

2017 UIC Procurement Symposium

How to Set Up Vendors – What You Need to Know

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Workshop Presenter

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Please ...

- Turn off cell phones.
- Avoid side conversations.
- Ask questions at any time!
- Sign the attendance roster.
- Complete the evaluation at the end of the workshop.

Workshop Objectives

- Payables Overview
- What is Vendor Maintenance
- Determine if a permanent vendor ID is required
- Vendor Selection
 - Discover how to locate Vendor IDs in Banner
- Vendor Information Forms
 - Learn about the form, why it is needed, and review common issues and how to avoid them
 - Determine how to ensure that IDs are created and updated in a timely manner
- Locate helpful resources on the OBFS website

OBFS University Payables

- Also known as UPAY
- Centralized unit responsible for all non-payroll payments:
 - Payments to vendors
 - Reimbursements to employees
- Responsible for 1099 Reporting for the University
- Responsible for Vendor Management

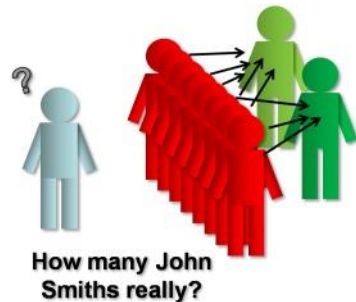
OBFS University Payables

- UPAY is divided into several different sections:
 - Payment Operations
 - Travel Management Office
 - Card Services
 - Analytics & Operations
 - Customer Service
 - Vendor Maintenance

What is Vendor Maintenance

- Group that creates and maintains the Vendor Database for the entire University System
- Establishes Vendors for ACH
- Responsible for 1099 reporting for entire University System

Why we do what we do



Vendor Maintenance FY17 Statistics

- Currently 380,000 Active Vendor IDs in Banner
 - Over 33,000 active suppliers in iBuy
- Processed over 10,000 Vendor Forms
 - Receive 30-50 Forms per day
- Activated/Updated ACH Information on 168 vendors
- Issue over 6,500 1099 forms each year
- Vendor Maintenance Group consists of 5 FTEs

You Need to Make a Purchase...

Determine if a Permanent Vendor ID is Required

- What are you buying and from whom?
- Can payment be made using a P-Card or T-Card?
 - If yes, no Vendor ID is required
 - The T-card should be used by employees to purchase qualified travel expenses and business meals
 - The P-card should be used by employees to purchase qualified supplies and/or small equipment costing \$4,999 or less

Determine if a Permanent Vendor ID is Required

- For payments processed through TEM/Banner, a permanent vendor ID is required before a purchase order or payment can be issued **except** in the following situations:
 - Refunds of any kind
 - Non-employee reimbursements
 - Payments to human subjects totaling less than \$100.00 in a calendar year
 - These exceptions can be processed using a TEMP Vendor ID.
 - OBFS >> Payments >> TEM Resource Page >> Payments to Vendors >> Miscellaneous or Temp Vendor Payment
- <https://www.obfs.uillinois.edu/common/pages/DisplayFile.aspx?itemId=94860>

Vendor Selection

- Is a vital piece of the process that needs to occur before making a purchase
 - Verify vendor is established in Banner
 - Verify remit address is available under vendor ID
 - Selecting an incorrect vendor ID can result in purchase orders needing to be cancelled and re-established, payment delays and/or errors in 1099 reporting

Vendor Selection (cont.)

- Current Students and current Employees are to update their own address information via NESSIE or the Student Enterprise System.
- Units should check BANNER for an existing ID as soon as they become aware of a need to purchase.
 - If the correct Vendor ID is located, the unit should confirm that the ID is currently active in the Vendor Table and that the active addresses on file are still valid.
 - If no ID is located, the ID has been terminated, or the information on file is out of date, the unit must request a new Vendor Information Form.
 - There are two accepted versions of the Vendor Information Form.
 - Manual version (Revised 12/2014)
 - Interactive version (Revised 11/2015)
 - Preferred
 - Contains rules which assist us in receiving complete information
 - Receives preferential processing

Vendor Selection - How to locate Vendor IDs in Banner

- The Vendor Maintenance Form (FTMVEND) allows you to determine if a vendor is currently established in **Banner**. Search for a vendor using the vendor's full or partial ID number or the vendor's full or partial name.
- FTMVEND displays vendor information for the vendor name or ID that you queried. Use FTMVEND to view a vendor's address, start date, tax status, and last vendor activity date with additional information.
- It is the responsibility of campus units to look up vendor identification numbers in Banner. If you do not have access to Banner, please contact your Unit Security Coordinator (USC) to request query access to Banner Finance forms.

Vendor Selection - Banner Vendor ID and Address Query

OBFS >> Policies and Procedures >> Section 8: Payments and Reimbursements >> Update a Vendor ID in Banner

<https://www.obfs.uillinois.edu/common/pages/DisplayFile.aspx?itemId=97995>

- Instructions provide guidance in: Searching for Vendor IDs in Banner, Viewing the multiple addresses available for an ID, and Reading FOATEXT.
- Not all BANNER IDs are Vendor IDs
 - Other units (HR/Student/USFSCO/Grants & Contracts), create BANNER IDs that are not necessarily Vendor IDs.
 - Vendors IDs can be UINs (653614769) or @ IDs (@00506045)
 - To be a Vendor, the ID must be active in the Vendor Table. To have an ID activated in the Vendor Table, the ID must belong to a current student, current employee, or a Vendor Information Form must be obtained.

Vendor Information Form

- The Vendor Information Form is the University's tool for collecting information about potential payees.
 - It is also a substitute for the Federal W-9 form and is considered a legal document
 - Departments are only to complete the "UI Department Requesting Information" section of the form. All other information is to be completed by the vendor.

Vendor Information Form (cont.)

- Allows the University to collect information on Payees including:
 - Tax information
 - Address information
 - Contact information
 - Diversity information
- Foreign Vendors are to complete the Vendor Information Form and submit along with the appropriate completed/signed W8 Form.

Vendor Information Forms - Why?

- Why is a new Vendor Information Form required to update an existing ID?
 - Companies are bought and sold frequently and receiving a new Vendor Form, with tax ID, is often how we become aware of these situations.
 - Vendor Maintenance is responsible for 1099 reporting and we need to ensure we are updating and recording payments under the correct tax ID.
 - There are lots of individuals with the same name, so we need to ensure we are updating the correct ID by validating with the tax ID provided on the Vendor Form.

Why? (cont.)

- Why isn't a W9 enough to establish a new Vendor ID?
 - The IRS W9 does not collect all of the information we use to establish an ID.
 - No designation of Purchase Order or Payment address, which is often different from the corporate office address listed on a W9.
 - No place to list phone/fax/email information.
 - No place to provide department contact information so that the unit can be notified when the document has been processed.

Why? (cont.)

- Why can't Vendor Forms be sent via email?
 - Email is not considered a secure form of communication.
 - We are working on developing a process for forms to be submitted electronically, but at this time, there is no set implementation date.

Vendor Information Forms - How long will my form take to process?

- Vendor Form processing typically takes 1-10 business days.
 - Determined by Vendor Maintenance staffing
 - Completeness/correctness of information provided on form
 - Number of forms received

Vendor Information Forms - Common issues related to inaccurate vendor information and how to avoid them

- Delays in processing payments/ability to issue Purchase Orders
 - Name on the invoice does not match the name in Banner.
 - Payment processing will be delayed
 - Often if a vendor's name has changed, their tax ID has also changed, which will result in a new Vendor ID being created. A new Vendor ID will result in a PO having to be cancelled and re-issued under the correct ID.
 - New Vendor Information Form required for name changes

Common issues (cont.)

- Address on the invoice does not match the remit address in Banner.
 - Payment processing will be delayed
 - If vendor record has not been updated in over three years, a new Vendor Information Form is required
 - Vendor Information Form may be requested for other reasons to confirm the correct ID is being updated
- ID or address being used is inactive/terminated in Banner
 - New Vendor Information Form required to re-activate a terminated @ ID and UIN if the individual is not a current student or employee
 - New Vendor Information Form may be required to re-activate an inactive address
 - FOATEXT often gives an explanation for the termination or inactivation and can provide guidance to the user.

Common issues (cont.)

- Incorrect information can lead to purchase orders (mailed/faxed/emailed) to be returned as undeliverable
- Incorrect information can lead to checks being returned as undeliverable

ACH Setup

- How do I get my vendor setup for ACH?
 - Send an email to uivendor@uillinois.edu with the Vendor ID, Vendor Name, Name & Email address of the individual that the ACH Application is to be sent to.
 - Due to the time involved in establishing ACH, one-time payment vendors are not candidates.
 - Vendor must have a US bank account.

OBFS Website

- The OBFS website contains valuable information pertaining to:
 - OBFS Policies & Procedures Manual
 - Log-in options
 - Job aids and Training Materials
 - Course and Webinar Registrations
 - Additional Resources
 - <https://www.obfs.uillinois.edu/>

UNIVERSITY OF ILLINOIS SYSTEM
Office of Business and Financial Services

Google Custom Search Search

- ☒ OBFS, Treasury and UOCPRES Websites
- ☐ OBFS Policy Manual
- ☐ OBFS News Center

About OBFS

Policies and
Procedures

Who To Ask

Forms

News Center

Training
Center

Jobs

Accounting & Financial Reporting

Banner Account Codes, Reports, UFAS to Banner Crosswalks, Year-End Procedures, FCIAA, UAFR Reference Materials

My-UI-Financials Resource Page

*Report distribution for units made easy!
All your financial information in one place!*

Audit/Internal Controls

Employee & Supervisor Responsibility, Internal & External Audits

Budgeting

Budget Development Tips, Adjustment Requests, Budget Memo Log, Chicago Campus, Springfield Campus, Urbana-Champaign Campus

Business Travel

Advances, Contracted Travel Agency, Reimbursement Rates, Foreign Travel, Travel Resources, TEM Resource Page, UPAY Video Library

Capital Programs & Real Estate Services

Applications, Faculty and Staff,
Landlord Submittals,
University Leasing Process, Training

Government Costing

OMB Uniform Guidance, Rate Schedules (F&A, Fringe Benefits, Tuition), Facilities & Administrative, Tuition Remission, Fringe Benefit Rates, Service Activities, CASB Disclosure Statements, Higher Education Research and Development (HERD) Survey, Costing at a National Level, Historical Summary Reports, Service Activities Resource Page

Grants & Sponsored Projects

Urbana-Champaign Campus, Chicago Campus, Springfield Campus, OMB Uniform Guidance, Rate Schedules (F&A, Fringe Benefits, Tuition)

iBuy (online purchasing)

What's New, Overview, Get Started, Reporting, Training Resources, About the Project

Identity Theft Prevention Program

Covered Activities, Examples of Red Flags, General Requirements, Activity-Specific Requirements

Payments

Payments to Vendors, Payments to Students, Payments to Non-Employees (Honorarium), Employee Reimbursements, TEM Resource Page, Payables Processing Status, UPAY Video Library



Log in to:

Choose the application

OBFS Initiatives

- Transparency Commitment
 - OBFS Sounding Board
- Future Projects
- Source2Pay

Resources:

- Resource Pages
 - Banner Alerts & Resources
 - My-UI-Financials Resource Page
 - Finance Feeder Front-End Resource Page
 - iCS Resource Page
 - Foreign National Payments Resource Page
 - iTravel Resource Page
 - PARIS Resource Page
 - Service Activities Resource Page
 - TEM Resource Page
- Benefits Information
- Calendars, OBFS

OBFS Website (cont.)

- Current Processing Status is available on the OBFS website.
 - OBFS >> Payments >> Payables Processing Status
 - <https://www.obfs.uillinois.edu/payments/>

The screenshot displays the OBFS website interface. At the top, the header includes the University of Illinois System logo and a Google Custom Search bar. The main navigation menu on the left lists various services, with 'Payables Processing Status' highlighted. The main content area provides detailed information about the current processing status of payables, including sections for Payables Processing Status, TEM Documents, Vendor Information Forms, and Purchase Order Invoices. Social media icons for Facebook and Twitter are visible in the top right corner.

UNIVERSITY OF ILLINOIS SYSTEM
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Google Custom Search Search

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Payments
OBFS » Payments » Payables Processing Status

Payments
Payments to Vendors
Payments to Students
Payments to Non-Employees
Payments to Employees
Payables Processing Status
TEM Resource Page
UPAY Video Library
Who To Ask

Payables Processing Status
TEM Document and Vendor Information Forms processing is handled on a first-in, first-out basis using date of receipt in University Payables as the measure. Purchase Order Invoices are worked in vendor invoice date order.

TEM Documents
Currently we are processing TEM documents with a University Payables receipt date, listed as Pre-Pay Audit status in TEM, of August 15, 2017. Please read [Determine When ER was Received](#) for more helpful information.

Vendor Information Forms
Currently we are processing Vendor Information Forms with a University Payables receipt date of August 16, 2017.

Purchase Order Invoices
Currently we are processing purchase order related invoices with a Banner load date on or before August 8, 2017.

Contact Information

University Payables
Vendor Maintenance
1817 South Neil Street
210 Illini Plaza Building MC-660
Champaign, IL 61820

Vendor database questions
uivendor@uillinois.edu

1099 questions
upay-1099@uillinois.edu
217-300-2099

Questions / Concerns?