

# Vendor File Management

*Vendor Processes & Procedures  
Including Paying Awards*

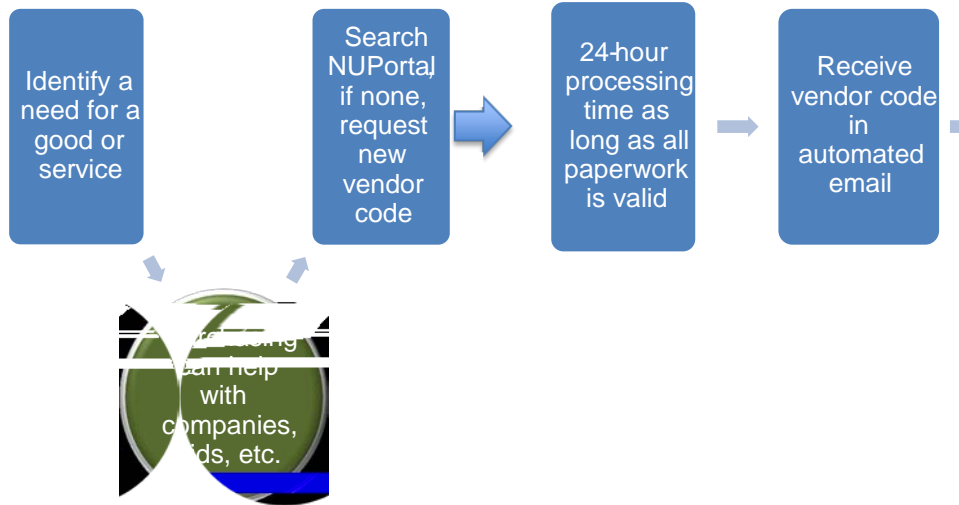
# *Today's Session*

- Vendor Processes & Procedures
  - Vendor Code Look-up
  - Vendor Code Request Process & Types
    - Paying Awards
  - Required Paperwork
  
- Resources and Help

# VENDOR PROCESSES & PROCEDURES



# Vendor Request Process



# *TIP*

Paid via Payroll as an employee

*or*

with a vendor code through  
Accounts Payable

# DONATIONS

# Donations

- A vendor code is required to make a donation.
-



# Donation Examples

- Buying a table at a dinner held by a professional organization
- A sponsor at a conference
- Buying an advertisement in a banquet program
- An outright request for a donation
- Request to support a program in the community

# Donation Policy

- Policy
  - <http://www.northwestern.edu/financial-operations/policies-procedures/policies/charitable-donations.pdf>
- Donation Request Form
  - <http://www.northwestern.edu/financial-operations/policies-procedures/forms/donation-fundraise-request.pdf>

# VENDOR LOOK-UP

# *3 Ways to Look-Up Vendors*

- Hyperlink on NUPortal
- Cognos
- NUFinancials

# *Hyperlink on NUPortal*

Vendor Add/Maintenance



[Vendor Request Center](#) 

# Vendor Request Center Search

Home > Main Menu > Vendors > Vendor Information > Add/Update > Vendor Request Center

## Vendor Search

Use the search below to see if the Vendor is already in the system.

**Search Criteria**

Address:  Contains

Vendor ID:  Contains

# Vendor Request Center Search

**Search Criteria**

Name:

Click on Vendor ID for vendor to be modified.

Search Results

Vendor ID	Name 1	ShortName	Seq No	Address 1	Address 2
0000000001	APPLE INC	APPLE INC	001	APPLE INC-001	
	P O BOX 281877				
	OLD ORCHARD SHOPPING				

# *Vendor Request Center Search*





# COGNOS Search

- COGNOS Report 'SC025'
  - NUPortal > *Financial* section at left
  - *System Login* section



# COGNOS Report - SC025

*(tip - use the % wildcard)*

**Vendor Name**

Search by entering all or part of a Vendor Name.

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# *Search in NUFinancials*

- Login to NUFinancials
  - Vendors>Add/Update>Review Vendors

# Search in NUFinancials

REVIEW VENDORS

Search Criteria

set ID:  Vendor ID:

Member:

Withholding Name:  Equal to

Type:  Vendor Status:

Persistence:

City:  Address:  Equal to

Country:  Customer Number:

ID Type:  Tax ID  State:

VAT Registration ID:  Postal:

Bank Account #:  Withholding Tax ID:

# VENDOR CODE REQUEST PROCESS

# *Vendor Code Request Process*

- All Requests through the Vendor Request Center
- 24-48 hours to process as long as all docs valid and complete
  - You'll receive an email when request is completed
- Use “Additional Submitter Comments” field
  - “This is payment of an award”
  - “This is to pay a person working outside of the U.S.”

# *Visual Compliance*

- Effective January, 2014
- All vendor code requests must be run through Visual Compliance prior to processing.
- We review to make sure that not a debarred vendor.



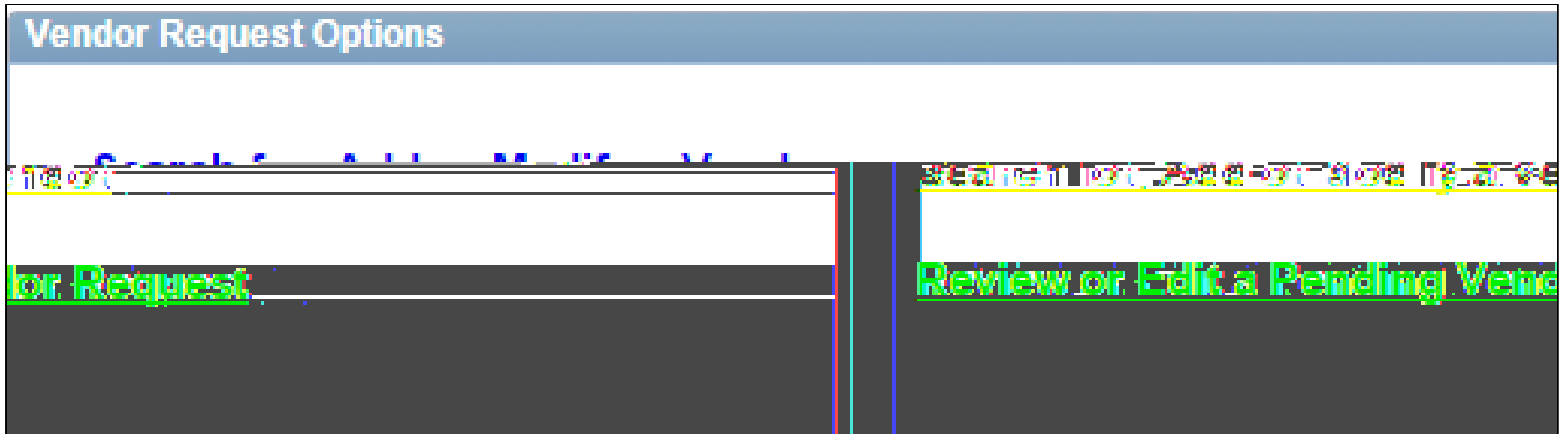
# *Vendor Code Request Process*

Vendor Add/Maintenance



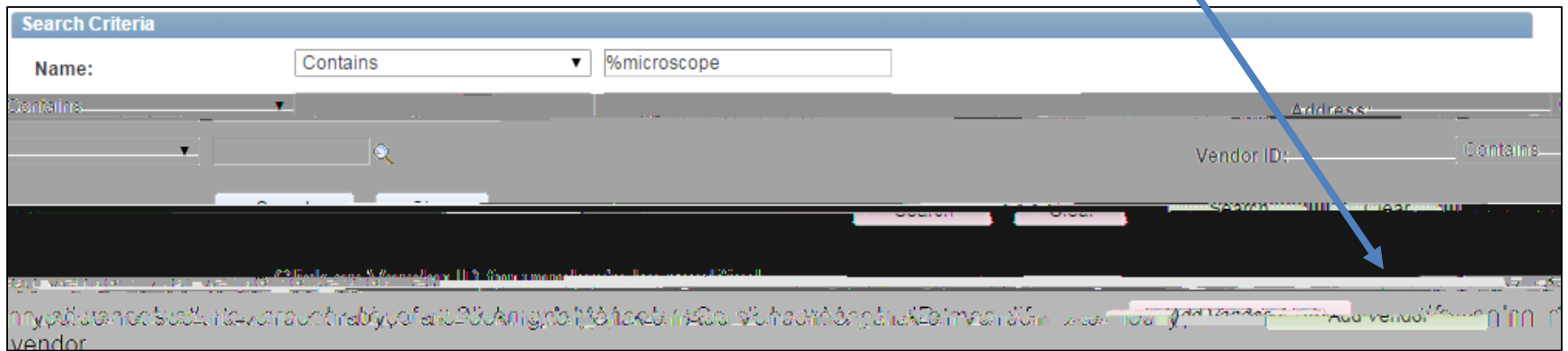
[Vendor Request Center](#) 

# Vendor Code Request Process





# Add Vendor

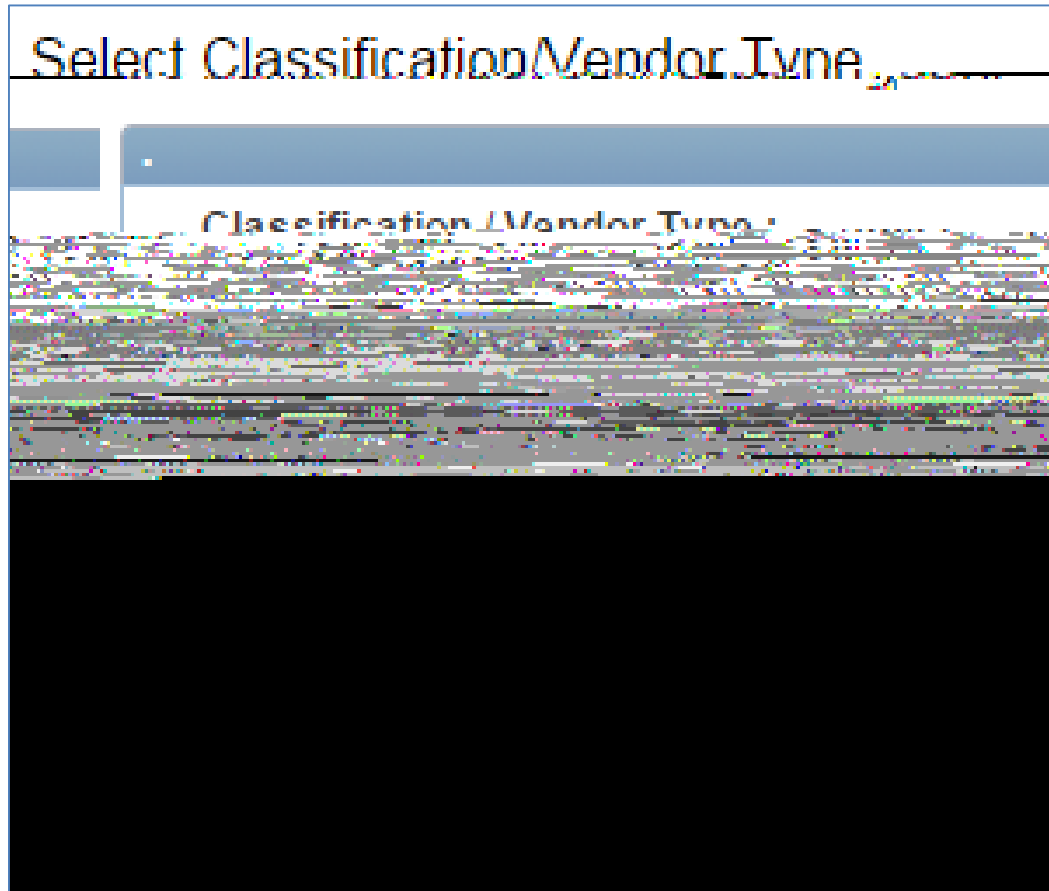


The screenshot shows a web interface for searching vendors. At the top, there is a blue header labeled "Search Criteria". Below it, a form is visible with the following elements:

- Name:** A dropdown menu set to "Contains" and a text input field containing "%microscope".
- Address:** A text input field.
- Vendor ID:** A text input field.
- Contains:** A dropdown menu.
- Search:** A button.
- Clear:** A button.
- Add Vendor:** A button, which is highlighted in green and pointed to by a blue arrow.

Below the form, there is a table of search results. The first row is highlighted in green and contains the text "Add Vendor".

# Vendor Classification





INDEPENDENT CONTRACTOR

# Independent Contractor

ADD NEW VENDOR

1 2 3 4

Classification / Vendor Type :

Did you remember the following before you continue?

\*Required Forms:

- Independent Contractor Questionnaire
- W-9 Form
- W-8 Form
- Conflict-of-Interest Form

Resources:

- [Vendor Profiles / Other Profiles](#)
- [Add New Vendor](#)
- [View Vendor](#)
- [Vendor Registration](#)

Supplier

Attorney

Refund

# *Independent Contractor*

- Payment for Services or Awards
  - Research subject payments

Payment of \$600 and above in a calendar year receives a 1099 from Northwestern University



# Description of Purchase or Payment

- Required field
- Give a good description
  - Research subject
  - Designed a survey
  - Microscope repair
- Don't need to tell us that ordered 60 widgets

# *Request for Payment to an Individual*



NORTHWESTERN

## Request for Payment to an Individual

Please type in all fields

UNIVERSITY

Do not complete this form if

STOP

1. the individual is currently being paid by University Council; or must submit original documents to Council for

# *Request for Payment to an Individual*

- This form is required.
- Most commonly known as Independent Contractor Questionnaire
- Or ICQ form
- Use most recent version
  - 3 questions next to stop sign
  - Revision date 3/23/15

# *Request for Payment to an Individual*

- Form provides information to help HR determine if individual is independent contractor or whether employer/employee relationship exists
- Required with all independent contractor vendor code requests

# *Request for Payment to an Individual*

## NON-CONTRACTOR PAYMENT

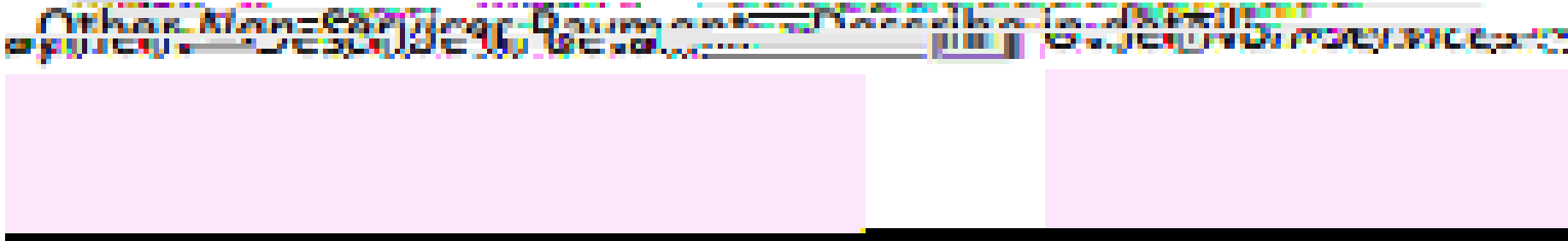
If the payment type falls into one of the following categories, color the payment does not fall into these categories; skip to Page 2. For help, refer

Other Al

Honor/Donation Subject

Driver/Award

# *Tip - Non-Services ONLY*



# *TIP*

- Electronic signatures are allowed on the ICQ form
- This is the only form that can be electronically signed

# *W-9 Form*

- Only for U.S. persons
- Use most recent version of this IRS form
  - December 2014
- Used to obtain correct taxpayer identification number
- Must be signed and dated
  - We require a W-9 that has been signed within the last 12 months to insure up-to-date information



# *W-9 Form*

Shred this document  
after you receive the  
vendor code.

# *Conflict of Interest Form*

- Conflict of Interest form to be included with new vendor code requests
  - Independent Contractor
  - Supplier
  - Attorney
  
- Do not give this form to the vendor!

# *Who signs the COI?*

- Individual submitting the form via the NUPortal
  - Data entry person
- Individual (s) who selected or directed the vendor to be added to NUFinancials
  - The person who made the decision to use the vendor
    - P.I.
    - Faculty
    - Graduate Student
    - You, the department person

# *Who answers the COI questions?*

- The person who selected the vendor is the person who attests to their relationship with the vendor
  - If this is a request decided upon by a committee, have one person from the group sign and attest to their relationship with the payee

# *What happens if there is a Conflict of Interest?*

- VFM Supervisor will review form & make sure that the COI manager has signed the form.
- Email about the COI will be sent to the employee, the school/unit's administration (level 3 or higher), the Controller, Procurement and Payment Services Director and a Human Resources (HR) representative.

# *TIP*

- Foreign Individuals
  - Services performed in the U.S.
    - Pay through Payroll
  - Services performed outside of the U.S.
    - Get a vendor code (refund classification)
      - New vendor code and all documentation each time payment is required
      - Pay through Accounts Payable

# *Foreign Vendors - Individuals*

- Services performed in full outside of the U.S. may be paid for through Accounts Payable
  - Process as refund vendor request
    - A new vendor request each time you want to pay foreign person
  - Required documents\*
    - Invoice
    -

SUPPLIER / ATTORNEY



# *Supplier/Attorney*

- Company
- Required documents
  - W-9/W-8 if foreign
  - COI
  - Additional helpful documentation
    - quote

## *TIP*

If a supplier can't complete a W-9 they must complete a W-8.

# W-8

- Form is required to set-up foreign supplier/attorney
- Vendor must know which form to complete
  - We can't advise regarding completion of the form
  - Companies will most likely complete the W-8BEN-E
    - Complete Part 1
    - Sign and date form
    - Certification box checked



REFUND

# *Refund*

- Return of overpayment
- Reimbursement
  - Travel
  - Meals
  - Purchases

# *Required Documentation*

- Signed Visitor's Expense Report
- Receipts
- Refunds to foreign and domestic people are treated the same with the same required documentation.

# *TIP*

- Help us by including “Additional Submitter Comments”
  - Tell us anything that you think would help us
    - Special request



# MODIFICATIONS TO EXISTING VENDOR CODES

# *Modifications*

TIP – an individual may have only 1 address

- This is the address to which the 1099 form

# HELPFUL TIPS

# *Send Backs*

- Most common send back reason is an old version of the W-9
- Look in *Reviewer Comments* field for an explanation of the problem
- To correct a send back - delete the bad document and attach the replacement document
- When you resubmit a send back your request goes back into the queue and will be delayed another day

# *Withdraw Request*

- A request may be withdrawn by you anytime before the document has been submitted
- Call VFM if you wish us to withdraw your submitted request
- We will withdraw a request only if can't be processed
  - Example: the incorrect classification was chosen

# *Avoid Common Errors*

- Make sure you saved and SUBMITTED
- Required attachments are \*
  - No need to attach something if not required
- Make sure forms are signed
  - Submit Request for Payment to an Individual (ICQ) to HR for signature prior to requesting vendor
- Check the version date of the W-9 form
  - December 2014

# Review Vendor Requests Made

The screenshot displays the 'Vendor Request Center' website. At the top, there is a navigation bar with the title 'Vendor Request Center'. Below this, the main content area is divided into several sections:

- Vendor Request Process Overview:** This section features a vertical bar chart with three bars of increasing height, representing a process flow.
- Information and Resources:** This section contains several links and documents:
  - [Vendor Policies and Procedures](#)
  - [W-9](#)
  - [W-8](#)
  - [Job Aid: Enter a Vendor](#)
  - [Job Aid: Review or Edit a Vendor Request](#)
  - [Contractor Questionnaire](#)
  - [Independent Contractor Questionnaire](#)
  - [Need Help? Please contact Vendor File Management at \(773\) 644-2200](#)
- Downloadable Forms:** This section lists various forms available for download, including 'Request to Add or Modify a Vendor' and 'Contractor Questionnaire'.

# PAYMENTS FOR AWARDS



# *What kind of award is this?*

- **PRIZE** = achievement, merit or contest winner
  - Paid through Accounts Payable
  - Taxable
  - 1099 issued for \$600 and greater
- **SCHOLARSHIP** = aid for studying, training or research
  - Paid through Payroll
  - Reportable by individual
  - No W-2 issued

# Payroll or Accounts Payable?

- Is the individual a non-resident for tax purposes?
  - Must be paid through Payroll
- Has the individual been paid through Payroll in the past?
  - Paid more than 12 months ago (previous calendar year)?
    - Pay through Accounts Payable with vendor code
  - Paid less than 12 months ago (current calendar year)?
    - Pay through Payroll\*
  - \*If the individual only received/receives a scholarship/fellowship then the award can be paid through Accounts Payable

# Decisions to make

- Aid for studying, training, research
  - Reimbursement of travel expenses?
    - No pre-payment
    - Paid through Expenses Module if payroll presence
    - Paid through AP via Visitor's Expense report if no payroll presence
    - Receipts are required

# Decisions to make (cont'd.)

- Aid for studying, training, research
  - Flat \$ amount to help with future expenses?
    -

# Decisions to make (cont'd.)

- Accomplishment
  - Paid through Payroll or AP
    - Taxable
    - Reportable

# How to Pay an Award to Individual Currently on Payroll

- Additional Pay form
  - If individual has a current payroll appointment
- Special Pay form
  - If individual does not have a current payroll appointment but paid through Payroll less than 12 months ago (in the current calendar year)



# How to Pay an Award to a Non-Employee

- Forms needed:
  - W-9
  - Independent Contract Questionnaire
    - Only complete the first page of the form
  - Conflict of Interest Form
  - Check that no vendor code exists
  - Request new vendor through NUPortal



# Paperwork to send to Accounts Payable

- Process Online Voucher
- Attach a Contracted Services Form
  - If no Contracted Services form, a letter from department chair stating that the individual is receiving an award
    - No emails, a formal letter with signature

# RESOURCES AND HELP

# *Resources*

- Policies
- COGNOS Reports
- Business Process Maps
- Payroll Department
  - 1-7362
- Vendor File Management
  - 1-4S0S
  - 847-491-4707

# *Need help?*

Call the Vendor File Management Helpline

847-491-4707

(1-4S0S)

# *VFM Location*

2020 Ridge, Room 110

Garden Level

# *Questions?*

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