

#### **Processing Internal Payment Offsets Overview**

The Agency may receive IRS levies, liens, court ordered garnishments, etc. that require part or all of a Supplier's payments to be withheld. Typically, the order also identifies amounts, return dates, etc. Legal notices for levies, liens, and other court ordered offsets should be sent immediately to the Agency's central accounting or fiscal office, where information about the offset (amount, date of receipt, date of return, etc.) is recorded and tracked outside of Cardinal.

**Note:** Internal Payment Offsets are not related to the Comptroller's Debt Setoff (CDS) or Treasury Offset (TOP) program.

The Supplier's record in Cardinal can be updated so that any existing or subsequent Vouchers for that Supplier are flagged for manual updates. The appropriate amount is offset and paid to the 3rd party identified on the legal order before the Supplier's Vouchers are processed for payment.

**Note:** Agencies are not required to work with the Commonwealth Vendor Group (CVG) to set up a LEVY location on the Supplier Record. It can be managed outside of Cardinal following Agency policy.

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**Revision History** 

Revision Date	Summary of Changes
3/1/2025	Updated the screenshots of the Search page ( <u>Section 5</u> , after Step 1). Added reference information to the Overview of the Cardinal FIN Search Pages Job Aid.



#### **Processing Payment Offsets**

Agencies are not required to set up a LEVY location on the Supplier Record when managing payment offsets in Cardinal. They can elect to manage the process outside of Cardinal.

- If the Agency elects to set up a LEVY location, follow the steps outlined below in the Requesting a <u>LEVY Location on the Supplier's Record</u> section of this Job Aid to have the LEVY location set up in Cardinal. Once the LEVY location has been set up, follow the steps in the <u>Updating the</u> <u>Cardinal Voucher</u> section of this Job Aid to process the Voucher
- If the Agency elects to manage the payment offset outside of Cardinal, follow the steps in the <u>Updating the Cardinal Voucher</u> section of this Job Aid

# **Accounts Payable Job Aid**



### AP312\_Processing Internal Payment Offsets

#### **Requesting a LEVY Location on the Supplier Record**

The Agency's designated responsible person completes a Vendor Maintenance Request form to update the Supplier Record. This form can be found on the Cardinal website in the **Statewide Toolbox > Forms > Accounts Payable** section.

To facilitate the proper payment offset for subsequent payments, a new Location must be added to the Supplier Record. Complete the **Location** section of the form with the new location information. The Location name should be specified as "LEVY XXX" (XXX = Agency Number); the new location is identified as the default location for the Supplier. A location Description is also provided to add meaningful additional information about the offset, such as Agency name, and aids users in understanding the purpose of the location.



#### Adding a LEVY Location to the Supplier Record

- The Vendor Maintenance Request form is submitted to the Commonwealth Vendor Group (CVG), along with a copy of the offset documentation
- The CVG will run the V\_AP\_VNDRS\_ON\_PYMNT\_HOLD query which provides a list of Suppliers on Payment Hold for review to determine if a Supplier's payment hold status requires update
- The new location for the Supplier is added
- CVG notifies the Agency resource that the Supplier update is complete



#### **Removing the LEVY Location from the Supplier Record**

- Once the offset requirement has been satisfied, the designated Agency resource will complete a Vendor Maintenance Request form with a request to Update Existing Supplier, to remove the payment hold from the lien location and to re-set the default Supplier location
- CVG receives the Vendor Maintenance Request form, updates the Supplier location, and notifies the Agency resource that the supplier update is complete



#### **Updating the Cardinal Voucher**

This section of the job aid provides instructions for creating the Voucher for a payment offset, whether the Agency has elected to set up a LEVY location on the Supplier Record or not.

Step	Action
<ol> <li>Navigate to the Voucher page using the following path:</li> <li>Main Menu &gt; Accounts Payable &gt; Vouchers &gt; Add/Update &gt; Regular Entry</li> </ol>	
The Vouc	her page displays with the Add a New Value page displayed by default.
Favorites	Main Menu      Accounts Payable      Vouchers      Add/Update      Regular Entry
Voucher	
Add	a New Value
Esti	"Business Unit       15100         "Voucher ID       NEXT         "Voucher Style       Regular Voucher         Supplier Name       0         Supplier ID       0         Supplier Location       0         Invoice Number       0         Invoice Number       0         Kddress Sequence Number       0         Invoice Number       0         Mise Charge Amount       0.00         Mise Charge Amount       0.00         Made       1         Add
1	For more information pertaining to the Cardinal FIN Search pages, refer to the Job Aid titled "Overview of the Cardinal FIN Search Pages". This Job Aid is located on the Cardinal Website in <b>Job Aids</b> under <b>Learning</b> .
2.	Enter the Supplier ID number in the <b>Supplier ID</b> field.          Supplier ID
3.	Enter the Invoice number in the Invoice Number field.
4.	Enter or select the Invoice Date in the Invoice Date field.



Step	Action		
5.	Enter the total Invoice amount in the Gross Invoice Amount field.		
	Gross Invoice Amount 0.00		
6.	Click the <b>Add</b> button.		

The Invoice Information page displays.

					New Window   Help   Personalize Page
Invoice Information Payments Voucher Attribution	utes				
Business Unit 15100 Voucher ID NEXT	Invoice No 12345 Accounting Date 10/07/2024	<b>B</b>	Invoice Total Line Total	10,500.00	Non Merchandise Summary Session Defaults Comments(0)
Invoice Date 10/07/2024	Basis Date Type Prompt Payment	Net 30	Miscellaneous Freight		Attachments (0) Template List Advanced Supplier Search
Goods & Services	☐ Final Voucher		Total Difference	<b>10,500.00</b> 0.00	Supplier Hierarchy Supplier 360
Supplier ID 0000055005 Q ShortName CRONIN-001 Q Location LEVY-151 Q *Address 1 Q	Control Group	Q			
Responsible Org 10000					
Customer Account #					
ROW Acquisition ID					
Save Save For Later	Action	<b>v</b>	Run Calculate	Print	
			Find View All First (A) 1 of	1 A Last	
Line 1 Copy Down	SpeedChart	٩	One Asset	+ -	
Item     C     Ship       Quantity     Descript       UoM     Q     Packing 1       Unit Price     Internet 10,500.00       Multi-SpeedCharts     Multi-SpeedCharts	to COVA Q		Caluar		
Distribution Lines		Personalize   Find	View All [ 🖉 🛛 🔣 🛛 First 🚯 1 of 1	Last	
GL Chart Exchange Rate Statistics Assets					
Down *GL Unit Line Merchandise Amt Acc	count Fund Quantity	Cost Center Program	Department Task	FIPS	
+         -         15100         1         10,500.00		٩	۹۹	Q	
Save Save For Later					
P Notify 2 Refresh			📑 Add 🖉 Und	ate/Display	
Inclusion Information I Descent I Mession Attributes					
Invoice Information   Payments   Voucher Attributes					
Invoice Information   Payments   voucher Attributes					



Step	Action
8.	Enter or select the Goods and Services Receipt Date in the Goods & Services Receipt Date field.  Goods & Services Receipt Date
9.	Enter the charge distribution information in the Invoice Lines using SpeedCharts and/or the betribution Lines section as appropriate.
10.	Click the <b>Payments</b> tab.          Invoice Information       Payments       Voucher Attributes



Step	Action			
The <b>Payments</b> tab displays.				
	Favorites -     Main Menu -     > Accounts Payable -     > Vouchers -     > Add/Update -     > Regular Entry       Invoice Information     Peyments     Youcher Attributes			
	Business Unit 15100 Invoice No 12345 Voucher ID NEXT Invoice Date 10/07/2024 IB Action V Voucher Style Regular Voucher Total Amount 10.500.00 *Pay Terms 30 Q Net 30 Supplier Name CRONIN FLOORS INC Payment Information Find   View All	Run Schedule Payments First 🚯 1 of 1 🕑 Last		
	Payment 1  *Remit to 0000055005 Q S Gross Amount 0.00 USD Scheduled Due Location LEVY-151 Q Discount 0.00 USD Net Due Address 1 Q Discount Due CRONIN FLOORS INC 9401 CONTRACTOR'S COURT MANASSAS, VA 20109	Payment Inquiry Express Payment Payment Comments(0) Hollday/Currency		
	Payment Options         *Bank 1100       Pay Group         *Account TR01       *Handling Regular Payments         *Method CHK       Check         Message       -         Message       -         Message will appear on remittance advice.       -	Suppliar Bank Messages Hold Payment Separate Payment		
	Schedule Payment       *Action Schedule Payment       Pay       Pay       Save       Save   Save For Later			
11.	Select the appropriate location by clicking the Location Look Up icon.			
i	If the Agency did not work with CVG to set up a LEVY location, the defa Supplier displays in this field.	ault location for the		
	If the location is correct, go to Step 13.			
The Look Up Location page displays in a pop-up window.				
	Look Up Location			
	Help         SetID       STATE         Remit Supplier       0000055005         Supplier Location begins with ♥       ●         Look Up       Clear       Cancel       Basic Lookup         Search Results       View 100       First ●       1-2 of 2 ●       Last         Supplier Location Description       LEVY-151       DEPARTMENT OF ACCOUNTS         MAIN       Main Location			



Step	Action
12.	Select the appropriate non-payment hold location for the Supplier by clicking the corresponding link.           MAIN         Main Location
13.	Enter the amount of the total payment that will be paid to the Supplier in the <b>Gross Amount</b> field.           Gross Amount         0.00 USD
14.	Update any additional payment information in the Payment Options section as applicable.
15. The <b>Payn</b>	Click the Add a New Row (+) icon in the Payment Information section of the page to add a new payment row.
	Invoice Information       Payments       Youcher Attributes         Business Unit 15100       Invoice No 12345         Voucher ID NEXT       Invoice No 1200         Voucher ID NEXT       Incomplete Voucher         Total Amount 10.500.00       "Pay Terms 30         Supplier Name CRONIN FLOORS INC       "Payment Information         Payment 10       Find         Vouchers 3       Gross Amount         Stotedule Due       Payment Comments(0)         Accounting Date       Holiday/Currency
	Payment Options         "Bank 1100       Pay Group         "Account TR01       "Handling Regular Payments         "Method CHK       Check         Message       Hold Reason         Message       - Actions         Schedule Payment       - Actions         "Action Schedule Payment       Payment Date         "Action Schedule Payment       Reference
i	The remaining amount of the total Invoice displays in the Gross Amount field.



Step	Action			
16.	Enter or select the Supplier ID for the third party in the <b>Remit to</b> field.			
	*Remit to 0000055005 Q			
17.	Review the <b>Location</b> field and update if applicable.			
	Location MAIN			
18.	Review the Address field and update if applicable.			
	*Address 5 C			
	INTERNAL REVENUE SERVICE			
	P O BOX 173788 DENVER. CO 80217			
19.	Update any additional payment information in the <b>Payment Options</b> section as applicable.			
	Payment Options *Bank 1100 Pay Group *Natting Not Applicable  Supplier Park			
	*Account TR01 *Handling Regular Payments L/C ID Messages *Method EFT FT Hold Reason V			
	Message Message will appear on remittance advice.			
20	Click the <b>Save</b> button			
20.				
	Save Save For Later			
6	Provide the payment offset information (i.e., offset amount, payment date, etc.) to the appropriate resource at the Agency for tracking Supplier offsets so that the offset record can			
	be updated.			
	If a LEVY location was set up, follow the instructions in the <u>Removing the LEVY Location</u> from the Supplier Record section of this Job Aid when the payment offset has been satisfied.			