

For: State and County Offices

Replacement of the Type 60 Purchase Order System

Approved by: Deputy Administrator, Management



1 Overview

A Background

Effective October 1, 2004, the Associate Chief Financial Officer for Financial Systems is implementing a new system to process the obligation and payment of Farm Loan Programs (FLP) Program Loan Cost Expenses (PLCE's). The current Type 60 Purchase Order System (PC-PRCH) and related digital signature process will be replaced by the Foundation Financial Information System (FFIS).

B Purpose

This notice provides:

- information on the PC-PRCH edit for the Vendor Identification Number (VID)
- information on when to use the VID and Vendor Express (VXP) numbers
- guidance on VID numbers for FSA employees
- guidance on completion of the FFIS Vendor Code Request form
- guidance on how to access the State Vendor Code Report
- information of processing Zero Balance (ZB) Transactions.

C Contact

If there are questions about this notice:

- County Offices shall contact State Offices
- State Offices shall direct questions to Lisa L. Randolph by:
 - email at llrandolph@kcc.usda.gov
 - telephone at 314-539-6945.

Disposal Date	Distribution
October 1, 2004	State Offices; State Offices relay to County Offices

2 Explanation of Terms

A Central Contractor Registration (CCR)

Effective October 1, 2003, the Federal Acquisition Regulation (FAR) required contractor registration in the CCR database before award of any contract, basic ordering agreement, or blanket purchase agreement. CCR is a Government-wide initiative to house data on contractors in a single database. Vendors must provide electronic funds transfer (EFT) information in CCR before the registration is considered complete. Encrypted EFT information is shared with agencies' finance offices to facilitate paperless payments. After completing the 1-time registration process, vendors must update and renew their registration annually to maintain active status.

Note: The CCR form and handbook are available at <http://www.ccr.gov>.

B Vendor Express (VXP)

VXP is an EFT system currently used with PC-PRCH to directly deposit payments into a vendor's designated bank account. Implementation of CCR has significantly reduced USDA's reliance on VXP. Therefore, VXP will be phased out as of October 1, 2004.

C FFIS VID

A FFIS VID is a unique number used to identify vendors, organizations, and persons to whom USDA makes payments or from whom USDA collects receivables. This number is a combination of the vendor's taxpayer identification number (TIN), Social Security number (SSN) or employer identification number (EIN) plus a 2-position character for identifying multiple addresses for those vendors operating under a single TIN, but at multiple locations.

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3 Interim Processing Procedures for PC-PRCH

A Effective Date

In preparation for FFIS, PC-PRCH update edits were changed on Monday, May 24, 2004, and all vendors must now have a VID number before processing and obligating PLCE funds.

Note: A VID number will be required for disbursements after FFIS is implemented.

B Entering VID Number

The VID number must be entered in the "ADDRESS_2" field of AD-838 using the format "VID123456789AA".

Notes: There may or may not be 2 alpha characters following the numerical part of the VID number. If there is only 1 alpha character, a space should be placed between the last numeric character and the alpha character.

See paragraph 5 for information regarding obtaining a VID number.

C Entering VXP Number

VXP number shall only be entered on the invoice. Do **not** enter the VXP number on AD-838.

Note: VXP number will no longer be required after September 30, 2004.

D Using Seller's Table

The Seller's Table (table maintenance database) that is used to pre-fill the vendor information on AD-838 cannot accommodate both a VID number and VXP number on the same record as the VXP number will override the VID number. Use either of the options in the following table to use a VID number in conjunction with the Seller's Table.

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3 Interim Processing Procedures for PC-PRCH (Continued)

D Using Seller's Table (Continued)

Option A	
Creation of an "alternate record" for each vendor to be used only when processing AD-838.	
Step	Action
1	Create an alternate record for the vendor that contains the VID number in the "ADDRESS_2" field. Do not enter the VXP number in the alternate record. Note: VID number must be formatted according to subparagraph B.
2	Use the alternate record only when processing AD-838.
3	Use the vendor's original Seller's Table record, containing the VXP number, when processing invoices.
Option B	
Editing vendor's record used to process AD-838.	
Step	Action
1	Print the Seller's Table.
2	If the vendor has a VXP number, delete it from the record.
3	Enter the VID number in the "ADDRESS_2" field. Notes: VID number must be formatted according to subparagraph B. If the "ADDRESS_2" field is utilized for actual address information, abbreviations shall be used where possible.
4	Save the record.
5	Manually enter the vendor's VXP number on the invoice when processing payments.

4 Employee Reimbursements Using PLCE Funds

A Reimbursements Prior to October 1, 2004

When reimbursing an employee using PLCE funds, the employee's VID number must be entered in the "ADDRESS_2" field of AD-838. An employee's VID is their SSN followed by "ES".

Example: If an employee's SSN is 123456789, their VID number is 123456789ES.

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4 Employee Reimbursements Using PLCE Funds (Continued)

B Reimbursements After October 1, 2004

After implementation of FFIS, reimbursements from PLCE funds will be delivered in the same manner as the employee's salary. If the employee receives salary by:

- paper check, then reimbursement will be paper check
- EFT, then reimbursement will be EFT deposit to the salary account.

5 Obtaining VID Numbers

A State Office Vendor Research Report

State Office employees shall access the State Office Vendor Research Report to check the FFIS vendor table for vendors in their State using the vendor's TIN to determine whether the vendor has been assigned a VID number.

Notes: See Exhibit 1 for guidance on accessing and navigating the report.

State Office employees who do not have access to the report shall contact Rose Lawson at 816-926-6424.

B Requesting VID Numbers

All employees are in the FFIS vendor table for salary purposes; therefore, it is not necessary to submit FSA-845 for employees. If a vendor is not in the FFIS vendor table, a VID number shall be requested by completing FSA-845 (Exhibit 2). To ensure compliance with FAR and the Debt Collection Improvement Act of 1996, all requests must address each item on FSA-845. Proper completion of the following will expedite processing of requests:

- "CCR Registered" must be checked "yes" or "no"

IF...	THEN the...
"yes"	vendor's Data Universal Numbering System (DUNS) must be provided.
"no"	appropriate exemption number must be entered or the vendor must register before submitting the request.

Note: Vendors may register on-line at <http://www.ccr.gov>.

5 Obtaining VID Numbers (Continued)

B Requesting VID Numbers (Continued)

- “EFT Exempt” must be checked “yes” or “no”.

IF...	THEN the...
“yes”	appropriate exemption number must be entered.
“no”	vendor’s banking information or VXP number must be entered.

Note: Do not submit duplicate FSA-845’s for any vendor.

6 Open Purchase Orders

A Zero Balance (ZB) Transactions

ZB transactions shall be processed for all open purchase orders that are no longer needed to reduce conversion of unnecessary records on October 1, 2004.

B Purchase Orders Not Liquidated by September 30, 2004

A VID number must be obtained for all vendors on purchase orders that will not be fully liquidated by September 30, 2004. Open purchase orders for vendors without a VID number will **not**:

- be transferred to FFIS
- have a mechanism for disbursement of funds.

State Office Vendor Research Report

The State Office Vendor Research Report is accessed via the FSA Data Warehouse web site at <http://dwhouse.fsa.usda.gov>. The user is given access to the vendors in their State **only**. This information is considered secure; therefore, a user ID and a password are needed to access the report.

These are some basic techniques for finding vendor codes in FFIS using the report at the web site.

1. Go to the FSA Data Warehouse web site.
2. Under “Field/National Office Reporting” click on the link titled, “State Office Reports”.
3. On the picture of a multi-colored State map, click on your State.
4. Scroll down until you see the section labeled “Federal Reports”. Click on the link for the DW1600ST, State Office Vendor Research Report.
5. The Screen may show a security alert asking if you want to proceed, click “yes”.
6. Type in User Name and password, click “OK”.
7. Brio should automatically open within the browser window.
8. Click once on the “**Process**” button on the Brio toolbar.
9. A menu-driven box will pop up, click on “**Ignore**” button on the first limit box titled “**Vendor Name.**”
10. Click the drop down arrow and highlight “**contains**” from the list in the next limit box titled “**Vendor ID**”. Type the TIN/SSN/EIN in the text box below the list box with “**contains.**”
11. Click the **green arrow** to the left of the text box. Click “OK”.
12. Click the “**ignore**” button on the “**Vendor Address**” box that appears.
13. Click the “**ignore**” button on the “**State Abbrev**” box to complete the query.

This should provide the user with all instances of vendor codes containing the TIN etc. that were used in setting up the vendor code. The code is actually the combination of the first 2 columns of the results of the query. The Vendor ID column plus the Address_Cd column equals the Vendor Code. That is why a space is necessary to separate the last letter in the code when entering it, as the code is data from 2 separate fields in the data warehouse.

If the TIN is not recorded on the FFIS Vendor Table, the following message, “No results set available, report has not been calculated”, will be received. This message appears momentarily on the screen and then returns to the original screen.

Completing FSA-845

A Instructions for Completing FSA-845

Complete the following if the vendor has a DUNS or DUNS+4 number:

- Part A
- Part B, items 12A and 12B
- Part D.

Item Number	Instruction
Part A – General Vendor Information	
2	Check appropriate box for the type of request.
3A	Check appropriate box for TIN, EIN, or SSN. If the vendor is using a personal SSN, the name associated with SSN should be listed in item 4.
3B	Enter taxpayer TIN, EIN, or SSN.
4	Enter vendor’s name.
5A	Check appropriate box if vendor is operating in Doing Business As (DBA) status.
5B	Enter DBA business name.
6	Enter vendor’s telephone number.
7A & 7B	Enter appropriate information.
7C	Enter city, State, and ZIP Code information.
8A	Enter the name of vendor contacts.
8B	Enter contact’s telephone number.
9	Check appropriate box to indicate type of vendor.

Completing FSA-845 (Continued)

A Instructions for Completing FSA-845 (Continued)

Item Number	Instruction
Part B – Vendor CCR/EFT/DUNS Information	
10A	<p>Check appropriate box to indicate if vendor is CCR registered.</p> <p>Note: NFC has implemented new requirements for vendor code requests to comply with the Debt Collection Improvement Act of 1996 and CCR requirements. Requests submitted without the required EFT and CCR information will not be processed into VEND and will be returned to the requester.</p>
10B	<p>If item 10A is “NO”, enter the applicable code from the following:</p> <ul style="list-style-type: none"> • “1” for PLCE NON-CONTRACTUAL vendors • “2” for vendors paid solely via the government purchase card • “3” for foreign vendors doing work outside the United States • “4” for employees • “5” for non-employee travelers • “6” for vendors paid for micro-purchases. A micro-purchase is defined as the acquisition of supplies or services, the aggregate of which does not exceed \$2,500.

Completing FSA-845 (Continued)

A Instructions for Completing FSA-845 (Continued)

Item Number	Instruction
11A	Check appropriate box to indicate if vendor is EFT exempt.
11B	If item 11A is "YES", enter the applicable code from the following: <ul style="list-style-type: none"> • "1" for Federal vendors • "2" for employees • "3" for non-employee travelers • "4" for foreign vendors not operating on U.S. soil • "5" for individuals who do not have an account at a financial institution • "6" for where the agency does not expect to make more than 1 payment to the same recipient within a 1-year period Operational Hardship. This applies if the vendor's regular business processes will be severely hindered by receiving payment via EFT.
12A	Check appropriate box to indicate if vendor has DUNS or DUNS+4 number.
12B	If item 12A is "YES", enter DUNS or DUNS+4 number.

Complete the following if the vendor has a valid VXP number:

- Part A
- Part C, item 16
- Part D.

Note: As of October 1, 2004, NFC will discontinue using VXP numbers; therefore, do not send VXP numbers after that date. Contact the vendor to obtain current banking information.

Completing FSA-845 (Continued)

A Instructions for Completing FSA-845 (Continued)

Item Number	Instruction
Part C – Banking Information	
13	Enter the vendor’s bank account number.
14	Check appropriate box to indicate the type of bank account.
15	Enter the bank routing number.
16	Enter the vendor’s VXP number. Note: EFT information associated with the VXP number will become part of the vendor’s permanent FFIS record. Contact vendor to verify banking information is current before completing Part C.
Part D – Requester’s Information	
17	Enter the requester’s name.
18	Enter the requester’s telephone number.
19	Enter the e-mail address for sending the FFIS VID Code.
20	Enter the requester’s FAX number.

