

 UNIVERSITY of DENVER	UNIVERSITY OF DENVER POLICY MANUAL VENDOR VALIDATION	
<p><u>Responsible Department:</u> Business and Financial Affairs <u>Recommended By:</u> SVC Business and Financial Affairs, Shared Services <u>Approved By:</u> Chancellor</p>	<p><u>Policy Number</u> FINA 2.30.071</p>	<p><u>Effective Date</u> /28/2021</p>

I. INTRODUCTION

Vendor validation is required to ensure that all payments from the University are made to legitimate and appropriate entities. Vendors must be evaluated and approved by Shared Services before the University will issue a payment to that vendor.

II. POLICY OVERVIEW

General Rule

Vendor validation is critical for preventing payments to illegitimate entities, for safeguarding University assets, and for strengthening compliance with federal and state regulations.

This policy is informed by IRS and federal regulations, fraud prevention best practices, and internal University procedures which promote efficient and effective operations.

Vendor Validation Defined

Vendor validation ensures that vendors are legitimate entities. Shared Services accomplishes vendor validation by performing a thorough review process, which includes verification steps required by federal and state regulation as well as industry best practices.

III. PROCESS OVERVIEW

A. Responsibility

Shared Services is responsible for vendor validation procedures and approvals, and for adhering to the objectives of this policy.

Other divisions and departments are responsible for requesting vendor validations, and for responding to questions from Shared Services during the validation process.

B. Vendor Validation Process

Vendors must be evaluated and approved by Shared Services before they can conduct business with the University.

Vendor validation is performed before a new vendor is added to the University’s vendor master file, and when an existing vendor’s information is updated in the vendor master file. Other routine vendor validations may occur at the discretion of Shared Services.

Vendors must provide appropriate documentation to Shared Services for review and approval before any additions or updates will be made to the University’s vendor master file. Shared Services may request further information from the vendor and may utilize third-party sources to confirm its legitimacy.

In all cases, vendor validation by Shared Services is required before a purchase requisition or a direct pay request can be issued for that vendor.

IV. DEFINITIONS

None

Revision Effective Date	Purpose
<i>6/28/2021</i>	<i>Minor revisions</i>