

SECTION 10: VENDORS

Change Vendor

INTRODUCTION

Change Vendor provides procedures for changing information on existing vendor records in AKSAS.

Vendor records hold vendor detail information including Business Type, Tax or Employee ID, 1099 Reportable Status, Vendor Class, Vendor Legal Name, DBA Name, Address, optional contact information and phone number, vendor notes, electronic payment capability status, and vendor status (i.e., active or inactive).

Also accessible from a vendor record is 18 months of payment history to that record.

Making Changes to a Vendor Record

AKSAS financial transaction **505-20: Change Vendor** is used to make changes to an existing vendor record in AKSAS. **505-20: Change Vendor** transactions are input by the paying agency then submitted for dual authorization and certification.

Guidelines for Changing a Vendor Record

Fish & Game License Vendors

Changes to Fish and Game License vendors (i.e., first three characters of the vendor number are XXX) will need to be coordinated with the Dept. of Fish and Game (DFG), Division of Administrative Services (DAS). The main contact number for DFG/DAS is 907-465-6085:



Lease Payment Records used by Division of General Services

Before changing vendor records with the message “lease payments” indicated in the VENDOR NOTES field, you will need to coordinate the change with Dept. of Administration (DOA), Division of General Services (DGS). The main contact number for DOA/DGS is 907-465-2250:

DO NOT ALTER USED FOR DOA/DGS LSE PYMNTS

Permanent Changes

Because vendor records are available for use by all state agencies, only permanent changes affecting all users should be made.

Substitute Form W-9

The State of Alaska's Substitute Form W-9 (Sub Form W-9) is a good tool for obtaining all necessary information for making corrections to a vendor record. The form is available on [DOA/DOF's home page](#) under *Forms, Taxes, Tax Related Forms*.

Vendor Notes Field

- Before making any change to a vendor record, review the **VENDOR NOTES** field and follow any instructions given.
- Corrections can be made in all entry fields on a vendor record. Indicate in the **VENDOR NOTES** field that information is being corrected, not changed.

Guidelines for Changes to a Vendor's Information

Address Information and EDI

EDI capable vendor records should contain the vendor's business address for receiving correspondence (e.g., Form 1099-MISC). Do not update addresses on EDI capable vendor records **specifically for a vendor's new payment remittance address (e.g., lockbox address)**, as this vendor has already chosen to have payments sent electronically, not by mail.

Change in Ownership

If a change of business type, ownership, and/or Tax ID occurred in the previous tax year, submit a change vendor transaction to update the vendor record.

If a change of business type, ownership, and/or Tax ID occurred in the current tax year, submit two transactions—a 505-10: Add Vendor transaction and a 505-20: Change Vendor transaction. This allows taxable income to be reported correctly for both the new and old entities. Cross reference the two vendor records by entering a message in the **VENDOR NOTES** field of **each transaction**. Document the reason for the change, the date of the change, and cross-reference the new EIN and the old PVN. An example is provided below:

Example: On the change vendor transaction "CHANGE OF OWNERSHIP 1/1/10 – NEW EIN 99-9999999." On the add vendor transaction "NEW OWNER AS OF 1/1/10 – OLD PVN ABC999999."

Doing Business As (DBA)

If a vendor's legal name or DBA name has changed, verify whether the vendor's business type, ownership, and/or Tax ID changed as well. If more than just a name change has occurred, the existing vendor record must be inactivated and a new vendor record established as described above in the *Change in Ownership* section.

Nonprofits

If a vendor is claiming nonprofit status, verify their nonprofit status at either of the following websites:

- Guidestar: www.guidestar.org
- IRS Exempt Organizations Select Check: <http://www.irs.gov/Charities-&-Non-Profits/Exempt-Organizations-Select-Check>

Do not change a vendor's business type to nonprofit until the vendor's nonprofit status has been formally recognized by either of the above websites.

Differences between Vendor Documentation vs. Existing Vendor Record

If a vendor's invoice, contract, or other documentation contains conflicting information to that on the existing vendor record, contact the vendor to verify necessary corrections and/or changes.

Guidelines for Activating Vendor Records

Before activating an inactive vendor record:

- Review the **VENDOR NOTES** field on the record and follow any instructions given.
- Verify all information is current and accurate. If needed, make the necessary corrections to the record.

Guidelines for Inactivating Vendor Records**Change in Ownership**

If a change of business type, ownership, and/or Tax ID occurred in the current tax year, submit two transactions—a 505-10: Add Vendor transaction to establish the new entity and a 505-20: Change Vendor transaction to inactivate the vendor record of the old entity. (See information above under *Guidelines for Changes to a Vendor's Information, Change in Ownership.*)

Future Print Dates and Scheduled Payments

Do not inactivate a vendor record if there are outstanding warrants with future scheduled print dates or scheduled payments associated with the vendor record. Email the Vendor Authorization team at doa.dof.vendor.auth@alaska.gov if you need assistance.

Sometimes it is not necessary

Generally it is not necessary to inactivate a vendor record as records are systematically inactivated when no longer being used.

PROCEDURES**I. Obtain and verify accurate and complete vendor information.****For vendors and non employees:**

Use the vendor's invoice, contract, or other documentation to update the record. If necessary, utilize the State of Alaska's Substitute Form W-9 for obtaining current and accurate information for a vendor. The form is available on [DOA/DOF's home page](#) under *Forms, Taxes, Tax Related Forms.*

For state employees:

State employee vendor records (Vendor Class SE) require the employee's Legal Name and Employee Number (EMP ID) as listed in LDAP, the [State Employee Directory](#), via an Advanced Search. For step-by-step instructions to view the employee's Legal Name and EMP ID, refer to the [Add Vendor](#) procedures in this Section, Step II.

II. Process a 505-20: Change Vendor transaction.

NOTE: Also reference the Vendor Quick Reference and Add and Change Vendor Screen Examples in this Section.

A. From the AKSAS Main Menu, start (or restart) a financial batch. On the Financial Data Entry Menu:

1. Enter VN (Vendor) in the **SELECTION** field and C (change) in the **ACTION** field.

```
FDE: FINANCIAL DATA ENTRY MENU
SELECTION=> VN ACTION=====> C
EASYTRAN NUM=> WRNT CLASS=>
```

SECTION 10: VENDORS, CHANGE VENDOR

2. Press <Enter> to display the 505-20: Change Vendor transaction screen.

```

FDE 505-20:  CHANGE VENDOR                                     B 1666603 S 0001
VENDOR NUMBER _____ BATCH EFF DATE 09/23/2011
DOCUMENT NUMBER _____
SOURCE RD CODE _____ ACTIVE (Y/N) _
VENDOR LEGAL NAME _____
DBA NAME/ADDRESS _____
VENDOR ADDRESS _____
CITY _____ STATE ___ ZIP CODE _____ -
BUSINESS TYPE _____ VENDOR CLASS _____
TAX OR EMP ID _____ 1099 REPORTABLE (Y/N) _
VENDOR EMAIL/CONTACT _____ PHONE _____ EXT _____
VENDOR SHORT NAME _____
VENDOR NOTES _____
Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10--PF11--PF12---
UPDAT QUIT          SUBMT ERRS  BASE          PFKYS          HELP
    
```

- B. Enter the **VENDOR NUMBER** of the existing vendor record that's being changed.
- C. Enter data only in fields being changed. If needed, refer to the *Vendor Quick Reference* in this Section for assistance. For more detailed information on transaction processing, refer to [Section 4: Financial Transactions & Batch Processing](#).
- D. If changing the Business Type, pressing <Enter> will display the **BUSINESS TYPE** description, **VENDOR CLASS**, and **1099 REPORTABLE** fields. If there is no change to the Business Type, go to Step E.
- E. Press <Enter> to verify the address with USPS standards.
1. If this is a **foreign address**, the address will not be verified and the **Online Created Errors** screen displays. Go to Step G.
 2. If this is a **domestic address that meets USPS standards**, the **Online Created Errors** screen displays. Go to Step G.
 3. If this is a **domestic address that DOES NOT meet USPS standards**, the **Address Verification** window displays. Go to Step F.
- F. Review the address and associated messages displayed in the Address Verification window. Verify the address at the USPS website at <http://zip4.usps.com/zip4/>. Refer to [Address Verification and Messages](#) procedures in this Section for additional details on error messages and corrective actions.

Based on your review of the address and associated messages, take **one** of the following actions:

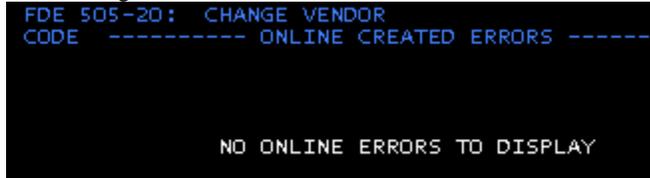
1. Press <Enter> to accept address corrections and continue processing the transaction. The **Online Created Errors** screen displays. Go to Step G.
2. Press <PF1-QUIT> to quit address verification and make manual corrections to the address. You are returned to the 505-20: Change Vendor screen with the address as originally entered. Repeat Part II. E, steps 1 through 3, until you can accept or override the address corrections. Go to Step G.

SECTION 10: VENDORS, CHANGE VENDOR

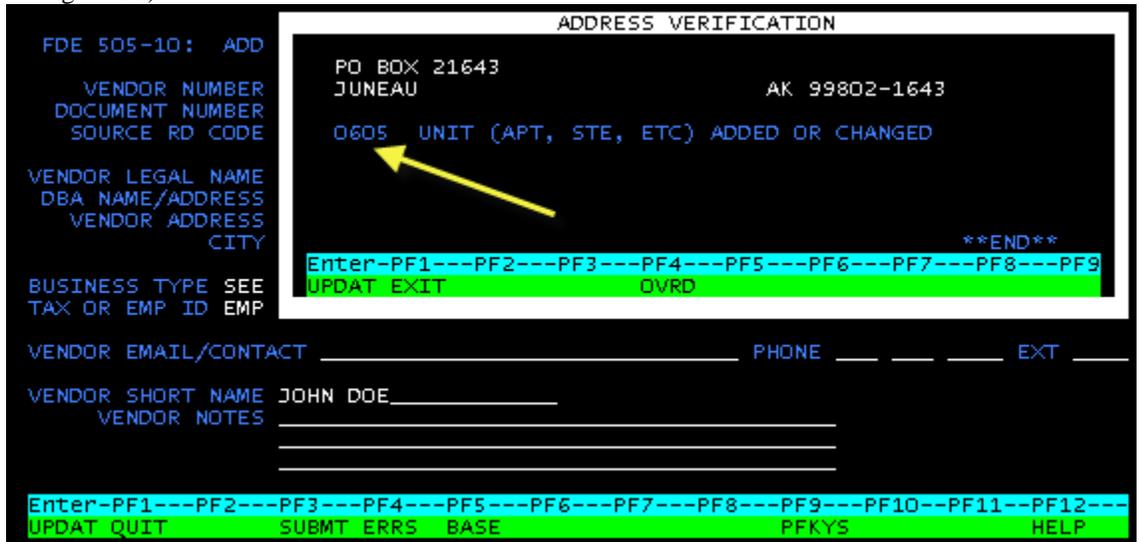
3. Press <PF4-OVRD> to override the address corrections and continue processing the transaction with the original address information. The **Online Created Errors** screen displays. Go to Step G.

G. Correct errors on the Online Created Errors screen until:

1. The message NO ONLINE ERRORS TO DISPLAY is received and :



2. If applicable, address verification messages that cannot be corrected (i.e., error message #s 0580 through 0622):



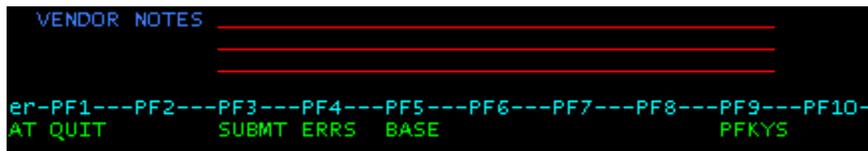
Address verification messages that are not corrected will print as warning messages on the FTP for the processed transaction. Refer to [Address Verification and Messages](#) in this Section for a list of address verification messages, descriptions, and corrective actions.

- H. Press <PF3> to override **acceptable** online error messages and submit the transaction for dual authorization and certification.

III. Review and Dual Authorization by DOA/DOF.

DOA/DOF reviews transactions for format accuracy and appropriate changes, then dual authorizes transactions.

Transactions that are not accurately entered will not be authorized. However DOA/DOF will communicate any comments, problems, or questions regarding the transaction in the **VENDOR NOTES** field and/or by email or phone call. Agencies may respond back to the Division of Finance in the same way:



SECTION 10: VENDORS, CHANGE VENDOR

Once any necessary corrections are made, the transaction can be re-submitted for dual authorization and certification.

NOTE: These messages are deleted from the **VENDOR NOTES** field by DOA/DOF before the transaction is dual authorized.

Transactions are generally dual authorized within 1-3 business days of accurate transactions being submitted in AKSAS. However, if volume is high, processing time may be longer.

In exceptional circumstances, such as when a payment must be made immediately, email the Vendor Authorization team at doa.dof.vendor.auth@alaska.gov to expedite transaction dual authorization. **Please document in your email why an expedite is needed.**

IV. Verify Dual Authorization Status.

Check the AKSAS DM – Maintain Batches screen to determine if the transaction has been dual authorized.

Example of transaction that has been dual authorized:

```
DM: MAINTAIN BATCHES - TRANSACTION SELECTION LIST          BATCH TYPE F
                   SEQUENCE NUMBER=> 1_____          BATCH NUMBER AA1666615
                                                       EFFECTIVE DATE 10/20/2011

  SEQ  SOURCE  TRAN  SUBMIT  PROCESS  RD LAST  Awaiting
  NUM  RD      CODE  DATE    DATE    UPDATE  AUTH  CERT
  ---  ---     ---   ---     ---     ---     ---  ---
   1  2134    505-20 10/20/2011  2134    NO     YES
```

If it is still waiting for dual authorization (i.e., under **AWAITING AUTH**, it says **YES**) check for any comments, problems, or questions regarding the transaction, noted in the **VENDOR NOTES** field. Make any necessary corrections to the transaction, then resubmit for dual authorization and certification.

Once the transaction has been dual authorized, it must then be certified.

V. Submit the transaction for certification.

All change vendor transactions require certification. Submit the transaction and associated backup to the appropriate individual in your agency for certification according to department procedures. The Certifying Officer reviews transactions for vendor information accuracy before certifying the transaction. Refer to [Section 2: AKSAS Security & Authorities, Certifying Officer Authority](#) for more information.

VI. Verify transaction processed.

- A. Each day, check DM - Maintain Batches to determine if the change vendor transaction processed successfully.
 - 1. If the transaction did not process:
 - a. Check the **VENDOR NOTES** field. The Division of Finance uses this field to communicate problems or questions concerning the transaction.
 - b. View the transaction and determine the corrective action needed. Correct the transaction and resubmit the corrected transaction for dual authorization. If necessary, refer to the [Accounting Procedures Manual, Appendix, Financial Transaction Error Codes & Messages](#) for a list of error messages and corrective actions.

SECTION 10: VENDORS, CHANGE VENDOR

- B. Once the transaction has successfully processed, review the vendor record in AKSAS to verify all processed information for the transaction is correct. If the results of the processed transaction are not as intended, correct the error using a 505-20: Change Vendor transaction.

For more information regarding batch maintenance, refer to [Section 4: Financial Transactions & Batch Processing](#).

VII. Archive/file processed transactions.

Maintain copies of the processed transactions and related backup according to department procedures.