

Reviewing and Approving New Vendors for Directors and Supervisors Guidance (Updated February 11, 2016)

DVR requires all new vendors imported from STAR to be reviewed by the WDA Director or VR Supervisor prior to approval of a PO to the vendor. The review is to assure the vendor is appropriate for offering the services that are being requested. The reviewer must complete the approval in IRIS with review comments. New addresses imported for an existing vendor do not require approval.

Staff are expected to perform due diligence in selecting a neutral vendor to provide services. It is DVR's preference to not use a vendor who is a family or friend of a consumer. The expectation is also mandatory self-disclosure by staff if there is a conflict of interest in the selection of a vendor. When a neutral vendor is not possible (i.e. a staff's or consumer's family member), the following mandatory disclosure process is required.

In a case note, document the following:

- Describe the steps taken (due diligence) to review and search for vendor to provide the service.
- Explanation that there is not a financial conflict of interest in the selection of the vendor.
- The process of informed choice for the consumer receiving the service.
- Any possibility or potential for any type of conflict of interest and how it has been addressed.

Supervisors should conduct a new vendor review regardless of the dollar amount involved in the purchase. Small dollar amounts can be the basis of fraud, collusion and abuse and require just as careful review of the documentation.

Review Process:

The main objectives in the review are to use professional judgment and assess the reasonableness, appropriateness and business status of the vendor selected for the service.

In using discretion in the review process, the following questions and/or tests may be performed depending on the knowledge of the vendor by the reviewer. Consult with BCS management with questions or concerns.

- Ask staff why the vendor was chosen.
 - What is the purpose?
 - Are there alternative vendors or comparable services?
 - How was the ability to provide the good or service by the vendor determined?
 - Who has provided the good or service in the past?

- Perform a web search to see if business is listed, noting goods/services, name, address, location to consumer, etc.
 - If PO Box is listed as primary address, is there a physical location to conduct business?
- Is the approval for a change to the business name or tax identification number (TIN)? Document the reason for the change.
- Search Wisconsin Department of Revenue delinquent taxpayers' website to see if vendor owes money. <https://www.revenue.wi.gov/html/delqlist.html>
- Perform Wisconsin Circuit Court Access (CCAP) search by an individual party's name. <https://wcca.wicourts.gov/index.xsl>
- Search Wisconsin Department of Financial Institutions website to see if business is in good standing. <https://www.wdfi.org/apps/CorpSearch/Search.aspx?>
- Search Better Business Bureau and review for complaints. <http://www.bbb.org/wisconsin>
- Depending on the nature of the business, the reviewer may request from the vendor references or other contractor names to contact regarding quality, responsiveness, performance, character, etc.