

August 3, 2004

AGAR ADVISORY

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF PROCUREMENT AND PROPERTY MANAGEMENT
AGAR ADVISORY NO. 65A

Foundation Financial Information System (FFIS) Vendor Table (VEND)

INTRODUCTION: This AGAR Advisory supplements AGAR Advisory No. 65, Foundation Financial Information System (FFIS) Vendor Table (VEND) Maintenance – Procedures for Adding New Vendors.

SUMMARY:

The Federal Acquisition Regulation (FAR) requires that contractors be registered in the Central Contractor Registration (CCR) database before a contract, blanket purchase agreement, basic ordering agreement or basic agreement can be awarded. As part of the CCR registration process vendors are required to provide banking information that will be used to make payments by electronic funds transfer (EFT). Within USDA, the vendor's EFT information must be included in CCR and also in the FFIS VEND Table. Eventually the transfer of EFT information from CCR to the FFIS VEND Table will be an automated process. However, during the interim period, the transfer is semi-automated. AGAR Advisory 65 and the information included in this advisory provide information on the process currently used to populate and maintain the EFT data elements in the FFIS VEND Table.

SPECIFIC ISSUES:

1. Unless otherwise specified, the abbreviation OCFO used in this Advisory refers to the Office of the Chief Financial Officer, Controller Operations Division (OCFO COD) or OCFO COD Accounting and Processing Branch (OCFO COD ACPRB), New Orleans, LA.
2. This AGAR Advisory applies to acquisitions executed pursuant to the FAR.
3. AGAR Advisory No. 65 provided OCFO's schedule for discontinuing use of Vendor Express (VEXP), a system used by the National Finance Center (NFC) to obtain vendor banking information for the purpose of making payments by EFT. Attached is a copy of NFC Bulletin VEXP 04-1, that provides additional details about the discontinuation of VEXP.

4. Attached are OCFO memoranda of May 17, 2004, Subject: Vendor Table Clean Up: Dormant Record Identification, and July 1, 2004, Subject: Vendor Table Clean Up: Duplicate Record Identification. These memoranda provide information about a major OCFO initiative to clean up the FFIS VEND file and deactivate vendors identified as dormant. The instructions in these memoranda are directed primarily to the USDA financial community and FFIS coordinators; however, the procedures and changes affect not only those functional areas, but also the procurement and vendor communities. (The attachment to OCFO COD memorandum of 7/1/04 is not included with this Advisory.)
5. AGAR Advisory No. 65, dated April 21, 2004, set out procedures on how to add new vendors to the FFIS VEND Table.
6. OCFO has provided the following supplementary guidance on how to update banking information for vendors already in the VEND Table:
 - If a vendor who is already in the FFIS VEND Table updates its banking information in CCR, OCFO will retrieve the information from CCR directly. The vendor does not need to separately provide the banking information to the agency or OCFO.
 - If a vendor who is registered in CCR provides updated banking information to the agency, the agency should advise the vendor to update their CCR information. When the vendor has updated its CCR information, the agency should forward the vendor's DUNS number to OCFO. OCFO will go to the CCR database and retrieve the banking information.
 - If the vendor is not registered in CCR, *and is not required to register in CCR*, then the agency must submit the updated banking information to OCFO. This information can be provided on-line via the FFIS Communication Table (COMT).
 - If a vendor is *not required to register* in CCR, but chooses to register, then OCFO will follow the same procedures for retrieving the updated banking information directly from CCR. The agency will not need to submit the banking information to OCFO.
7. Agency, OCFO and OPPM points of contact have been addressing questions regarding CCR, payments and FFIS. We will share information concerning some of the questions received, and answers provided by an informal list of Questions and Answers (Q&As). The first list of Q&As can be accessed on the Intranet at <http://www.hqnet.usda.gov/oppm/ccr/qanda.htm>.
8. This AGAR Advisory amends AGAR Advisory 65 to incorporate the information provided by OPPM Procurement Policy Division Memorandum to the USDA Procurement Council dated May 26, 2004.

If you have questions about this advisory, please contact Pat Honda by telephone at 202-720-8924, by fax at 202-720-8972, or by email to pat.honda@usda.gov. Questions regarding the attached OCFO memoranda may be directed to the OCFO COD ACPRB Table Maintenance Section at 504-426-5362.

This advisory is available at <http://www.usda.gov/procurement/policy/advisories.html>.

EXPIRATION DATE: Until Canceled.



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Title: II, Voucher and Invoice Payments Manual

Chapter: 1, Introduction, Section 2, Vendor Express (VEXP)

Bulletin: VEXP 04-1, Effect of Central Contractor Registration (CCR) on VEXP

Date: May 5, 2004

To: Users of VEXP

Effective October 1, 2003, Federal Acquisition Regulation required contractor registration in the Central Contractor Registration (CCR) database prior to award of any contract, basic agreement, basic ordering agreement, or blanket purchase agreement. CCR is a Government-wide initiative to house data on contractors in a single database. When vendors register in the CCR database, electronic funds transfer (EFT) information is required from the vendor before the registration is considered complete.

Vendor Express (VEXP) is an EFT system used to directly deposit into a vendor's designated bank account the Government's payment for goods and/or services provided to a Federal agency. Implementation of CCR has significantly reduced USDA's reliance on VEXP and, therefore, VEXP usage will be phased out by October 1, 2004. In its place, USDA will obtain vendor banking information directly from CCR for CCR registrable vendors or directly from an agency point of contact for non-CCR registrable vendors.

Effective immediately, agencies should not advise vendors to contact the National Finance Center (NFC) to initiate enrollment in VEXP unless the vendor is doing work with an agency under the terms of a Type 60 Purchase Order. The form SF-3881, ACH Vendor/Miscellaneous Payment Enrollment Form, should be used for Type 60 purchase orders through September 30, 2004. On October 1, 2004, VEXP and the form SF-3881 will be discontinued for all vendor payments, including Type 60 Purchase Orders, within USDA.

For additional information regarding CCR, refer to Agriculture Acquisition (AGAR) Advisory Number 59, Central Contractor Registration, available from the USDA homepage at www.usda.gov/procurement/policy/advisories.html.

The VEXP procedure is available online at the NFC Web site. To view and/or print this procedure, go to the NFC home page (www.nfc.usda.gov) and click the **Pubs & Forms** icon. At the Pubs & Forms page left-hand menu, click List by Title/Chapter or List by System Acronym then search for VEXP on the list provided.

Please refer questions about VEXP to Miscellaneous Payments Section personnel at **504-426-9745** or via e-mail at *misc@usda.gov*. Please refer questions about CCR to the Accounting Processing Branch Table Maintenance Help Line at **504-426-5377** . Refer questions regarding the distribution of this bulletin to the Customer Liaison and Training Branch at **504-426-5471** or via e-mail at *nfc.pvct@usda.gov*.



CHARLES L. WALLACE, Director
Controller Operations Division

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Date: May 17, 2004

In reply refer to: COD-ACPRB (KU)

Subject: Vendor Table Clean Up: Dormant Record Identification

To: Agency Chief Financial Officers
Vendor Coordinators
Office of Procurement and Property Management

This memo is to advise all agencies that the Associate Chief Financial Officer–Financial Operations (ACFO-FO), Controller Operations Division (COD) has undertaken a major project to clean up the FFIS Vendor File (VEND).

One of the primary components of VEND cleanup is the identification of dormant vendors. A vendor code is considered dormant if the last disbursement, receivable, or obligation transaction utilizing that code was more than 18 months ago. Records added within the last quarter are not being deactivated in anticipation of future usage. Vendor codes contained on currently open receivable, payable, or obligation transactions are also not being deactivated.

To date, the cleanup initiative has identified 567,000 dormant vendors in an active VEND file of 860,000 vendors. Deactivation of the dormant vendors will result in a 66 percent reduction in the active VEND file and provide numerous efficiencies associated with the day-to-day operations of VEND.

Deactivation of the dormant codes will occur the week of May 17, 2004. The resulting active vendor codes will be detailed on VEND with an “A” in the Active Vendor field. Deactivated vendor codes will be denoted by an “I” in the Active Vendor field. Deactivated VEND codes will not be deleted from VEND and can be reactivated should they be needed in the future.

Agencies should continue to follow the existing USDA policy and procedures related to VEND maintenance that require all VEND requests to be sent to ACFO-FO, COD, Accounting Processing Branch (ACPRB), Table Maintenance Group. Agencies are reminded that, in an effort to improve percentages of USDA payments made via electronic funds transfer (EFT), all vendor addition requests submitted to COD/ACPRB must advise if the vendor is registered in the Central Contractor Registration (CCR) database. If registered, the agency must provide the vendor’s DUNS number so that the banking information can be obtained for EFT payments. If the vendor is not CCR registered, the agency must provide the vendor’s bank account and routing number or provide a specific waiver reason, under the Debt Collection Improvement Act of 1996, explaining why the vendor does not have to be paid via EFT. Requests submitted without this information will not be processed.

Additional phases of the VEND cleanup initiative will involve the identification and deactivation of duplicate vendors and efforts to obtain additional EFT information for remaining active vendors.

Please distribute this information within your organization. Questions concerning the VEND cleanup initiative or any item related to VEND maintenance should be addressed to ACPRB at **504-426-5377**. Direct points of contact are:

- Darrell Kennedy, Supervisor, ACPRB Table Maintenance **504-426-5345**.
- Eddie Malter, Accountant, ACPRB Table Maintenance **504-426-5362**.
- Kirt Ulfers, Branch Chief, ACPRB **504-426-5350**.



CHARLES L. WALLACE, Director
Controller Operations Division



Date: July 1, 2004

In reply refer to: COD-ACPRB (KU)

Subject: Vendor Table Clean Up: Duplicate Record Identification

To: Agency Chief Financial Officers
Vendor Coordinators
Office of Procurement and Property Management

This memo is to advise all agencies that the Associate Chief Financial Officer-Financial Operations (ACFO-FO), Controller Operations Division (COD) is continuing its clean up effort of the FFIS Vendor File (VEND).

The second phase of the clean up effort involves identifying duplicate vendors. The primary criteria used for determining a duplicate vendor is the first nine digits of the vendor code, vendor type, EFT flag, name, address, city, state, zip. If more than one record exists with the same criteria, the record with the most transactions within the last eighteen months has been retained and the others are being deactivated. When encountering a large number of duplicates for a specific vendor, such as in the case of universities, only one or two vendor codes may be deactivated. This is due to addresses having different departments, room or suite numbers. The rest will remain active.

To date, the duplicate identification process has identified 2,544 duplicate vendor records in the active VEND file.

Attached you will find a list of the duplicate codes that will be deactivated two weeks from the date of this memo. The attached list has all of the duplicate vendor codes listed in the column titled "Duplicate Vendor Code" and to the left of that will be the associated survivor code in the column titled "Survivor Vendor Code". The name and address provided is that of the survivor vendor. **Only the vendor codes listed in the Duplicate Vendor Code column will be deactivated.** Agencies should begin using the survivor code in lieu of the codes being deactivated.

Agencies should continue to follow the existing USDA policy and procedures related to VEND maintenance that require all VEND requests to be sent to ACFO-FO, COD, Accounting Processing Branch (ACPRB), Table Maintenance Group. To eliminate the opportunity for duplicates, prior to requesting a vendor addition, agencies should first query VEND to ensure the vendor does not exist. Agencies are reminded that, in an effort to improve percentages of USDA payments made via electronic funds transfer (EFT), all vendor addition requests submitted to COD/ACPRB must advise if the vendor is registered in the Central Contractor Registration (CCR) database. If registered, the agency must provide the vendor's DUNS number so that the banking information can be obtained for EFT payments. If the vendor is not CCR registered, the agency must provide the vendor's bank account and routing number or provide a specific waiver

reason, under the Debt Collection Improvement Act of 1996, explaining why the vendor does not have to be paid via EFT. Requests submitted without this information will not be processed.

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CHARLES L. WALLACE, Director
Controller Operations Division

Attachment