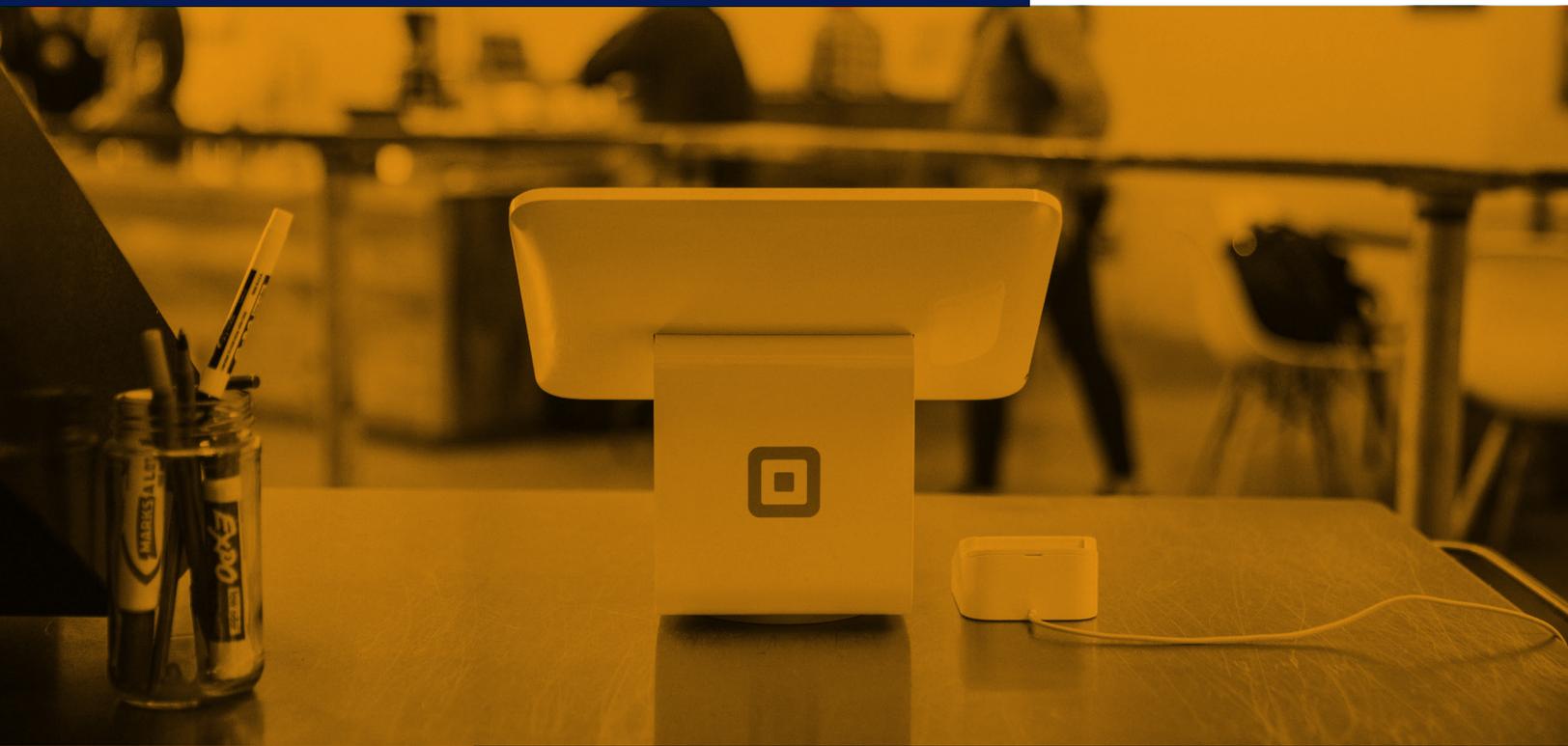


# Vendor Onboarding Sponsorship

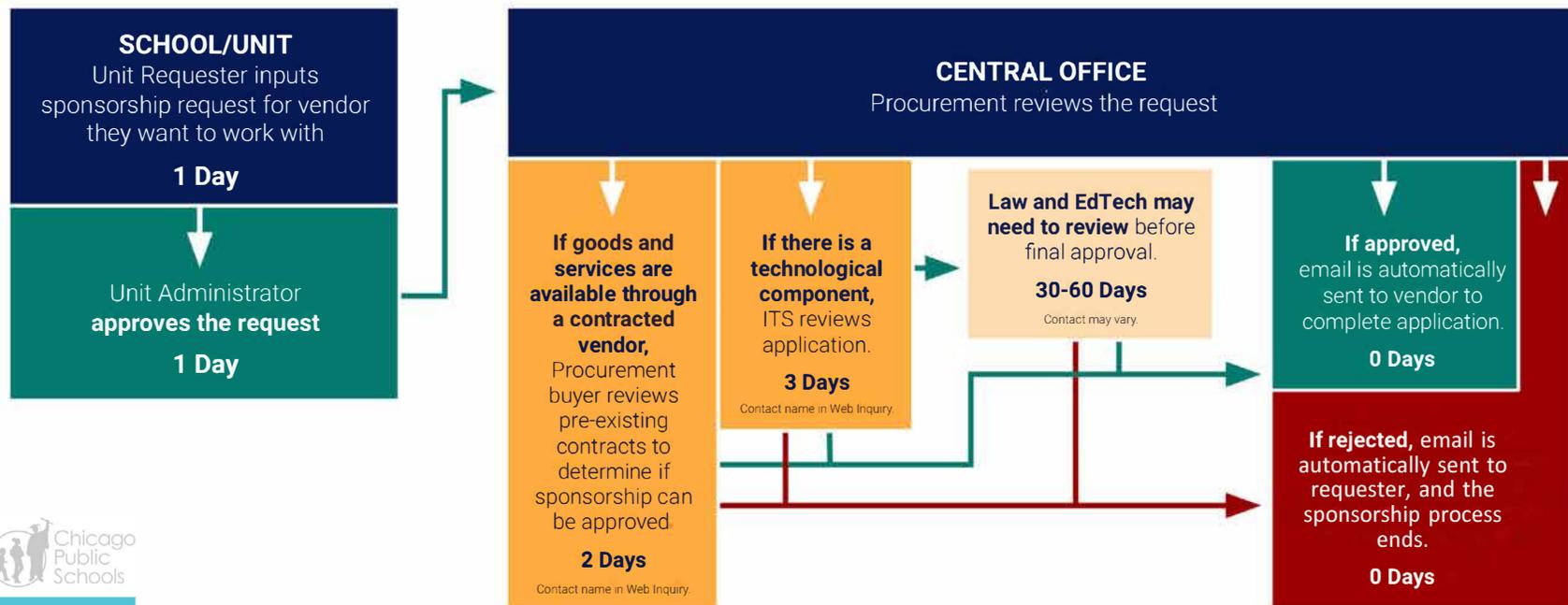


# Vendor Onboarding Sponsorship

## Yearly Supplier Attestation Process Map

■ APPROVED  
■ CONDITIONAL  
■ REJECTED

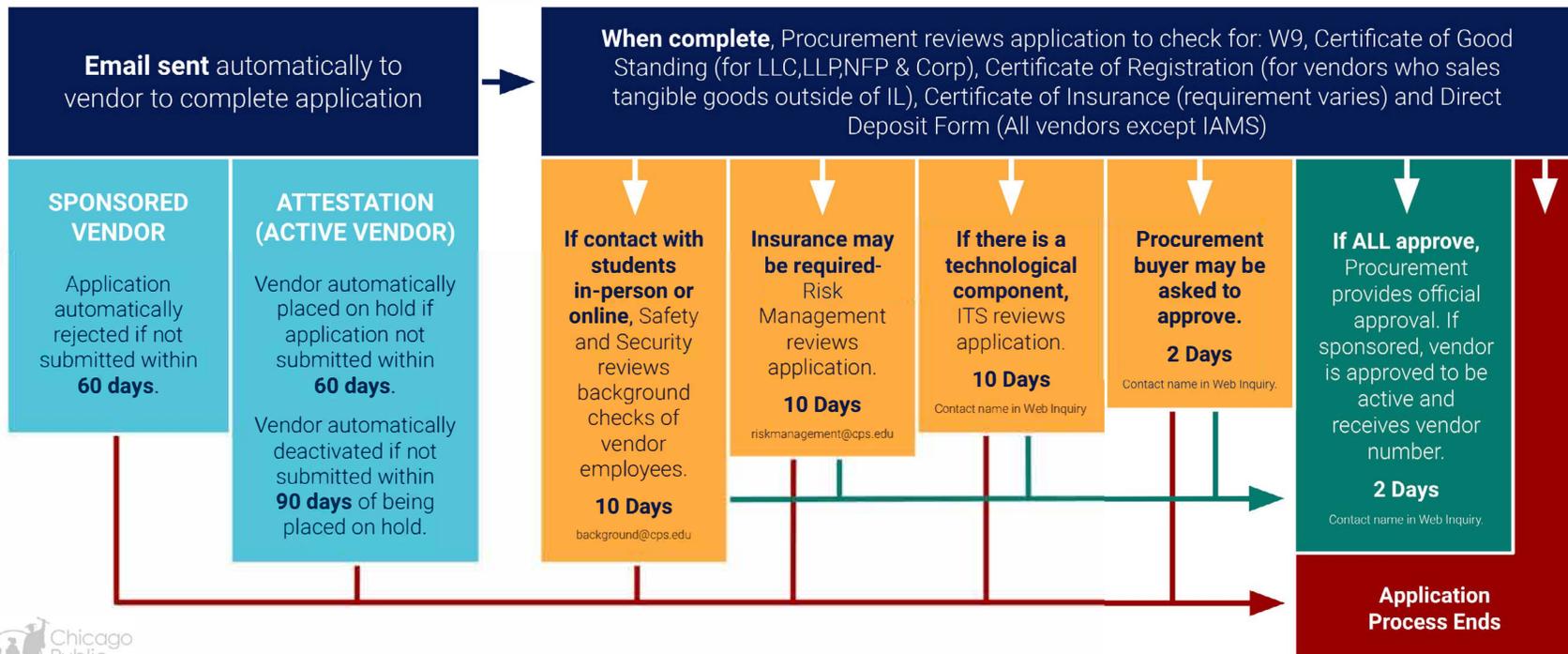
**Vendor onboarding is a two-step process.** The **first** step is sponsorship, where a school or department requests to activate/reactivate a vendor they plan to use. The **second** step is the application, where the vendor submits an application for approval. Vendors who are currently active do not need to be sponsored and will only need to complete the application through the attestation process.



# Vendor Onboarding Process Map

## Application/Attestation

■ APPROVED  
■ CONDITIONAL  
■ REJECTED



## What is a certificate of good standing?

A certificate of good standing is a state-issued document that shows you're authorized to do business in that state. While it won't disclose whether you're behind on any tax obligations, it offers proof that you're complying with state laws — you're up to date on state fees, taxes, business filings, and more.

All of this means that your business is active and in “good standing.”

You must [legally register with your state](#) to receive a certificate of good standing. States have different requirements for getting one, and each certificate will look slightly different. This document may also be called a:

- Good standing certificate
- Letter of good standing
- Certificate of existence
- Certificate of status
- Certificate of authorization
- Certificate of authentication

In this article, we'll continue to refer to it as a certificate of good standing as it's the most common name. In most cases, your Secretary of State office will issue your certificate.

## Who needs a certificate of good standing?

When you register your company, you'll choose the business structure that best suits your needs. Some business entities can get a certificate of good standing, and others can't.

Here are the businesses that can request a certificate of good standing:

- Limited Liability Companies (LLCs)
- Partnerships
- Limited Partnerships (LP)
- Limited Liability Partnerships (LLPs)
- Limited Liability Limited Partnerships (LLLLPs)
- Corporations
- Not For Profit (NFP)

The reason these businesses can get certificates is because they're required to register with the state. From that point, the government is tracking their compliance with state regulations. The state can easily verify whether these businesses are active.

## How to get a certificate of good standing?

You can work directly with your state government using their website or mail services.

The Secretary of State office is typically responsible for this process. Here's an overview of how to register a business:

- Choose a business structure and business entity name
- Submit your business documents, such as articles of [incorporation](#)
- Pay registration and filing fees
- Register a "doing business as" name (DBA), if you'll use one
- Request an Employer Identification Number (EIN) from the IRS
- Apply for any federal licenses or permits
- Apply for state and local tax IDs, licenses, and permits.

## Request your certificate from the state

Request a certificate of good standing from your Secretary of State office, or the equivalent government agency or subdivision in your state. (In Delaware, for example, you go through the Division of Corporations.)

As we mentioned earlier, you can handle this process on your own. It's fairly easy because you're only requesting a document—you should have already registered your business and double-checked your standing.

You can request your certificate online or by phone, mail, email, or fax. Using agent services is another option, and could save you some time.

In any case, you'll pay a filing fee. The amount is determined by your specific state agency. For example, it's [\\$25](#) in New York, but only [\\$11.50](#) in Idaho.

Getting your certificate online is the fastest method. After you pay your fee, it's usually available to download right away. You may also receive a certified copy by mail in several business days.

It's also worth noting that some state certificates have an expiration date. Yours could expire after one year or just one quarter. But keep in mind that you don't need to have a certificate of good standing on hand at all times. In fact, lenders, creditors, and investors often ask for certificates of good standing that are less than 30 or 60 days old.

## What is a Certificate of Registration?

You may have heard it called by other names, such as “foreign qualifying” or filing a “certificate of authority.” Filing a certificate of registration means that the LLC or corporation wants to operate as a foreign entity in a state beyond its existing state of formation. An approved certificate of registration will identify the company as a legal and tax-paying entity within the state.

## When is it Required?

Here are some signs that a business may need to file a certificate of registration:

- An [LLC filed](#) its articles of organization in Delaware but is physically located in New York. The company must foreign-qualify the business in New York.
- A regional restaurant chain that went through the process to [incorporate](#) (including filing a state document called “[articles of incorporation](#)”) and operate in Michigan wants to expand and build locations in Indiana. The company must foreign-qualify the business in Indiana.
- An LLC’s home state of registration is in Nevada. One owner (“member”) lives in Nevada, and the other lives in Tennessee. Recently, the member in Tennessee has been securing most of the company’s clients, meeting with them in Tennessee. The company must foreign-qualify the LLC in Tennessee.
- A wholesale organic snacks manufacturer is [incorporated in Kansas](#) and wants to have a warehouse in California. To legally run the warehouse in California, the corporation will likely need to apply for foreign qualification there.

Please note that while these situations are meant to offer some insight into when your clients may need to apply for foreign qualification, the rules and requirements vary by state. Your clients should seek the guidance of an attorney to make sure they know for certain.

## How Does a Business File a Certificate of Registration?

Forms are available through the [website](#). Business owners can complete a certificate of registration on their own or have a trusted, knowledgeable resource prepare and submit it.

Before filing a certificate of registration, business owners should make sure their companies are up to date on paying their state taxes and fees. Some states require that a business has obtained a [certificate of good standing](#) from its home state of registration before it will approve foreign qualification.

## How Much Does Filing Cost?

The state fees and time it takes to process a certificate of registration vary depending on the state and the entity type. On average, the state fees are around \$200 for an LLC and around \$250 for a corporation, not including shipping and handling fees. Note that some state fees are significantly lower or higher, such as Utah at \$72 and Massachusetts at \$500 for LLC foreign qualification.

## What is direct deposit?

A direct deposit, in banking, is a deposit of money by a payer directly into a payee's bank account. Direct deposits are most commonly made by businesses in the payment of salaries and wages and for the payment of suppliers' accounts, but the facility can be used for payments for any purpose, such as payment of bills, taxes, and other government charges. Direct deposits are most commonly made by means of electronic funds transfers effected using online, mobile, and telephone banking systems but can also be affected by the physical deposit of money into the payee's bank account.

## The Purpose of the W-9 Form

The purpose of the W-9 is simply so the CPS has the correct information in regards to vendors we are working with when it comes time to submit other forms during tax season.