CHECKLIST

Vendor Onboarding and Termination Checklist

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Are you correctly onboarding and offboarding your vendors?

Vendors are accessing your network more than you think. On average, 89 vendors are accessing a company's network every week.

Introduction

- Creating a vendor onboarding and termination checklist is a simple technique to prevent a vendor failing to be onboarded in your accounting software while also ensuring cyber and physical security as well as safety compliance.
- Assess both tabs to ensure that your organization's onboarding and termination activities are consistent with its policies, practises, and processes.
- An onboarding checklist will also help you verify that the vendor is a legitimate and has legal business entity.
- Alternatively, you can use this template to offboard or terminate your vendors to ensure all your intellectual property and physical property is returned, very much like terminating an employee.
- **Disclaimer**: These checklists are intended to provide basic information only, not precise professional or personal advice, and are not intended to be used as a substitute for professional advice of any kind.
- Use this checklist as a starting point and guide for document creation, in whole or in part. Simply replace the Aavenir information in the Header and Footer fields of this document to customise it with corporate marks and titles.

Vendor Onboarding Checklist

Activity	Line of Business	Time (weeks)
☐ Check if vendor will accept P-Card or credit card to improve cash flow	IT Billing Analyst, Accounts Payable	1
☐ Check vendor is not already in the system, including any parent or child companies	IT Billing Analyst, Accounts Payable	1
☐ Ensure that NDAs, contract and SOWs are fully executed or vendor will agree to terms and conditions on the Purchase Order	Vendor and Contracts Manager	1
☐ Verify vendor's certificate of insurance if applicable	Vendor and Contracts Manager	1
☐ Classify vendor based upon COST Model	Vendor and Contracts Manager	1
☐ Add vendor to inventory list of preferred vendors	Vendor and Contracts Manager	1
☐ Ensure that proper payment information is captured such as banking EFT or mailing address	Accounts Payable, Vendor and Contracts Manager, Treasury	2
☐ Collect and verify all vendor contact information (company name address provided	Vendor and Contracts Manager	2
☐ Verify W-9 or applicable tax documents are on file	Accounts Payable	2
☐ Any other documentation required if applicable (i.e. AOC, PCI, Business Continuity Exercises)	Vendor and Contracts Manager Or Information Security	2
☐ Initial onboarding meeting	Vendor and Contracts Manager, Vendor and any other applicable business units	2
☐ Apply vendor to performance scorecard if applicable	Vendor and Contracts Manager	2

Activity	Line of Business	Time (weeks)
☐ Build a business plan for strategic vendor	Vendor and Contracts Manager	4
☐ Ensuring there is no internal conflict of interest		
☐ Anticipated spend for accurate Purchase Request and Purchase Order creation		
☐ Is there a current vendor who can supply same products or services?	Vendor and Contracts Manager	
☐ Perform financial viability analysis to ensure vendor in not high risk to go out of business for the duration of the contract term	Corporate Risk, Sourcing	
☐ Vendor is not owned or operated by politically risky entity	Corporate Risk, Procurement, Sourcing	
☐ The vendor is willing to sign the ethical code of conduct	Procurement or Sourcing	
☐ Vendor is not on any government or internationally sanctions list	Corporate Risk, Procurement, Sourcing	
☐ Validate that the vendor doesn't have a negative insurance rating or high rate of insurance claims	Corporate Risk, Procurement or Sourcing	

Vendor Termination Checklist

Activity	Line of Business	Time (weeks)
☐ Internal review of termination provisions	Contract Manager, Legal and appropriate business units	3
☐ Compile list of termination provisions to be actioned	Contract Manager, Legal and appropriate business units	1
☐ Internal meeting to determine performance of Vendor; review scorecard	Contract Manager, Legal and appropriate business units	1
☐ Have a meeting with the Vendor to examine termination provisions & obligations	Vendor, Contract Manager, Vendor and appropriate business units	2
☐ Give Vendor written notice, negotiate if required, and obtain acknowledge-ment as required	Vendor, Contract Manager, Legal and appropriate business units	8
☐ Ensure termination provisions are completed by both parties	Vendor, Contract Manager, Legal and appropriate business units	12
☐ Verify if any personnel/contractors were issued assets/credentials, and ensure HR termination workflow initiated	Vendor, Contract Manager, business units, HR, asset management and information security	0.5
☐ Switch the status of the Vendor from active to inactive	Contract Manager	1
☐ Remove Vendor from inventory list of preferred Vendors	Contract Manager	1
☐ Obtain & process final invoice	Vendor, Contracts Manager, appropriate business units	

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Are you willing to enable end-to-end vendor management through collaboration portals and minimize the complexity of supplier onboarding and engagement across all sourcing and procurement processes?

Get a custom demo of the Aavenir software and find out how you can manage your vendor for better business results.

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Checklist



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About Aavenir

Aavenir revolutionizes age-old procurement processes with AI-enabled Source-to-Pay solutions, including RFPflow, Onboardingflow, Contractflow, Obligationflow, and Invoiceflow. Built on ServiceNow, Aavenir solutions streamline procurement, legal, and accounts payable work processes using the latest technologies such as AI, ML, and NLP to

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Accounts Payable Automation

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