

University of Missouri System Accounting Policies and Procedures



Policy Number: APM-50.25

Policy Name: Vendor Maintenance

General Policy and Procedure Overview:

Vendors are one of the backbones of PeopleSoft Accounts Payable and Purchasing. The persons, companies, and even employees from whom the University buys or contracts products and services are called vendors. This policy addresses the process for establishing new vendors and the reviews/approvals required whenever vendor information is created or maintained.

Definition of Key Terms:

Vendor: Persons, companies, and even employees from whom the University buys or contracts products and services.

Direct Deposit: An ACH service that provides for the electronic transfer of funds directly into the account of a payee.

Detail Policy and Procedure:

Maintaining and managing vendors are key processes to the success or failure of the University, as proper management of vendors (i.e., purchases and payments) relates directly to the University's cash flow. PeopleSoft provides the tools necessary to maintain and manage vendor information, providing a method of entering, maintaining, and managing basic and specific vendor information such as mailing addresses, vendor contacts and conversations, withholding detail, freight terms, payment terms, vendor bank accounts, procurement information, and routing instructions for ACH. Using PeopleSoft Vendor pages, you can also perform various types of vendor inquiries regarding balances due, voucher information, and payment information for vendors.

Vendor information is entered in PeopleSoft for any vendor with which the University does business. Once the vendor information is entered, it is available for procurement or payment processing. Key vendor information includes any specific identifying information, location information, payment options, procurement information, and any particular processing controls.

Timing Vendor Information must be entered before the vendor can be used or tracked in the procurement or accounts payable process.

Key Points A name and one address for each vendor are required. Remaining information defaults from the PeopleSoft vendor control hierarchy. PeopleSoft automatically assigns sequential numbers for the Vendor ID. The status of a vendor directly affects the availability of the vendor for data entry or processing in the Payables and Purchasing systems.

Requesting a new vendor or maintaining an existing vendor:

Anyone with access to the University’s Outlook system can have a vendor set up on the system or initiate a change of vendor information. They go into Outlook, under Tools, Forms, and then under Organizational Forms Library select the “UM Vendor Maintenance Request.” The form is filled out in detail and sent to the appropriate Accounting Office.

The screenshot shows an Outlook window titled "Vendor Maintenance Request - UM Vendor Maintenance Request (Rich Text)". The window includes a menu bar (File, Edit, View, Insert, Tools, Actions, Help) and a toolbar with icons for Send, Print, Undo, Redo, and other functions. Below the toolbar are fields for "To...", "Cc...", and "Subject: Vendor Maintenance Request".

The main content area of the form is titled "UNIVERSITY OF MISSOURI VENDOR MAINTENANCE REQUEST" and includes the subtitle "Departmental Use Only for Non-PO Voucher Processing". It is divided into several sections:

- Type of Request (Check One):** This section contains three radio button options: "New Vendor Addition (provide Empl ID if payee is an employee or student number if payee is a student)", "Address Sequence Addition (provide primary vendor number)", and "Address Sequence Revision (provide primary vendor and address sequence number)". Below these is a text field for "Reason for revision".
- Vendor Address Information:** This section contains several text input fields: "Name", "Address Line 1", "Address Line 2", "Address Line 3", "Address Line 4", "City, State, Zip", "Country", "PhoneNumber (optional)", "Fax Number (optional)", "Contact (optional)", and "Contact Type (optional)".
- Vendor Payment Information:** This section is divided into two sub-sections: "Tax Information (Complete One)" and "Payment Method (Complete One)".
 - Tax Information (Complete One):** Includes radio button options for "Employer Identification Number" and "Social Security Number/ Individual Taxpayer Identification Number", each with a corresponding text field. There is also a checkbox for "Not U.S. Citizen/Not Lawful Permanent Resident".
 - Payment Method (Complete One):** Includes radio button options for "Check" and "ACH Direct Deposit (payee must complete and submit direct deposit authorization form found at the campus specific URL noted under Additional Instructions)".

Vendor Maintenance Request - UM Vendor Maintenance Request (Rich Text)

File Edit View Insert Tools Actions Help

Send [Icons] Options...

To... []

Cc... []

Subject: Vendor Maintenance Request

REQUEST | **ADDITIONAL INSTRUCTIONS** | REPLY |

Additional Instructions

Vendor Name: Acronyms and abbreviations are not allowed in vendor names.

Vendor Address Information: Provide the remittance address as noted in the body of the invoice. This is not necessarily the same address noted as the vendor's business address in the invoice heading.

Not U.S. Citizen/Not Lawful Permanent Resident: If this box is checked, contact the nonresident alien tax specialist located on your campus for additional instructions upon completion of this form.

Contact Type: Indicate the contact's role with the vendor (e.g. Sales, Returns, Accounts Payable, Accounts Receivable)

ACH Direct Deposit: Employees' non-payroll reimbursements are deposited into the same account as their payroll by default. Employees only need to complete the authorization form at the noted URL if they want their non-payroll reimbursements directed to an account different than their payroll account.

Campus Specific URL's for ACH Direct Deposit Request

Columbia:

Hospital:

Kansas City:

Rolla:

St. Louis:

UM System:

Vendor Maintenance Request - UM Vendor Maintenance Request (Rich Text)

File Edit View Insert Tools Actions Help

Send [Icons] Options...

To... [Input Field]

Cc... [Input Field]

Subject: Vendor Maintenance Request

REQUEST | ADDITIONAL INSTRUCTIONS | REPLY

Vendor Number [Input Field]

Address Sequence Number [Input Field]

Request Completed By [Input Field]

Additional Information Needed to Complete Request

[Large Empty Text Area]

The request is forwarded to the appropriate Accounting Office for processing. If the request is to set up or change an ACH payment arrangement, the vendor must supply a voided check to support the account information.

Accounting Offices review the e-mail to ensure it is from a duly authorized source and that it is complete (e.g. tax ID number etc.) and any required supporting information (e.g. voided check for ACH payment) is on hand. If the form is incomplete or if the supporting information is missing the request is returned with a notation of the missing information. After a positive review, the Accounting Office will input the new vendor or change the vendor information as per the request.

The e-mail request is retained in a Vendor Maintenance folder. Every day the daily Vendor Maintenance Report is printed. The information on the Vendor Maintenance report is verified to the information on the e-mails. In performing the verification the reviewer is ensuring:

- They have e-mail support for all activity on the report.
- The e-mail is from a duly authorized source.

- The information on the report, and in the system, is accurate per the request.

Any errors should be noted on the report and input to the system. These notations will serve as authorization for the entries that will appear on the subsequent day's report. The reviewer will sign and date the report. Periodically supervisory personnel will review the daily reports and initial them as evidence of the review. The reports will be filed for a period through the current fiscal year plus one additional full fiscal year. The folder containing the e-mails will be recorded to a CD with the CD retained for a period of 7 years.

RESPONSIBILITY

Campus Departmental Personnel:

- Initiate the input of a new vendor or change of vendor information.
- Obtain the required information and supporting documentation.
- E-mail the request to the appropriate Accounting Office for input to the system.

Campus Accounting Offices:

- Input the vendor information into PeopleSoft.
- Review new vendors for authorization, proper support, and accuracy of information.

Accounting Office Manager:

- Review Vendor Maintenance Reports

Effective Date: July 1, 2006

Revised Date: May 7, 2007

Questions and Comments?

Questions regarding interpretation and implementation of the Accounting Policy should be directed to the Campus Accounting Office. Suggested edits or revisions to the policy should be directed to the Office of the Controller.