

Town of South Bristol

Policy of Internal Control Vendor Master File

The town will obtain a complete W-9 from all vendors in keeping with the Department of the Treasury Internal Revenue Service requirements.

No vendor should be paid until a complete W-9 is received and approved by the Town Supervisor.

The Town will not accept a W-9 with only a PO Box mailing address.

All new vendors are to be approved by the Town Supervisor prior to being added to the Vendor Master File.

All documents received from vendors are to be securely stored in a locked cabinet to protect integrity of private information.

All vendors that are paid more than \$600 per year must receive a properly completed 1099 at the end of each year.

1099 vendors are to be flagged in the system in order to ensure that year-end reporting is accurate.

Periodic compliance screening and TIN matching should take place on a quarterly basis to ensure that there are not issues such as duplicate entries, multiple vendor codes for the same vendor, incomplete information, or unauthorized vendors.

The Town Supervisor is to receive quarterly reports of Vendor Master File activity – including vendor additions, deletions and record changes.

The Vendor Master File must be reviewed, updated and archiving of inactive (no activity in previous 24 month period) vendors annually. The review process is to be completed during the second quarter of each fiscal year.

Adopted by Resolution: May 12, 2014

