

DATE: May 21, 2009

TO: Agency Addressed (No. 14, 2008-2009)

FROM: Kimberly D. McMurray, Director
Division of Accounting and Auditing
Department of Financial Services

SUBJECT: FLAIR Statewide Vendor File Enhancement (SPURS Sunsetting)

Enhancements to the FLAIR Statewide Vendor File will be implemented on June 1, 2009. The current Statewide Vendor Maintenance function within SPURS will sunset at this time and a new Statewide Vendor Maintenance function within FLAIR will be operational.

The Department of Financial Services (DFS) intends to move towards establishing a single Statewide Vendor File (VS) that will eventually replace the Regular Vendor File (VR) and the Client Vendor File (VC). The Employee Vendor (VE) file will remain intact. Multiple vendor files have resulted in conflicting and inaccurate vendor information. These contradictions result in inaccurate reporting to the IRS through the 1099 reporting function. Consolidation into one vendor file will aid DFS in maintaining the data integrity of the vendor file.

The new FLAIR Statewide Vendor Maintenance function will allow authorized agency users to add vendors directly to the VS. DFS will be responsible for all updates to the records in the VS.

The enhancements will include additional functionalities for adding *Purchasing Card Only* and *Confidential* vendors on-line. Vendor sequences identified as confidential will be limited to the agency that created the sequence for inquiry and use in transactions. Transactions to a vendor sequence with a confidential indicator will be omitted from any website that lists vendor payments or any other disclosure prohibited by law. Vendors identified as *Purchasing Card Only* will not be allowed in any disbursement transactions except through the Purchasing Card Subsystem (Purchasing Card Approval and Distribution).

Definitions

Confidential vendors –Vendor sequences identified in the FLAIR VS as confidential are described here as confidential vendors. A confidential vendor exists when a state or federal law exempts information from public records review, including exemptions under Chapter 119, Florida Statutes. If the agency determines that the law or statute contains a public records exemption for a vendor, the agency shall flag that vendor as “confidential” in the FLAIR VS. Confidential vendors and/or confidential information are prohibited from being entered into MyFloridaMarketPlace pursuant to Rule 60-A 1.033, Florida Administrative Code.

Foreign vendor – A vendor that does not have a physical business location in the United States. In this instance, the foreign vendor does not have to obtain a TIN from the IRS. Agencies should contact DFS to add non-MFMP foreign vendors.

MyFloridaMarketPlace (MFMP) - The State of Florida's online exchange for buyers and vendors.

MFMP Vendor – A vendor that has registered to do business with the State of Florida via MFMP. Once a vendor registers with MFMP, any updates or changes to the vendor information must be entered into MFMP by the vendor. The only exception is to establish a confidential sequence number for the MFMP vendor in the VS.

One-time Vendor - A vendor for which an agency anticipates paying one time only and does not believe they will have any future business activity.

P-Card Only Vendor - A vendor that does business with the State of Florida only through Purchasing Card (P-Card) transactions.

Reluctant vendor - A vendor deemed by MFMP as reluctant to go through the normal MFMP registration process. Reluctant Vendor registration can only be processed if the reason meets specifications outlined in [Rule 60A-1.030, Florida Administrative Code \(FAC\)](#).

Taxpayer Identification Number (TIN) – A 9 digit number assigned by the Federal Government. It is also known as a Federal Employer Identification Number (FEIN) for a business or as a Social Security Number for an individual and identifies the entity to the Internal Revenue Service. Generally, businesses need a FEIN.

MFMP Registration

Vendors must be added and/or updated through MFMP unless exemptions apply, pursuant to [Rule 60A-1.030, Florida Administrative Code \(FAC\)](#) and Section 287.057(23), Florida Statutes. MFMP has provisions to add Reluctant Vendors. Please contact the MFMP Customer Service Desk at 1-866-352-3776 or BuyerHelp@myfloridamarketplace.com if you have any questions or experience any system-related issues.

Vendors registered through the MFMP website will be interfaced to the FLAIR VS nightly (Monday – Saturday) and available for use in FLAIR transactions the next work day. Vendors added through FLAIR will not be available in MFMP.

Confidential Vendors

Agencies who want to identify a vendor as confidential in the FLAIR VS File should consult their own counsel for advice on whether the vendor's information is exempt from public records disclosure. The extent to which trade secrets or other confidential or protected commercial documents, data or information are exempt from Chapter 119, Florida Statutes and other laws, may not be clear. Agencies should be prepared to defend against their release should the agency decide that such documents, data or information should not be disclosed in response to a public record request.

The vendors flagged as "confidential" on the FLAIR VS will not be displayed on any DFS websites that report vendor payment information. If the Department receives a public records request related to the vendors flagged as "confidential," the Agency shall be solely responsible for taking whatever action it deems appropriate to legally protect its claim of exemption from the public records law.

Foreign Vendors

Foreign vendors that do not have a U.S. TIN must be assigned a number by DFS. Only DFS will add foreign vendors to the VS.

FLAIR Statewide Vendor File Procedures

I. Obtaining "Inquiry" access

Inquiry into the FLAIR VS will be assigned by the Agency Access Control Administrator.

II. Obtaining "Add" access

A limited number of users within each agency will be granted the ability to add new non-MFMP or non-foreign vendors by applying through DFS, Division of Accounting and Auditing, Bureau of Accounting. The VS Authorization Form (**Addendum A**) should be completed for users requiring "Add Access". The agency's Administrative Services Director or their designee should attach the approved completed form to an email and submit it to: StatewideVendorFile@myfloridacfo.com.

Completed forms for the initial request to provide "Add Access" for agency users should be submitted to DFS by Wednesday, May 27, 2009. The completed forms will be reviewed for adequate justification and approved users will be granted access on June 1, 2009. Completed forms received after May 27, 2009 will be reviewed and approved users will be added at the earliest possible convenience.

The Bureau of Accounting will notify the Administrative Services Director or their designee, the user and the user's supervisor via email of the status of the request.

III. Obtaining a Substitute Form W-9 from Vendor

Agencies must obtain a valid IRS Form W-9 or DFS Substitute Form W-9 from the vendor to verify the vendor's TIN prior to adding the vendor to the FLAIR VS. Erroneous TIN numbers in FLAIR ultimately cause inaccurate Form 1099 reporting to the IRS. Agencies are required to submit the completed vendors' Substitute Form W-9s to DFS by mail, email or fax.

IV. Adding a Vendor

The enhanced VS will provide access for agencies to add and identify *P-Card Only* and *Confidential* vendors. If a "Y" is entered in the P-Card (PC) indicator, the vendor number and associated sequence will be allowed only on PC transactions. If a "Y" is placed in the Confidential Vendor Indicator (CI), the agency's users associated with the requestor's OLO and the DFS Statewide Vendor Group will be the only users able to access the *Confidential Vendor* and view associated transactions.

Fictitious vendor id numbers should not be used in the VS. The Vendor Number is a 9 digit TIN that should be the vendor's FEIN, Social Security Number or other assigned non-standard number. Each agency will need to ensure that the vendor number used is the same as the TIN used by the vendor at year-end to file their Federal Income Tax Return. This vendor number is also used by DFS in preparation of IRS 1099 forms. It is imperative that the correct number be used. Agencies may contact DFS for assistance, if needed.

Required Information

To add a non-MFMP vendor to the VS, the following information is necessary:

- ✓ TIN
- ✓ Vendor name (as appears on Income Tax Return)
- ✓ A completed IRS form W-9 or DFS Substitute Form W-9 (**Addendum B**)
 - The completed Substitute Form W-9 should be faxed to DFS, 1099 Section at: (850) 413-5550
- ✓ Secondary Business Name (if applicable)
- ✓ Business Location Address
- ✓ Business Remittance Address
- ✓ Business Contact Name
- ✓ Business Contact Phone Number (mandatory)

V. Updates

To update information for a MFMP vendor, the vendor must sign in to MFMP with their User ID and PIN to make updates. Contact the MFMP Customer Service Desk (CSD) at 1-866-352-3776 or via e-mail, VendorHelp@myfloridamarketplace.com if assistance is needed.

To **update** information for non-MFMP vendors, agencies will provide justification to the Statewide Vendor Group for DFS to update the files in conjunction with the 1099 Files. A completed Substitute Form W-9 is required if the vendor's name changes. New sequence numbers should not be added unless the vendor has multiple locations or multiple name variations (d/b/a). If a vendor has moved locations, the current record should be updated.

VI. Inactivation

When it is determined that a vendor number is incorrect or needs to be inactivated, a non-MFMP vendor may be marked for inactivation by DFS only. The determination of which vendors will be marked for inactivation may come from a completed Substitute Form W-9, an agency notification or some other direct communication from the vendor. Agencies that believe a vendor record should be inactivated should contact the Statewide Vendor Group.

VII. Record Purge

Vendors that have been marked for deletion **or** have not been used in a transaction activity for a period greater than 18 months will be purged during the monthly process.

VIII. DFS Monitoring

DFS will regularly monitor reports indicating all vendors added and the users that added them to determine compliance with policy guidelines. The agency's Administrative Services Director or their designee will be notified by DFS if it is determined that the user has abused the established policies.

Training

A FLAIR VS course will be available online on June 1st. The FLAIR Education Section may provide class training, if needed. Additional information on training will be provided in a forthcoming Agency Addressed Memorandum.

Contact Information

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