

## Accounts Payable - Blocked Vendors

Vendors may be blocked for a number of reasons, the main ones being:-

- Inactivity – vendor has not been used for over 18 months (search term will refer “inactive”)
- Purchasing restrictions – e.g. alternative external or internal approved suppliers exist (search term will refer “blocked”)
- Vendor is a duplicate of one already on the system

Additional information on the reason for a vendor being blocked may be available on the master data text screen, accessible in SAP as follows as: Display vendor (transaction XK03), address screen, select extras & text, double click on the text box alongside “Accounting note” (see screen print below).

### To reactivate a vendor

Where a vendor has been blocked due to inactivity departments are able to request re-activation of the vendor via the following process:

1. Obtain confirmation on headed paper of the name, bank details and address of the supplier. Company Registration number is also desirable where available.
2. Send this document to Accounts Payable (by internal post or email), quoting the relevant vendor number and requesting re-activation.

Re-activations are generally undertaken twice a week subject to any queries which arise. Please note that as duties must be segregated Accounts Payable clerks are not able to re-activate vendors. If a change of vendor bank details is involved there is likely to be a delay whilst appropriate checks are carried out.

### Vendors blocked due to purchasing restrictions

The Accounts Payable Supervisor or Accounts Payable Manager should be contacted via email where the vendor has been blocked due to Purchasing restrictions. In all instances an approval email will be required before the vendor is unblocked; the department must then notify AP when the Purchase Order has been raised so that the vendor can be re-blocked the same day. The approval email must then also be attached to the paperwork sent to Accounts Payable for processing.

Approval email:

- Where the supplier is a provider of local accommodation, catering or a spin out company the email approval will have been provided via FinRegs.
- If the vendor has been blocked on the instruction of the Purchasing Office then the approval email needs to have been provided by Purchasing Office.

## Why are inactive vendors blocked?

Payment is based on the bank account details held on the master data, therefore if a vendor has not been used for a period of time there is a risk of change of legal entity and/ or incorrect payment, therefore a process is required such that key vendor data is confirmed before a Purchase order is raised on a vendor which has been inactive for a period of time. Furthermore the volume of vendors on the purchase ledger also means that the number of active vendors needs to be kept as low as possible to maintain efficiency. Accounts Payable therefore undertake regular mass vendor blocking exercises.

All efforts are made to exclude recently reactivated vendors or vendors with outstanding purchase orders from the blocking exercise. If Accounts Payable has blocked such a vendor in error please email your AP contact requesting that the vendor to be re-opened. Where this occurs within a few weeks of the mass blocking no additional data verification would be necessary.

## Screen Print example of how to access master data text screen

Vendor Edit Goto Extras Environment System Help

Change Vendor

Vendor 100178

Name  
Title  
Name

Administrative data Shift+F8  
Blocked data  
Deletion flags  
Confirmation of change  
VAT registration no.  
Tax categories  
Dunning areas  
Permitted payee  
Texts  
Documents  
Address versions

Search Terms  
Search term 1/2 QUEEN MARY

Street Address  
Street/House number QUEENS BUILDING  
District LONDON  
Postal Code/City E1 4NS MILE END ROAD  
Country GB UNITED KINGDOM Region XEU  
Time zone UK

PO Box Address  
PO Box  
Postal code  
Company postal code

Communication  
Language English  
Telephone 020-78623032 Extension  
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E-Mail  
StandardComm.Mtd Fax

Comments