



Statewide Business Process Policy & Procedure

Business Process Reference:

Section: Disbursements and Purchases
Title: Vendor Management Policy

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Background:

One component of an effective system of internal control within the procure-to-pay process is the proper restriction of the ability to make additions and updates to a vendor master file. The security and accuracy of the vendor master file is critically important for the State since TeamWorks utilizes a centralized vendor master file for purchase orders and cash disbursements. Accordingly, this policy establishes guidelines for required documentation, security access, and approval for additions and updates to the vendor master file in TeamWorks.

Business Policy Summary:

It is the responsibility of the State Accounting Office to ensure that purchase orders and disbursements processed through TeamWorks are made to authorized vendors, with accurate vendor information. The State Accounting Office must work closely with state agencies to ensure the information provided for additions and updates to the state's vendor master file is accurate and meets established internal control requirements. Therefore, the sole responsibility for approval of vendors and updates lies within the Vendor Management Group (VMG) of the State Accounting Office.

Business Process Policy and Requirements:

Prior to creating a purchase order or making a payment to a vendor, the agency must first determine if the vendor already exists in TeamWorks. This can be accomplished by:

- Running the 0VN_001_VENDOR_SEARCH query using the vendor's taxpayer identification number (TIN), or
- Entering the TIN using the following navigation: Vendors>>Vendor Information>>Add/Update>>Review Vendors

The TIN number will be a Federal Employer Identification Number (FEIN or EIN) or Social Security Number (SSN). State agencies are required to ensure they have an accurate TIN by obtaining a recent W-9 form from the vendor.

Vendor Adds:

If the agency determines that the vendor does not exist, the new vendor would then be added to TeamWorks:

- The agency adds the vendor either manually or through the “Bidder to Vendor” conversion process in TeamWorks in an UNAPPROVED status
- The agency’s authorized vendor liaison submits the required W-9 form to the VMG via email
- The VMG reviews the vendor addition request for accuracy while performing necessary validations and verifications:
 - ✓ TIN verifications with the IRS
 - ✓ Bank account validations
 - ✓ Review of the Federal Government’s Excluded Parties List
- The VMG approves the vendor after all validations and verifications are confirmed accurate and complete

Vendor Changes:

All existing vendor changes, including vendor reactivation, require the appropriate change form(s) and required supporting documentation to be submitted to VMG from the agency’s authorized liaison. The State Accounting Office has the sole responsibility of entering and approving all changes to the TeamWorks vendor master file based on what is submitted from the agency. Therefore, it is the requesting agency’s responsibility to perform the necessary due diligence to ensure the accuracy and validity of the data that is being submitted for changes.

The following supporting documentation is required for vendor changes:

- Name change requires legal name change documentation or a recent W-9 form completed by the vendor
- TIN change requires a recent W-9 form completed by the vendor
- Address change of any kind requires change information on company letterhead or official company invoice
- Payment alternate name change requires change information on company letterhead signed by a company official
- Bank account maintenance (adds or changes to existing information) requires a voided check copy or a bank verification letter that will be independently authenticated
- Vendor reactivation requires a recent W-9 form completed by the vendor

Statewide Contract Vendors:

The Georgia Department of Administrative Services (DOAS) is the only State entity authorized to add Statewide Contract vendors to the TeamWorks vendor master file. In addition, DOAS is the only State entity authorized to submit changes of any kind to the VMG for existing Statewide Contract vendors.

Employee Vendors:

Employee vendors are set up or deleted through the vendor sync process that interfaces TeamWorks HCM with TeamWorks Financials and populates or deletes the vendor master file with newly hired or terminated employees. Changes to employee vendors can only be performed by the employee through TeamWorks HCM Employee Self Service (ESS) or by contacting the State Accounting Office Customer Service Center.

Foreign Vendors:

Foreign vendors (including foreign entities and individuals) are required to provide a recent (within the last 12 months) Foreign Entity W-8 Form as required by the IRS. Foreign entities and individuals should provide the appropriate form that is applicable to their status.

Single Pay Vendors:

Please refer to the [Single Pay Policy](#) located on the State Accounting Office website.

Monitoring:

At regularly scheduled intervals, the VMG will perform the following:

- Annually - Identify active vendors with no activity for the previous (3) years and initiate processes to inactivate those vendors
- Bi-Annually - Submit full vendor master file submissions to the IRS for TIN verifications
- Quarterly - Review vendor details and activity for payment or information anomalies

Authority:

- Official Code of Georgia Annotated (OCGA) 50-5B-3 – Duties of the state accounting officer include:
 - Prescribe state-wide accounting policies, procedures, and practices;
 - Prescribe the manner in which disbursements shall be made by state government agencies;
 - Develop processes and systems to improve accountability and enhance efficiency for disbursement of funds and management of accounts payable

Applicability:

Any agency, authority, department, institution, board, bureau, commission, committee, office, or instrumentality of the State of Georgia utilizing the TeamWorks Financials application is subject to this policy. At these agencies, all personnel with accounting and payment responsibilities should be knowledgeable of this policy.

Definitions:

Authorized Vendor Liaison – an agency assigned individual that is responsible and accountable for ensuring that all vendor information submitted to the State Accounting Office for processing is accurate and complete. This individual serves as the liaison between the agency and the State Accounting Office for all vendor related matters.

Bidder to Vendor Conversion Process – an automated process in TeamWorks that creates a vendor profile from a bidder profile when an agency awards a bid or contract to an individual or company that has never had a purchase order, received a remittance, or been awarded a contract by the State of Georgia.