



Frequently asked questions about supplier management in CSUBUY.

#### **IMPACTED USER GROUPS:**

- California State University Campus Customers

#### **ACH/GIACT**

**1. A supplier failed GIACT but wants ACH payments.**

At this time, suppliers who fail GIACT validation are not eligible to receive ACH payments.

**2. A supplier failed GIACT and wants more information.**

Each time a supplier fails GIACT validation, we send them a message with the reason for fail as it was presented in the GIACT results (they may need to check their junk folder). We do not have any further information.

#### **CURRENT & RECENT EMPLOYEES**

**3. An invited supplier is an employee at another campus, and we want to pay them for a service.**

Under Federal law, a worker is either an employee or an independent contractor. An individual cannot be both an employee and an independent contractor for the same employer at the same time or during the same calendar year. An individual cannot receive a 1099 and a W-2 from the CSU (not just the campus) in the same calendar year. A CSU employee may not engage in any activity for compensation which is sponsored or funded by the CSU through or by a CSU contract. For example, if a CSU employee runs a side business creating custom coffee mugs, the CSU cannot hire that person to create CSU-branded items.

**4. What if the CSU employee has a DBA name?**

A DBA name is not a legal entity, it is a Disregarded Entity (per the IRS). Individuals, Sole Proprietors, and Single-Member LLCs are taxed as individuals ([per the IRS](#)) and are not eligible to provide goods or services to the CSU. Refer to question #3.

**5. What if the CSU employee has a corporation?**

It is possible to transact with a corporation owned by a CSU employee, but eligibility is dependent on the conditions of the nepotism and conflict of interest policies of the CSU during the contract negotiation stage.

**6. Can we procure services from previous CSU employees?**

- An individual cannot be both an employee and an independent contractor for the CSU during the same calendar year. An individual cannot receive a 1099 and a W-2 from the CSU (not just the campus) in the same calendar year.
- For 12 months following retirement or separation, no former CSU employee may contract with the CSU if employed in a policymaking position in the same general subject area within the year prior to retirement or separation.
- For 24 months following retirement or separation from CSU, no former employee may enter into a contract in which they engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process while employed in any capacity by any CSU department.
- Full details can be found in [HR Technical Letter HR/Salary 2021-07](#) (login required).

**7. Can I pay a student employee for a service?**

No. A student employee is a CSU employee. Refer to question #3.

## TAX

**8. Will the tax analysis for foreign suppliers and EAD cardholders be performed during onboarding?**

No, because a tax analysis must be performed for each transaction. These suppliers will not be setup with any withholding. It is the responsibility of the campus to identify foreign suppliers and perform a tax analysis at each transaction. If it is determined withholding is needed, a ticket should be created for a CFS Withholding Update. The ticket should include the withholding type and the applicable rate.

**9. What method is the Systemwide SM Team using to determine the Withholding Control Name?**

[IRS Publication 4164](#). *Note: In cases when the system-defaulted Control Name does not meet IRS guidelines, it gets manually corrected ONLY if the supplier is subject to withholding/reporting.*

## REGISTRATION

**10. What if the supplier has multiple DBAs? Before P2P we would create a separate supplier record for these.**

In Jaggaer, duplicate TINs cannot exist. If the CSU will be transacting with multiple DBAs under the same parent company, the supplier will need to update their profile to add a set of addresses for each DBA. They need to include the DBA name on address line 1. System SM will then add a set of fulfilment centers for the DBA(s). When a parent company has multiple DBAs, the DBA field will be blank and the campus will need to search for the supplier by the legal name of the parent company, then the appropriate fulfilment center will be selected from the search results. ACH payments will not be permitted when there are multiple DBAs operating under the parent company. Due to current system limitation, payments will be issued to the parent company name, not the DBA name.

**11. How will city/county offices with multiple departments/divisions be setup?**

Since all city and county departments/divisions operate under the city or county TIN, the internal departments/divisions will be setup as separate remittance addresses, with address line 1 containing the department/division name. This should be no change from how the campus was handling these suppliers before P2P. To search for the supplier, the campus will search using the city or county name, then the appropriate department/division name/address will be selected at the voucher level (remittance address).

**12. Can I request Due Now payment terms for suppliers?**

Default payment terms of The CSU are Net30. CSUBUY suppliers will default to Net30.

**13. What if the person who completed a profile no longer works at the company?**

We do not have access to add users to profiles or to replace admins. If the current admin is no longer with the company, they will need to contact Jaggaer support to have the profile admin replaced. They can be reached via phone at (800) 233-1121 or online at <http://go.jaggaer.com/l/472712/2017-12-07/7cwpdp>.

**14. What is a “proxy” registration?**

Proxy registration refers to a supplier profile that has been completed by the Systemwide SM Team rather than by the supplier.

**15. Under what circumstances can a proxy registration be requested?**

For compliance and auditing reasons, proxy registrations are highly restricted. They are most often utilized with government entities (city, county, state offices) and large utility providers.

**16. What is required to request a proxy registration?**

- Documentation of all attempts to have the supplier complete registration
- An explanation of the result and reason they will not complete registration
- A W-9 (2018 or newer) that has been completed and signed by the supplier
- The 204 your campus may already have on file for them (optional)
- Information for a good contact (name, email address, phone number) in case there are questions

**17. How can I request a proxy registration?**

Please refer to [Request for Proxy Registration](#) (guide).

**HELP & SUPPORT**

- [Submit a CSUBUY Ticket](#)