



Tami J. Coleman  
EXECUTIVE DIRECTOR  
OF ACCOUNTING

MEMORANDUM

**DATE:** March 7, 2014  
**TO:** All APS Vendor Number Requesters  
**FROM:** Tami Coleman, Executive Director of Accounting  
**RE:** Process for issuing vendor numbers for individuals providing a service

The district must keep on file sufficient documentation supporting the district's determination to make payment to an individual providing service to the district as an independent contractor and not an employee. Misclassification of individuals as independent contractors, which avoids payroll taxes, is illegal under the Internal Revenue Code. In order for APS to determine whether the appropriate IRS requirements have been met, the following procedures will be followed by the Vendor Approval Committee:

- I. The Vendor Approval Committee **will not** issue a vendor number to an individual who is a current APS employee, except for reimbursement purposes. Any other type of payment through Accounts Payable will be disallowed.
- II. The Vendor Approval Committee **will not**, under any circumstances, issue a vendor number to an individual who is a former APS employee within one year of that individual's termination of employment. Vendor Number requests for former employees will be considered by the Vendor Approval Committee only after the individual's one-year lapse of APS employment.
- III. The Vendor Approval Committee will consider a vendor number request for an individual with no current/previous employment history with the district, after a vendor request packet is received from the APS Requester, consisting of:
  - a. An Albuquerque Public Schools Vendor Number Request form, completed and signed by the APS requester and their site administrator
  - b. An IRS Form W-9, completed and signed by the individual
  - c. A City of Albuquerque Business License (or city of the individual's business),
  - d. A State of New Mexico Gross Receipts Tax Certificate (also known as CRS-1) which is required by law of all entities conducting business in the State of New Mexico
  - e. At least one other business document showing that the individual is truly in business for themselves offering their services to the general public (e.g. advertisement, yellow pages listing, list of other customers, website print screen, flyer, business card, etc.)

All vendor requests will be reviewed by the Vendor Approval Committee and approved or declined at their sole discretion. If the vendor approval committee declines to issue a vendor number, the APS requester will be notified and referred to the Human Resources Department to initiate processing of the individual as an employee to be paid through APS payroll.

Yours Truly,

Tami J. Coleman  
Executive Director of Accounting