



COMMONWEALTH of VIRGINIA

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September 2, 2015

To: Fiscal Officers of Tier II and Tier III Higher Education Institutions and the
Virginia Port Authority
Cardinal Change Network Primary Change Agents
Cardinal Change Network AP SMEs of the Tier II and Tier III Higher Education
Institutions and the Virginia Port Authority

From: Lewis R. McCabe, Jr. 
Deputy State Comptroller

Subject Reporting Vendor Payments Using the Cardinal Vendor ID

As has been discussed during multiple Cardinal presentations/workshops, Chapter 665, Item 256 B.2 requires the establishment of a single vendor database for the Commonwealth. This single vendor database will be established and maintained in the Cardinal system by the Department of Accounts (DOA). This requirement will result in changes to your current vendor maintenance processes.

All payments issued to vendors in Cardinal will require that a corresponding vendor record be established in the Cardinal system prior to initiating that payment. For Commonwealth entities making payments to vendors outside of Cardinal (for example, select higher education institutions and the Virginia Port Authority), this is not currently the case. However, at some point in the foreseeable future, all entities making payments to vendors outside of Cardinal will be required to ensure (1) a valid/approved vendor record exists in Cardinal for vendors to which you are making payments, and (2) you can report payments to those vendors by their corresponding Cardinal Vendor ID number (please note, your entities will not be required to establish a Cardinal vendor record for students receiving refund payments).

This change will not be mandated prior to the Cardinal Wave 2 system go-live planned for February 2016. Advance notice will be given when the Department of Accounts communicates the deadline to comply with the requirement to report vendor payments using the Cardinal Vendor ID number.

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Once this change is mandated, your entity will have some flexibility concerning the timing of obtaining a Commonwealth Vendor Group (CVG) approved Cardinal Vendor ID for payments initiated to vendors from your entity's system. DOA will not mandate you obtain a CVG approved Cardinal Vendor ID prior to making the related payment, provided your entity is:

- Collecting / maintaining a valid Commonwealth Substitute W-9 form prior to making payment (a practice which should currently be in place as new vendors are added to your entity systems),
- Performing a review of the vendor information against the Internal Revenue Service (IRS) TIN Matching Program, and
- Performing a review of the vendor information against the U.S. Department of Treasury Financial Sanction Program.

If your entity cannot perform these tasks prior to making a payment, you should not initiate a payment to that vendor from your system until the corresponding vendor record has been added / approved in the Cardinal system.

Thank you for your attention to this matter. If you have any questions, please contact the Commonwealth Vendor Group at cvg@doa.virginia.gov.