Accounting Services

Vendor Code Processing & Procedures Class, including Paying Awards

April 21 and 22, 2015
Chicago & Evanston Campus
Today’s Session

• Vendor Code Processing & Procedures
  – Vendor Code Look-up (i.e. already exists in the system)
  – Vendor Code Request Process & Types
  – Required Paperwork

• Payments for Awards
  – Defining the Award: Prize or Scholarship?
  – Determine Appropriate Payment Type
  – Steps to Requesting a Vendor Code

• Resources and Help
VENDOR CODE PROCESSING & PROCEDURES
Vendor Look-Up

- Hyperlink on NUPortal
  - Financial section at left
  - Purchasing tab at top
  - Vendor Add/Maintenance section
  - Vendor Lookup (under Step 1)

- COGNOS Report ‘SC025’
  - NUPortal > Financial section at left
  - System Login section

- Login to NUFinancials
  - Vendors>Add/Update>Review Vendors
Hyperlink on NUPortal

Vendor Add/Maintenance

Step 1
Before requesting to add a vendor, check first to see if it is already in the system:

Vendor Lookup (Cognos Supply Chain folder access required)

You can also navigate to the query:

Login to Cognos > Cognos Connection > Project Cafe Reports >

[School or Central] > Supply Chain > SC025 - Vendor Info Query - Expanded Search

- Request a New Vendor
- Modify / Update An Existing Vendor

Step 2: Request a New Vendor
- Individual / Sole Proprietor
- Corporation, Partnership, Attorney
- Refund or Reimbursement

Submit
COGNOS Report ‘SC025’ (tip - use the % wildcard)
Search in NUFinancials

Review Vendors

Search Criteria

*SetID:  
Name: Contains internet
Withholding Name: Equal to
Vendor Status: 

Vendor ID: 
ShortName: Equal to
Classification: 
Type: 
Persistence: 

Address: Equal to 
Customer Number: 
ID Type: Tax ID 
VAT Registration ID: 
Withholding Tax ID: 

City: 
Country: 
State: 
Postal: 
Bank Account #: 

Click on Search to proceed.
Don’t have access to the NUPortal?

Message from webpage

You are not authorized to access this component. (40,20)

You have not been granted security authorization for the component you are attempting to access. You may have access to the designated component and page, but not in the specified action mode (such as Correction or Update/Display). Contact your system administrator.

OK
Don’t have access to the NUPortal?

Financial News
System Status/Issues
Be sure to check our Status page.

Financial Related Links
- Budget Details
- Budget Error Explanations
- Budget Overview
- Budget Policies & Procedures
- Dept Deposits / CRT
- Deposit & Bank Transactions
- Financial Policies & Procedures
- Monthly Close Calendar
- Office of Budget Planning
- Recharge Center & Cost Studies Guidelines
- Request Asset Disposal or Transfer
- Sponsored Project Accounting

Financial Resources and Forms
- Budget Forms
- ChartField Request Form
- Deposit Paper Form
- Report Inventory
- Security Access Forms
- Tree Viewer
Vendor Code Request Process

• All Requests through the NUPortal

• 48 hours to process as long as all docs valid and complete
  – You’ll receive an email or phone call when request is completed

• Use “Additional Information” field
  – “This is payment of an award”
  – “This is to pay a person working outside of the U.S.”
Vendor Code Request Process (NUPortal)

Vendor Add/Maintenance

Step 1
Before requesting to add a vendor, check first to see if it is already in the system:
Vendor Lookup (Cognos Supply Chain folder access required)
You can also navigate to the query:
Login to Cognos > My Home > Public Folders > Finance Facilities and Research Administration >
[School or Central] > Supply Chain > SC025 - Vendor Info Query - Expanded Search

- Request a New Vendor
- Modify / Update An Existing Vendor

Step 2: Request a New Vendor
- Individual / Sole Proprietor
- Corporation, Partnership, Attorney
- Refund or Reimbursement

Submit
**Vendor Code Request Process (example)**

### New Vendor - Individual/Sole Proprietor

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Name</td>
<td>Lukas J. Smith</td>
</tr>
<tr>
<td>Middle Name</td>
<td></td>
</tr>
<tr>
<td>Last Name</td>
<td></td>
</tr>
<tr>
<td>Suffix</td>
<td></td>
</tr>
<tr>
<td>Tax Type</td>
<td>Social Security Number</td>
</tr>
<tr>
<td>Tax Identification Number</td>
<td>3261299999</td>
</tr>
<tr>
<td>W-9 Attachment</td>
<td></td>
</tr>
<tr>
<td>W-9 Form</td>
<td>H:\GLADIC\NU Financial: Browse...</td>
</tr>
</tbody>
</table>

**Conflict of Interest Attachment**

- Classification: Independent Contractor
- Purpose of Payment: Prizes, Awards, etc.
New Vendor - Individual/Sole Proprietor

Vendor Order Information

* Address 1: 9005 MAIN STREET
Address 2:
* City: EVANSTON
* State: IL
* Zip: 60203

Fax No. to place order:
The standard PO dispatch method is fax. Check box if the vendor prefers to receive PO via email instead and provide email address below:

Email Address to place order:
[Note: If Fax No. or Email is not provided, PO will be mailed]
Telephone No.:

Vendor Remit Information

Same as Order [Skip to next section]: ✔
Address 1:
Address 2:
City:
State:
Zip:

Department Information

* Department: Accounting Services
* Contact Person: Elizabeth D. Gladic
* Extension: 1-5338
Campus Mail:
* Email Address: e-gladic@northwestern.edu

Diversity

- Veteran Owned
- Service Disabled Veteran Owned
- HUBzone
- Small Disadvantaged - SBA 8(a)
- Women Owned (WBE)
- Minority Owned (MBE)

Additional Information

Submit Request

< Back Step 2
Successful Request

Confirmation Page

Your Vendor Request has been submitted successfully.

Your Reference number is: 62535

You can print this page for your records.

Please close this window to continue.
• Effective January, 2014

• All vendor code request for individuals, companies, refund/reimbursement or updates to existing vendor codes must be run through Visual Compliance prior to processing the request.
Vendor Request Types

• Individual/Sole Proprietor

• Corporation / Partnership / Attorney

• Refund / Reimbursement
Individual/Sole Proprietor

- Person
- Not paid by NU
  - Within last 12 months
  - Within current calendar year
- W-9
- ICQ
- COI
• Payment for Services or Awards

Payment of $600 and above in a calendar year receives a 1099 from Northwestern University
Foreign Vendors - Individuals

• Never for services – services must be paid through Payroll

• Awards must be paid through Payroll

  • [http://www.northwestern.edu/hr/policies-forms/forms/foreign-nationals/PrizeAward.pdf](http://www.northwestern.edu/hr/policies-forms/forms/foreign-nationals/PrizeAward.pdf)

  • [http://www.northwestern.edu/hr/policies-forms/forms/foreign-nationals/CSFpacket.pdf](http://www.northwestern.edu/hr/policies-forms/forms/foreign-nationals/CSFpacket.pdf)
Required Paperwork

- Individual/Sole Proprietor
  - W-9
- Independent Contractor Questionnaire
- Conflict of Interest
W-9 Form

• Only for U.S. persons

• 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
• Form provides information to help HR determine whether individual is independent contractor or whether employer/employee relationship exists

• Required with all independent contractor vendor code requests

• Scan along with W-9 form and attach to vendor request
Conflict of Interest Form

• Conflict of Interest form to be included with new vendor code requests
  – Individual/Sole Proprietor
  – Corporation, Partnership, 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 an award 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?

- Transaction Processing 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, Purchasing Resource Services Director and a Human Resources (HR) representative.
• For all Feinberg faculty, the appropriate academic supervisor (or Vendor Conflict of Interest (VCOI) Manager) is Dr. Robert M. Rosa, Vice Dean for Regulatory Affairs. In other words, if a conflict is noted by a faculty member who selected or directed that a vendor be added to the vendor database, Dr. Rosa’s signature would be the third signature required on the form for faculty members.
• Found on NU web pages

• Conflict of Interest Office

http://www.northwestern.edu/hr/policies/conflict.pdf
• Company

• W-9
  – FEIN

• COI
Refund or Reimbursement

• Refund
  – Return of overpayment

• Reimbursement
  – Travel
  – Hotel
  – Meals
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?
    - Pay through Accounts Payable with vendor code
  - Paid less than 12 months ago?
    - 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?
    • Paid through Payroll
    • Scholarship
    • Reportable on Income Tax
    • No W-2 issued
• Accomplishment
  – Paid through Payroll or AP
    • Taxable
    • Reportable
How to Pay an Award to Individual Currently on Payroll

• Additional/Special Pay form

  ▸ If individual has a current payroll appointment

  ▸ If individual does not have a current payroll appointment but paid through Payroll less than 12 months ago
Why do I need a vendor code?

A vendor code is necessary in order to pay an individual an award through Accounts Payable.
Steps to Requesting a Vendor Code

• Check to see if awardee currently paid through Payroll

• Check to see if vendor code is already on NUFinancials

• Request a new vendor through the NUPortal
  – Choose “Request a New Vendor”
  – Choose “Individual/Sole Proprietor”
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
• Policies
• COGNOS Reports
• Business Process Maps
• Payroll Department
  – 1-7362
• TST
  – 1-4S0S
  – 847-491-4707
The Financial Operations website has been updated to include the “Purchasing and Payments Methods Quick Reference”. This guide, which can be found at http://www.northwestern.edu/financial-operations/policies-procedures/purchasing/PurchasingandPaymentMethodsQuickReference.pdf, provides information on the policies and procedures for paying awards to individuals (including vendors (non-employees), faculty/staff, and students).
# Purchasing and Payments Methods

## Quick Reference

### Processed By a Dept.
- **Advances**
- **Awards & Prizes**
- **Employee**
- **Independent Contractors**
- **Honorary**
- **Reimbursements**
- **Research Subject Fees**
- **Royalty Payments**
- **Paying Students**

### Processed through NUFinancials and paid through Accounts Payable

<table>
<thead>
<tr>
<th>Method</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>iBuyNU Requisition</td>
<td>Contact the department, provide chart string. Most purchases of external goods and services start with a standard requisition.</td>
</tr>
<tr>
<td>Purchase Order (PO) Requisition</td>
<td></td>
</tr>
<tr>
<td>Blanket PO Requisition</td>
<td></td>
</tr>
<tr>
<td>On-Line Voucher: Direct Payment Request - only services or Visit Expense Report</td>
<td></td>
</tr>
<tr>
<td>On-Line Voucher: Contracted Services Form</td>
<td></td>
</tr>
<tr>
<td>Petty Cash Reimburse for use of Personal Funds</td>
<td></td>
</tr>
<tr>
<td>Expense Module: Reimburse for use of Personal Funds, Advances</td>
<td></td>
</tr>
</tbody>
</table>

### Other procurement methods
- Personal funds cannot be used for research subject fee payments.
- Procurement Card: overseen by the dept. or ACOGL Services (subject to department/unit-specific transaction limits).

### Processed through Payroll

<table>
<thead>
<tr>
<th>Method</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay for hours worked via Kronos</td>
<td></td>
</tr>
<tr>
<td>Additional Pay Special Pay</td>
<td></td>
</tr>
<tr>
<td>Other Pos. Appx. Form</td>
<td></td>
</tr>
<tr>
<td>Payment Packet for Non-Resident Indep. Contractor, Royalties, Prizes and Awards</td>
<td></td>
</tr>
</tbody>
</table>

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**Notes:**
- The headings in the left column provide policy guidance.
- The Xs link to processing steps.
- **Awards & Prizes – Departmental:**
  - Non-Exempt Employees
- **Awards & Prizes – Non-Employee, Non-Resident:**
- **Awards & Prizes – Non-Employee, Resident:**
• Accounting Services has updated our website

• New portlet for vendor requests

• Payroll - Foreign Process
  – Addition of ICQ form to requests
    • Chris Tondini
    • Angie Gwinn
• Call the Transaction Support Team Help Line @ 847-491-4707
Presenter
Elizabeth D. Gladic
Supervisor, Transaction Processing
Accounting Services
e-gladic@northwestern.edu
847-491-5338

General
847.491.5337 (1-5337)
accounting@northwestern.edu
http://www.northwestern.edu/financial-operations/controller/accounting-services/index.html