



## MEMORANDUM

May 14, 2007

To: Agency Vendor Processors  
Agency Voucher Processors

From: Lisa Scharlott,   
Accounting Supervisor

Subject: New Procedures for Vendor Entry and Maintenance

As many of you are aware, the process to establish new vendors and make changes to existing vendors will change when the financial component of OAKS is rolled out July 1, 2007. The purpose of this memorandum is to provide you with information about the changes, the new agency responsibilities, and reminders about things that will stay the same.

Let's start with the things that will stay the same in OAKS. Your agency will continue to maintain the relationships with your agency vendors. This means questions about identifying which invoices to apply a warrant payment against will continue to be addressed by your agency (here's where the course *AP 201 Voucher Processing Lesson 2, Topic 3 Inquiring on Payments* will come in handy!)

**The OAKS “go-live” date is July 1<sup>st</sup> but the changes to how your agency processes new vendors and makes changes to existing vendors will begin June 1<sup>st</sup>.**

As you can see in the attached detailed procedure, the biggest change is the requirement that your agency provide the following instructions and forms to a potential vendor. These forms can be found on the OBM Website (the specific path is provided on the attached procedure). Your agency may wish to send the documents to the vendor via mail, email, or fax.

- 1) Cover letter with instructions
- 2) W-9 form (revised 11/2005 or later) or W-8 form
- 3) Vendor Information Form (OBM-3456) or Vendor Information Change Form (OBM-3457)
- 4) Authorization Agreement for Direct Deposit of State Warrants Form (OBM-1234) (if applicable)

Insert your agency name, contact name, and agency addresses and fax number on the cover letter and vendor information forms prior to sending to the vendor. The vendor should return the completed W-9 and Vendor Information Form to your agency. Your agency is responsible for reviewing the returned forms for legibility, accuracy, and completeness. Your agency will then forward the forms to the OBM Vendor Compliance Section for entry in OAKS. OBM will not accept these forms sent directly by a vendor; they should only come to OBM after agency review. Your agency may wish to send these forms electronically. A special email box has been established to send forms and provide a means for your agency to contact the Vendor Compliance Section with questions about processing vendor information. Access to the email box is through Microsoft Outlook at [OBM.Vendor@obm.state.oh.us](mailto:OBM.Vendor@obm.state.oh.us).

If the vendor wants to enroll in direct deposit, they should send the completed signed Authorization Agreement for Direct Deposit of State Warrants Form directly to the OBM Vendor Compliance Section for entry in OAKS. This form may not be sent electronically. OBM requires a signature on the Authorization Agreement for Direct Deposit.

**This new process is effective June 1, 2007. Beginning June 1st, do not enter the vendor information in CAS.** Send the new required documentation to OBM for entry in CAS. During the period 6/1/07 through 6/19/07, OBM will enter new vendors and changes to existing vendors in both CAS and OAKS

# Procedure to Establish a New Vendor in OAKS

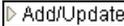
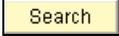
## Establishing a New Vendor

The OAKS vendor subsystem maintains extensive information about the vendors (companies and individuals) who do business with the state of Ohio. With a few exceptions, spending and encumbering cannot take place until a vendor is entered into OAKS.

New vendors should be established in OAKS as soon as it is determined that a state agency may do business with a particular vendor. In order to confirm the vendor does not already exist in OAKS, review Vendor Information in OAKS by searching for that vendor.

Here are the steps to follow in OAKS to access these screens.

## Review Vendor Information

1.	Begin by going to the review vendors page. Click the <b>Vendors</b> link. 
2.	Click the <b>Vendor Information</b> link. 
3.	Click the <b>Add/Update</b> link. 
4.	Click the <b>Review Vendors</b> link. 
5.	Use the <b>Name</b> field to enter the name of the vendor you are searching for. You can also search with a partial name by selecting the <b>Contains</b> option from the drop down list. Click in the <b>Name</b> field. 
6.	Enter the desired information into the <b>Name</b> field or use the <b>ID Type</b> field to search for a vendor using their Taxpayer Identification Number (TIN).
7.	Click the <b>Search</b> button. 
8.	If a vendor has multiple addresses, OAKS displays each address on a different row in the Search Results field area.
9.	Use the <b>View Related Links</b> button to view additional information for this vendor, such as payment terms and location(s).

After confirming the vendor does not already exist in OAKS, the agency should mail/e-mail/fax the following documents to a potential vendor:

- 1) Cover letter with instructions to complete the W-9 and Vendor Information Forms and return them to the agency and to complete the Authorization Agreement for Direct Deposit of State Warrants Form (if applicable) and return it to OBM
- 2) W-9 form (revised 11/2005 or later)
- 3) Vendor Information Form (OBM-3456)
- 4) Authorization Agreement for Direct Deposit of State Warrants Form (OBM-1234)

Copies of these documents and enterable forms can be found on the OBM Website using the following path:

<http://www.obm.ohio.gov/>Forms>OAKS> Forms>Vendor Forms

When the agency receives the completed W-9 and Vendor Information Form from the potential vendor, the agency is responsible for reviewing the forms for legibility, accuracy, and completeness.



Review the *W-9 Form Request for Taxpayer Identification Number and Certification*

Check Form Date

Form **W-9**  
(Rev. November 2005)  
Department of the Treasury  
Internal Revenue Service

**Request for Taxpayer Identification Number and Certification**

Give form to the requester. Do not send to the IRS.

Print or type  
See Specific Instructions on page 2.

Name (as shown on your income tax return)

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Business name, if different from above

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Check appropriate box:  Individual/Sole proprietor     Corporation     Partnership     Other ▶ .....     Exempt from backup withholding

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Address (number, street, and apt. or suite no.)      Requester's name and address (optional)

---

City, state, and ZIP code

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List account number(s) here (optional)

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
or
Employer identification number

SSN or Employer ID Number

**Part II Certification**

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶

Look for Signature

- Verify that the W-9 is completed by the vendor. An original, a copy, or fax of the form is acceptable.
- Verify that the W-9 is the most recent form (Revised November 2005). Check the top left or bottom right corners of the form for this date.
- Verify that all fields are complete.
- Verify that there is a social security number or employer identification number. For other types of vendors, look for an employer identification number.
- Verify that the name, address, and type of vendor listed on the W-9 match the information on Vendor Information Form.
- State agency personnel cannot fill out any part of the form for the vendor. Only a legal guardian of an individual or an individual's designated power of attorney can complete a W-9 on behalf of a vendor who cannot complete the form. If the vendor is not an individual, any designated representative of that vendor can complete the form. However, problems can arise if that person is not knowledgeable about the company's structure and registered tax filing status.
- A vendor can type, affix an address label, or complete by hand (preferably printed) the information on a W-9. In all cases, the information submitted on the W-9 must match the vendor's IRS-registered information. Instructions on how to complete the form are included at the bottom and on the back of the form. You can suggest the vendor call the IRS at 1-800-829-1040 for further instructions. If the vendor submits an incomplete form to the requesting state agency, you cannot adjust or complete the W-9 form; instead, return the form to the vendor for completion.
- State Accounting prefers the vendor sign the W-9 form. It is not, however, required that the form be signed unless the vendor has received notice from State Accounting that the W-9 we have on file doesn't match IRS file information. Asking that the vendor sign the form when it is originally submitted could save time and effort in the future if the IRS should notify State Accounting that the information doesn't match their file.

**State Accounting will return a W-9 to the submitting agency if:**

- It is not a current version (11/2005 or later)
- It looks as though the form has been altered
- The form is incomplete or illegible
- Agency personnel have completed the forms
- Conflicting information is provided on the form

If you have any concerns about the accuracy of the information on the W-9, check with the vendor before submitting the W-9 and Vendor Information Forms to State Accounting.

**Change in Vendor's Tax Identification Number**

If an existing vendor in OAKS changes its tax identification number, then a Vendor Information Form (OBM-3456) and updated W-9 form will be submitted to State Accounting. This may occur when a sole proprietor using a Social Security number requests the IRS issue an employer identification number for the company or if a partnership becomes incorporated.

Follow the steps below when an established vendor in OAKS has a change in tax identification number:

- Check the vendor information in OAKS to verify there is not a lien against the vendor. The Payment Handling Code on the Vendor Pay record will be set to 'LI' for Lien Processing if there is a lien against the vendor. Contact

Lisa Scharlott at (614) 466-1606 or [lisa.scharlott@obm.state.oh.us](mailto:lisa.scharlott@obm.state.oh.us) if you need to change information about a vendor with a lien.

- Check to determine if there is an active state term contract or state term schedule. If there is an active contract with the vendor notify either Cynthia Broadnax, DAS/State Purchasing at (614) 644-9857 or Jim Delong DAS/Acquisitions Management at (614) 728-8837.
- Request an updated W-9 and Vendor Information Form from the vendor along with an explanation on company letterhead that clarifies the old TIN, the new TIN, and a statement in regard to what has caused the changes and whether or not the old TIN remains active or should be made obsolete.
- Your agency is responsible for reviewing the returned forms for legibility, accuracy, and completeness. Your agency will then forward the forms to the OBM Vendor Compliance Section for entry in OAKS. OBM will not accept these forms sent directly by a vendor; they should only come to OBM after agency review. Your agency may wish to send these forms electronically. A special email box has been established to send forms and provide a means for your agency to contact the Vendor Compliance Section with questions about processing vendor information. Access to the email box is through Microsoft Outlook at [OBM.Vendor@obm.state.oh.us](mailto:OBM.Vendor@obm.state.oh.us).

## Changes to Existing Vendors

### Vendor Information Change Form (OBM-3457)

The Vendor Information Change Form is used to make changes to vendor information as it currently exists in OAKS.

### Changes to Vendor Payment Terms

The Vendor Information Change Form is used to change vendor payment terms **statewide**. **Only use the change form if the vendor offers favorable payment terms to the entire state.** If your agency negotiates favorable discount terms for your agency only, the change should be made on individual vouchers by overriding the displayed Pay Terms when necessary (refer to class AP 201 Voucher Processing Lesson 1, Topic 1). When a vendor has informed you of a change of payment terms they offer to the entire state, mail/email/fax the Vendor Information Change Form to the vendor for completion.

### Changes to Purchase Order Dispatch Method

The Vendor Information Change Form is used when a vendor has a preferred Purchase Order Distribution method of email or fax. When a vendor has informed you of a change to purchase order dispatch method, mail/email/fax the Vendor Information Change Form to the vendor for completion.

### Changing a Vendor's Name

- Check the Vendor Information in OAKS to verify there is not a lien against the vendor. The Payment Handling Code on the Vendor Pay record will be set to 'LI' for Lien Processing if there is a lien against the vendor. Contact Lisa Scharlott at (614) 466-1606 or [lisa.scharlott@obm.state.oh.us](mailto:lisa.scharlott@obm.state.oh.us) if you need to change information about a vendor with a lien.
- Check to determine if there is an active state term contract or state term schedule. If there is an active contract with the vendor notify either Cynthia Broadnax, DAS/State Purchasing at (614) 644-9857 or Jim Delong DAS/Acquisitions Management at (614) 728-8837.
- Request an updated W-9 from the vendor along with the Vendor Information Change Form.

### Changing a Vendor's Address

Follow the steps below when an established vendor in OAKS moves from an existing address or establishes an additional location that a state agency will reference for payments or correspondence.

- Check the Vendor Information in OAKS to verify there is not a lien against the vendor. The Payment Handling Code on the Vendor Pay record will be set to 'LI' for Lien Processing if there is a lien against the vendor. Contact Lisa Scharlott at (614) 466-1606 or [lisa.scharlott@obm.state.oh.us](mailto:lisa.scharlott@obm.state.oh.us) if you need to change information about a vendor with a lien.
- Check to determine if there is an active state term contract or state term schedule. If there is an active contract with the vendor notify either Cynthia Broadnax, DAS/State Purchasing at (614) 644-9857 or Jim Delong DAS/Acquisitions Management at (614) 728-8837.
- When a vendor has informed you of a change of address or establishes an additional location that a state agency will reference for payments or correspondence, mail/email/fax the Vendor Information Change Form to the vendor for completion.

### Adding an Escrow Address Code

Follow the steps below when an established vendor in OAKS needs an Escrow address code added.

- Check the Vendor Information in OAKS to verify there is not a lien against the vendor. The Payment Handling Code on the Vendor Pay record will be set to 'LI' for Lien Processing if there is a lien against the vendor. Contact Lisa Scharlott at (614) 466-1606 or [lisa.scharlott@obm.state.oh.us](mailto:lisa.scharlott@obm.state.oh.us) if you need to change information about a vendor with a lien.

- A signed copy of the Escrow Agreement from DAS and Payment Request letter is acceptable for backup for the address. For those agencies that do not have the contract through DAS, a copy of the Escrow Agreement between the agency, contractor, and bank is acceptable.

## Establishing a State Employee as a Vendor

When submitting an original entry or a change to existing information for State of Ohio employees (vendor type SE) in OAKS, a State Employee Information Form (OBM-3458), along with the following documents verifying active state employment must be sent to OBM Vendor Compliance at State Accounting:

**Either** a Personnel Action form **or** the following three screen prints from OAKS HCM:

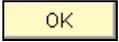
Biographical Details Tab

View Name Link

Contact Information Tab

Here are the steps to follow in OAKS to access these screens.

### Backup Documentation for State Employees

1.	Navigate to the <b>Biographical Details</b> page first.  From the OAKS menu, Click the <b>Workforce Administration</b> link. 
2.	Click the <b>Personal Information</b> link.
3.	Click the <b>Modify a Person</b> link.
4.	Enter the desired information into the <b>Last Name</b> field.  Enter a valid value e.g. " <b>Evans</b> ".
5.	Click the <b>Search</b> button. 
6.	Print the <b>Biographical Details</b> tab screen.
7.	Click on the <b>View Name</b> link in the Primary Name Section. <a href="#">View Name</a>
8.	Print the <b>View Name</b> screen.
9.	Click the <b>OK</b> button to return to the Biographical Details tab. 
10.	Click on the <b>Contact Information</b> tab and print this screen.
11.	Submit these three screens as backup documentation with VENE/M for State of Ohio Employees (SE).



**OBM**

**STATE OF OHIO – OFFICE OF BUDGET & MANAGEMENT**

30 E. BROAD STREET, 34<sup>th</sup> FLOOR  
COLUMBUS, OHIO 43215 - 3457

<http://www.obm.ohio.gov/>

**STATE EMPLOYEE INFORMATION FORM**

**NEW**

**CHANGE**

<b>AGENCY NAME</b>	
<b>CONTACT NAME</b>	
<b>CONTACT PHONE</b>	<b>FAX NUMBER</b>
<b>E-MAIL ADDRESS</b>	
<b>AGENCY DOCUMENT NUMBER</b>	
<b>OAKS VENDOR ID (IF CHANGE)</b>	

**ATTACHMENTS INCLUDE:**

**EITHER A PERSONNEL ACTION FORM (ADM 4100) OR THE FOLLOWING THREE SCREEN PRINTS:**

- 1. BIOGRAPHICAL DETAILS**
- 2. VIEW NAME**
- 3. CONTACT INFORMATION**