE supporting documentation required for all firms seeking MWBE certification with New York State.

All documents referenced above are available online:

[www.esd.ny.gov/mwbe.html](http://www.esd.ny.gov/mwbe.html)

*The personal net worth of each individual upon which certification is relied upon cannot exceed 3.5 million dollars. According to Article 15-A of the Executive Law: for certification purposes, an individual’s personal net worth shall mean the aggregate adjusted net value of the assets of an individual remaining after total liabilities are deducted. Personal net worth includes the individual’s share of assets held jointly with said individual’s spouse but does not include the individual’s ownership interest in the certified minority and women-owned business enterprise, the individual’s equity in his or her primary residence, or up to five hundred thousand dollars of the present cash value of any qualified retirement savings plan or individual retirement account held by the individual less any penalties for early withdrawal.*

### **General Instructions**

You must fill out all line items on the **Attachment B: Personal Financial Statement Worksheet** to the best of your ability. On the form, indicate if financial information is for a “*married individual*” or “*single individual*.” On a separate sheet, identify all property that is not held jointly or as community property, and include values and ownership. If necessary, you can use additional sheet(s) of paper to report all information and details. Once you have determined your adjusted personal net worth, you will transfer that figure to **Attachment A: Personal Net Worth Affidavit**.

Do not include the following in the final Net Worth calculation:

- *the individual's ownership interest in the applicant firm,*
- *the individual's equity in his or her primary residence,*
- *up to five hundred thousand dollars of the present cash value of any qualified retirement savings plan or individual retirement account held by the individual less any penalties for early withdrawal.*

If you reside in a community property state, all assets and liabilities, **except** the ownership interest in the firm, should be halved accordingly on the form, unless there is a separate property agreement that stipulates sole ownership by one individual.

FOR EXAMPLE: John and Mary Smith jointly own their primary residence valued at \$100,000. They each claim 50% ownership on the property. John Smith would only report his 50% interest, \$50,000, on his Personal Net Worth Statement. If you do not reside in a community property state, assets and liabilities may be halved if jointly owned. If assets and liabilities are separately owned, these items should only be reported on the respective owner's form. The preceding does not address each item on the form; however, we have identified certain items on the form that you should pay special attention to since these items are commonly reported inaccurately or misrepresented.

*If you have any questions about completing this form, please contact the Division of Minority and Women Business Development at (518) 292-5250 or (212) 803-2414.*

*Be sure to sign, date, and include your social security number at the end of the statement.*

*Do not leave any sections blank. Incomplete forms will be returned, and will cause delays in processing the application associated with the net worth documentation.*

### **Specific Instructions**

#### **CONTACT INFORMATION**

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**Name:** Include the full name of the individual whose financial information is contained in the document.

**Business Phone:** Telephone number of the business, this should match the number provided in the MWBE certification application

**Residence Address:** Include the full address of the individual whose financial information is contained in the document.

**Residence Phone:** Include the home phone number of the individual whose financial information is contained in the document.

**Business Name of Applicant:** Include the full name of the applicant firm; this should match the number provided in the MWBE certification application

## **ASSETS**

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*All assets must be reported at their current fair market values as of the date of your statement. Assets held in a trust generally should be included.*

**Cash on hand & in Banks:** Enter the total amount of cash on-hand and in bank accounts other than savings.

**Savings Accounts:** Enter the total amount in all savings accounts.

**IRA or other Retirement Account:** Enter the total present value of all IRAs and other retirement accounts, including any deferred compensation and pension plans (*five hundred thousand dollars of the present cash value of any qualified retirement savings plan or individual retirement account held by the individual less any penalties for early withdrawal should not be included in final net worth calculation*). **You may be requested to provide copies of the most recent statements to substantiate the amount listed.**

**Accounts & Notes Receivable:** Enter the total value of all monies owed to you personally, if any. This should include shareholder loans to the applicant firm, if any.

**Life Insurance-Cash Surrender Value Only:** Enter the value of any life insurance policies. This amount should be cash surrender value only, not the amount a beneficiary would receive upon your death, also known as face value. A complete description is required in Section 8.

**Stocks and Bonds:** Enter the current market value of your stocks and bonds. A complete listing and description is required in Section 3.

**Real Estate:** Enter the current fair market value of all real estate owned (*except primary residence*). A complete listing and description of all real estate owned is required in Section 4. The amount must correspond with the total "Present Market Value" amounts listed in Section 4.

**Automobile-Present Value:** Enter the current fair market value of all automobiles owned.

**Other Personal Property:** Enter the current fair market value of all other personal property owned, but not included in the previous entries (*ie: jewelry, furniture, etc*). A complete description of these assets is required in Section 5.

**Other Assets:** Enter the current fair market value of all other assets owned, but not included in the previous entries. A complete description of these assets is required in Section 5. This can include ownership interest in firms other than the applicant firm. ***The ownership interest in the applicant firm should not be included in this calculation.***

## LIABILITIES

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**Accounts Payable:** Enter the total value of all unpaid accounts payable that is your responsibility.

**Notes Payable to Bank and Others:** Enter the total amount due on all notes payable to banks and others. This should not, however, include any mortgage balances. A complete description of all notes payable to banks and others is required in Section 2.

**Installment Account (Auto):** Enter amount of the present balance of the debt that you owe for auto installment account. Please be sure to indicate the total monthly payment in the space provided.

**Installment Account (Other):** Enter amount of the present balance of the debt that you owe for other installment account. Please be sure to indicate the total monthly payment in the space provided. For example, include the balances of all credit card debts in this line.

**Loans on Life Insurance:** Enter the total value of all loans due on life insurance policies.

**Mortgages on Real Estate:** Enter the total balance on all mortgages payable on real estate. A complete breakdown of all mortgages on real estate is required in Section 4. The amount must correspond with the total of the mortgage balances amounts listed in Section 4.

**Unpaid Taxes:** Enter the total amount of all taxes that are currently due, but are unpaid. Contingent tax liabilities or anticipated taxes for current year should not be included. A complete description is required in Section 6.

**Other Liabilities:** Enter the total value due on all other liabilities not classified in the previous entries. A complete description is required in Section 7.

**Adjusted Personal Net Worth:** To compute Net Worth, add all liabilities and put that figure in the Total Liabilities line. Then subtract Total Liabilities from Total Assets to get your Net Worth. To check your figures, add Total Liabilities and Net Worth and the sum must equal Total Assets.

*If your figures do not match, your form will be returned to you to correct and complete again.*

## SECTION 1 SOURCES OF INCOME AND CONTINGENT LIABILITIES

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### SOURCE OF INCOME

**Salary:** Enter the amount of your total annual salary. This includes any salary from the applicant firm and if applicable, any salary from outside employment.

**Net Investment Income:** Enter the total amount of all investment income (i.e. dividends, interest, etc.).

**Real Estate Income:** Enter the total amount of all real estate income received from the sale, rental, lease, etc. of real estate held.

**Other Income:** Enter the total amount of all other income received (i.e. alimony, social security, pension, etc.). Please be sure to describe the source of the other income in the space provided below in this section.

### ***CONTINGENT LIABILITIES***

Contingent liabilities are liabilities that belong to you only if an event(s) should occur. For example, if you have co-signed on a relative's loan, but you are not responsible for the debt until your relative defaults, that is a contingent liability. Contingent liabilities do not count toward your net worth until they become actual liabilities.

**As Endorser or Co-Maker:** Enter the total potential liabilities due as a result of being a co-signer for a loan or other commitments.

**Legal Claims and Judgments:** Enter the potential liabilities due as a result of legal claims from judgments, lawsuits, etc.

**Provisions for Federal Income Tax:** Enter the total amount of all federal taxes for which you are potentially liable due to an anticipated gain on the pending sale of an asset or other circumstances, such as pending disputes or litigation which could possibly result in a personal tax liability.

**Other Special Debt:** Enter the total amount due on all remaining potential debts not accounted for.

### **SECTION 2. NOTES PAYABLE TO BANKS AND OTHERS**

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Enter the name and address of note holder(s), original balance, current balance, payment amount, frequency, and how secured for each note payable as entered in the "Liabilities" column. Do not include loans for your business or mortgages for your properties.

### **SECTION 3. STOCKS AND BONDS**

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Enter the number of shares, names of securities, cost, fair market value, and the date of fair market value for all shares of stock and bonds held. You may attach recent copies of your stock account listings. Do not include stock in your business.

#### **SECTION 4. REAL ESTATE OWNED**

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Starting with your primary residence (be sure to identify it as your primary residence, *and DO NOT include this in the calculations on the first page of the **Personal Net Worth Worksheet***), enter the type of property, address, date of purchase, original cost, present fair market value, name and address of mortgage holder, mortgage account number, mortgage balance, amount of payment, and status of mortgage for all real estate held. Please ensure that this section contains all real estate owned, including rental properties, vacation properties, commercial properties, etc.

Total "Present Market Value" amounts should correspond with the "Real Estate" amount listed in the "Assets" column. Additionally, total "Mortgage Balance" amounts should correspond with the "Mortgages on Real Estate" amount listed in the "Liabilities" column. Attach additional sheets if needed.

#### **SECTION 5. OTHER PERSONAL PROPERTY AND OTHER ASSETS**

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Itemize and describe in detail other personal property and other assets owned as listed in the "Assets" column. For other personal property, include boats, trailers, jewelry, furniture, household goods, collectibles, clothing, etc. For other assets, include equity interest in other businesses, trusts, investments, etc.

#### **SECTION 6. UNPAID TAXES**

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Describe in detail as to the type, to whom payable, when due, amount, and to what property, if any, the tax lien attaches. Please refer to the unpaid taxes listed in the "Liabilities" column. If none, state "NONE." This section should not include the contingent tax liabilities or anticipated taxes owed for the current year. For any unusually large amounts, you must include documentation, such as tax liens, to support the amounts.

#### **SECTION 7. OTHER LIABILITIES**

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Describe in detail any other liabilities as referenced by the value listed in the "Liabilities" column. If none, state "NONE." For any unusually large amounts, you must include documentation, such as bills, to support the amounts.

#### **SECTION 8. LIFE INSURANCE HELD**

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Describe all life insurance policies held. Please be sure to include the face amount of the policies, name of insurance company and beneficiaries and cash surrender values of the policies. If none, state "NONE."

#### **SECTION 9. RETIREMENT ACCOUNTS**

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Describe in detail as to type, account number, face value, any penalties for early withdrawal and current face value. Please provide all applicable details, and be sure to indicate the type of retirement account (ie Roth IRA, etc) If none, state "NONE."