



## THE VIRGIN ISLANDS DEPARTMENT OF EDUCATION PROCUREMENT POLICY AND PROCEDURE

Policy/Procedure Title:	PRO 2.8 1099 Vendor Maintenance
Purpose:	This procedure establishes guidelines for preparing the 1099 report to send to the Government of the Virgin Islands Department of Finance.
Abbreviations:	AP - Accounts Payable GVI – Government of the Virgin Islands VIDE – Virgin Islands Department of Education GA – Grant Accounting
Policy:	1. The 1099 Vendor report must be prepared and sent to the GVI Finance Department by January 15 <sup>th</sup> of each year.

Procedure:
<ol style="list-style-type: none"> <li>1. Form 1099s are sent to individuals and sole proprietors that were paid for goods or services during the preceding year (note: Form 1099's will not be sent to VIDE employees who received payments as a result of reimbursements for travel etc...)</li> <li>2. GA prints 1099 Vendor Master Report out of MUNIS, <b><u>1099 Vendor Summary</u></b> and <b><u>Donation Detail report</u></b> () for the tax year.</li> <li>3. GA compares 1099 Vendor Master to the <b><u>1099 Vendor Summary Detail report.</u></b></li> <li>4. GA compares the 1099 Vendor Summary and Donation Detail report for the tax year.</li> <li>5. Reconcile the totals to ensure that the totals on both reports are equal.</li> <li>6. If the amounts do not match, further reconciliation is required as follows: <ol style="list-style-type: none"> <li>i. Is there non-1099 vendors listed?</li> <li>ii. If so, the information is deleted off the Donation Detail only. <b><i>Never delete data from the Summary Report.</i></b></li> <li>iii. Pull the Paid invoices report by the tax year as a third form of reconciliation. This report details all invoices paid by check <u>run</u> batch name and date range.</li> <li>iv. Review the three reports, determine the reason for the discrepancy and make the necessary corrections to ensure the 1099 Vendor Summary is accurate.</li> </ol> </li> <li>7. If invoice data needs to be added to 1099 vendor information, the information must be added in <b><u>1099 Donation Detail</u></b>. <b><i>Do not make entries in 1099 Vendor Summary.</i></b></li> <li>8. Run 1099 Vendor Summary and Donation Detail reports again.</li> </ol>



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9. Cross check the totals to ensure that the totals on both reports are equal.
10. GA, forwards the 1099 Vendor Summary report to the GVI Department of Finance Department.