Project Accounting Job Aid

PA353 Creating a Federal Contract (VDOT Only)

Creating a Federal Contract Overview

Contracts represent an agreement between the Agency and a customer. A customer can be a Federal Agency, a local government, company, or an individual. Federal Contracts are created in Cardinal as Rate-based Contracts.

Federal Contracts are created in Cardinal based on the data contained in the Federal-Aid Project Agreement (Federal Agreement) received from the Federal Highway Administration (FHWA).

Note: This process excludes Federal agreements requiring manual billing process.

Navigation Note: Please note that there may be a **Notify** button at the bottom of various pages utilized while completing the processes within this Job Aid. This "Notify" functionality is not currently turned on to send email notifications to specific users within Cardinal.

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Revision History

Revision Date	Summary of Changes
9/1/2026	Updated to reflect the Cardinal system upgrades.
8/26/2025	Baseline.

Sample FHWA Federal-Aid Project Agreement

Run Date: 03/10/2017
Run Time: 15:34:04

U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
FEDERAL-AID PROJECT AGREEMENT

Report: FMISD05A
Page 1 of 1

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RECIPIENT: 51-Virginia 2 **FEDERAL PROJECT NO:** 0008340

RECIPIENT PROJ. NO(S): HSIP969S83101

1. The State through its department of transportation, or other recipient, has complied, or hereby agrees to comply, with the applicable terms and conditions set forth in (a) Title 23, U.S. Code, highways; (b) The regulations issued pursuant thereto, and the policies and procedures promulgated by the Federal Highway Administration; and (c) All other applicable federal laws and regulations.2. The State, or other recipient, stipulates that as a condition to payment of the Federal funds obligated, it accepts and will comply with the provisions set forth in 23 CFR 630.112. These provisions incorporate by reference all other federal laws and regulations pertaining to the project or the activity for which the funds are obligated. Solely for the purposes of emphasis, such applicable provisions include, but are not limited to, the requirements of Appendix A to 2 CFR Part 170—Award terms for Reporting subaward and executive compensation information, and 2 CFR 200, including for those funds for which such amount will be subawarded to a subrecipient, 2 CFR 200.331.3. Relative to the above designated project, the FHWA has authorized certain work to proceed as evidenced by the date entered opposite the specific item of work. For such authorized work, the federal funds obligated or advance-construction authorized, are not to exceed the amount shown herein. The balance of the estimated total project cost is an obligation of the State or other direct recipient.4. Such authorization of Federal funds extends only to project costs incurred by the State, or other recipient, following Federal Highway Administration's authorization to proceed with the project.

PROJECT TITLE: Support for Highway Safety Improvment Program and Planning

PROJECT DESCRIPTION: Statewide; Various locations; To support HSIP Program implementation and planning activities. Carry out the development of RSA guide, consultant task for HSIP planning and support.

DUNS#: 809875263

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CLASSIFICATION OF PHASE OF WORK TO BE PUT UNDER AGREEMENT	EFFECTIVE DATE OF AUTHORIZATION
HIGHWAY PLANNING & RESEARCH	
PRELIMINARY ENGINEERING	
RIGHT-OF-WAY	
CONSTRUCTION	
OTHER	01/23/2017

5 PROGRAM CODE	URBAN/ WITH	TOTAL COST	FEDERAL SHARE 6	FEDERAL FUNDS UNDER AGREEMENT 7	ADVANCED CONST. FUNDS 8
ZS30		$7,890,000.00	100.00%	$500,000.00	$7,390,000.00
TOTAL		$7,890,000.00		$500,000.00	$7,390,000.00 4

ESTIMATED TOTAL COST: $7,890,000.00
TOTAL AUTHORIZED FOR PROJECT: $500,000.00 5

TRANSPORTATION, VIRGINIA DEPARTMENT OF

AVAILABLE FUNDS CERTIFIED BY:	Tzeira Fortune	DATE:	01/20/2017
APPROVED AND REQUESTED BY:	Deborah Grant	DATE:	01/23/2017
AGRMT/MODIFY REQUESTED BY:	Deborah Grant	DATE:	01/23/2017

FEDERAL HIGHWAY ADMINISTRATION

PROJECT INFORMATION REVIEWED BY:	Rachael Blosser	DATE:	01/23/2017
APPROVAL RECOMMENDED BY:	Rachael Blosser	DATE:	01/23/2017
APPROVED AND AUTHORIZED BY:	Clementine Fleming	DATE:	01/23/2017

9 10 11

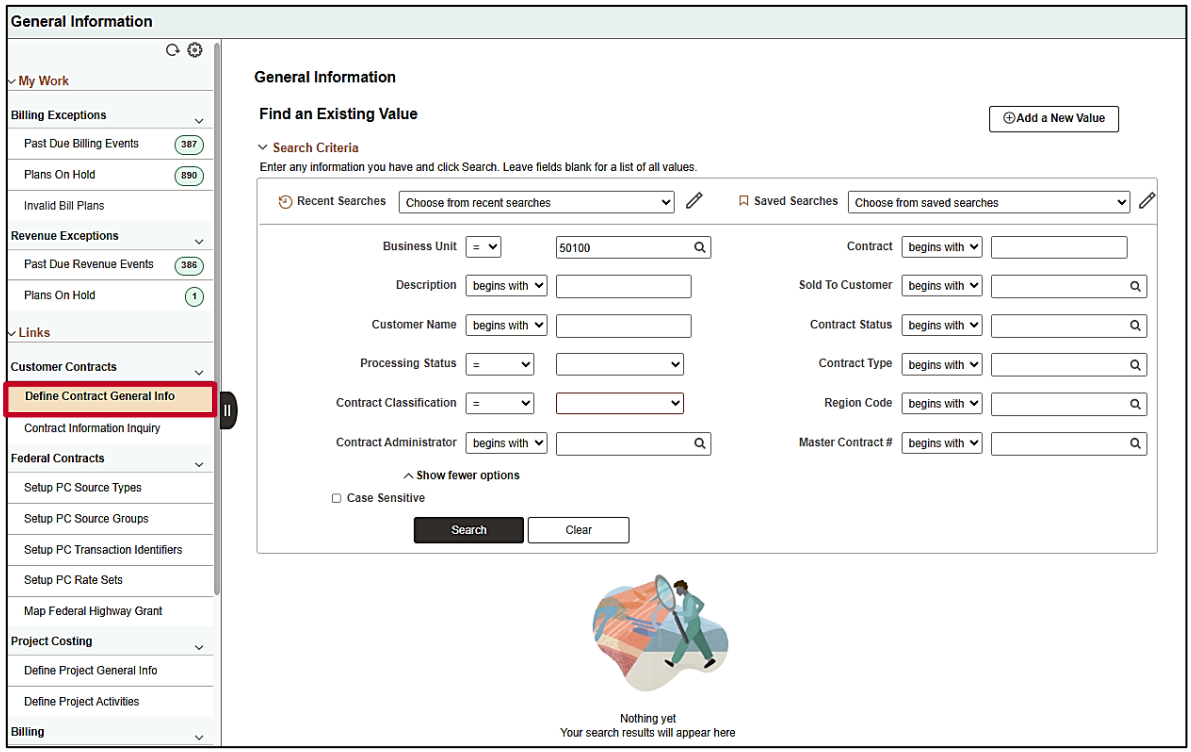
RECIPIENT REMARKS: UPC 110368 - New Preliminary Engineering Authorization. Performance End Date: 08/01/19! ; ZS30 funds are authorized at 100%, which includes 10% Soft Match Credits, under the Provisions of Title 23 USC 120(i); Project added in Statewide NonMPO STIP Grouping: CN: Safety/ITS/Operational Improvements; This agreement is subject to the following award terms: http://edocket.access.gpo.gov/2010/pdf/2010-22705.pdf and http://edocket.access.gpo.gov/2010/pdf/2010-22706.pdf. CFDA #: 20.205

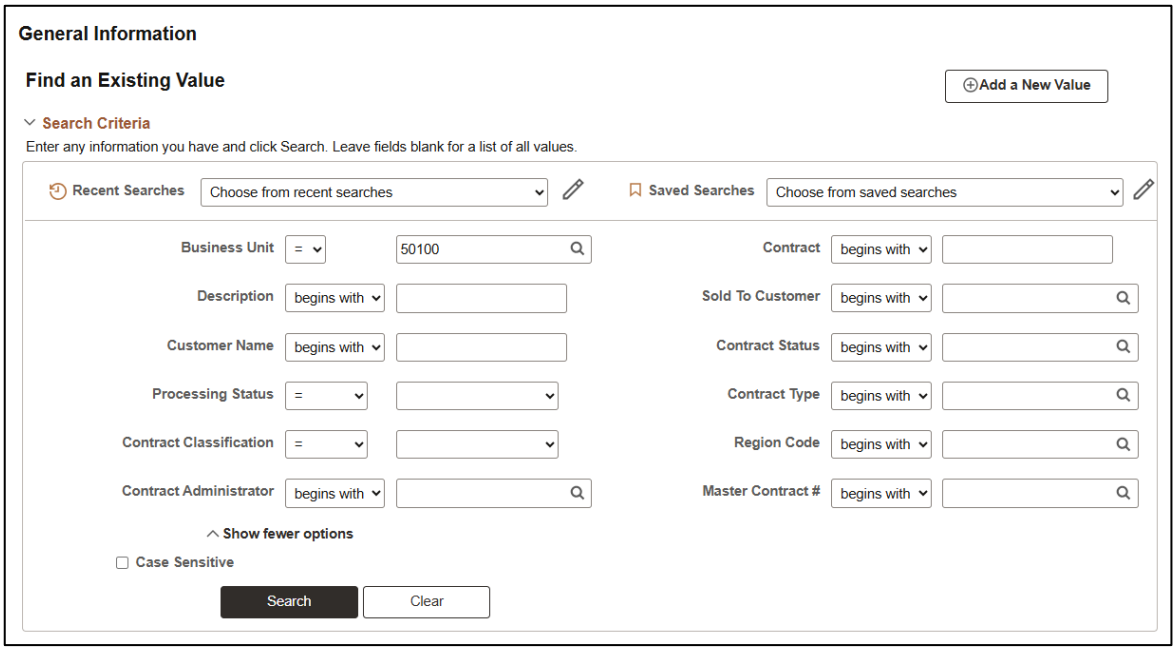
DIVISION REMARKS: 1/23/17-soft match applied to this project is $50,000 to program code ZS30.

The table below shows where the agreement data elements are entered in a Cardinal Contract:

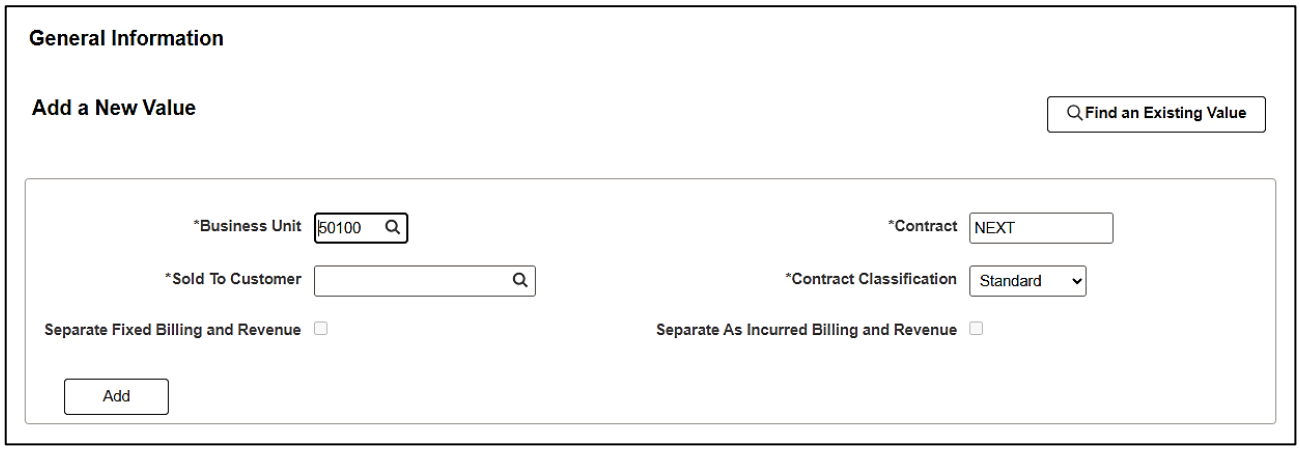
	Agreement Data	Cardinal Page/Tab	Cardinal Field(s)
1	**Federal Project Number**	General Information	Contract ID/Number
2	**Contract Prefix**	General Information	Used in Description
3	**Effective Date of Authorization**	General Information	Contract Signed Date
		Contract Line	Start Date
		Related Projects	Effective Date
4	**Total Authorized for Project Plus Advance Construction Funds**	General Information	Proposal ID
5	**Program Code**	Transaction Limits	Transaction Identifier/Source Type
6	**Federal Share**	Transaction Limits	Used in Rate Set
		Related Projects	Used in Rate Set
7	**Federal Funds Under Agreement**	Transaction Limits	Limit Amount
8	**Advanced Construction Funds**	Transaction Limits	Limit Amount
9	**UPC (Universal Project Code)**	Related Projects	Project ID/number
10	**Classification of Phase of Work**	Related Projects	Summary Activity Phase (Participating Activities)
11	**End Date**	Contract Lines	End Date

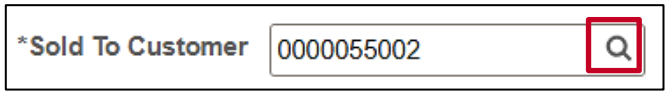
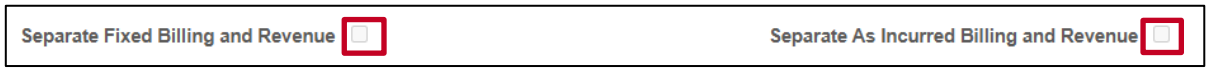
Entering Contract General Information

Step	Action
1.	Navigate to the **General Information** page by clicking the **Contracts WorkCenter** tile.
	For more information pertaining to WorkCenters, see the Job Aid titled **Overview of Cardinal Financials WorkCenters** located on the Cardinal website in **Job Aids** under **Learning**.
2.	Use the following navigation path in the WorkCenter: **Links > Customer Contracts > Define Contract General Info** **Note**: WorkCenter sections, folders, and pages may vary based on the user's Security roles. 

Step	Action
	Users can also access the **General Information** page using the following navigation path: **NavBar > Menu > Customer Contracts > Create and Amend > Define Contract General Info**
The **General Information Find an Existing Value Search** page displays. 	
	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 **Job Aids** under **Learning**.
3.	Click the **Add a New Value** button.

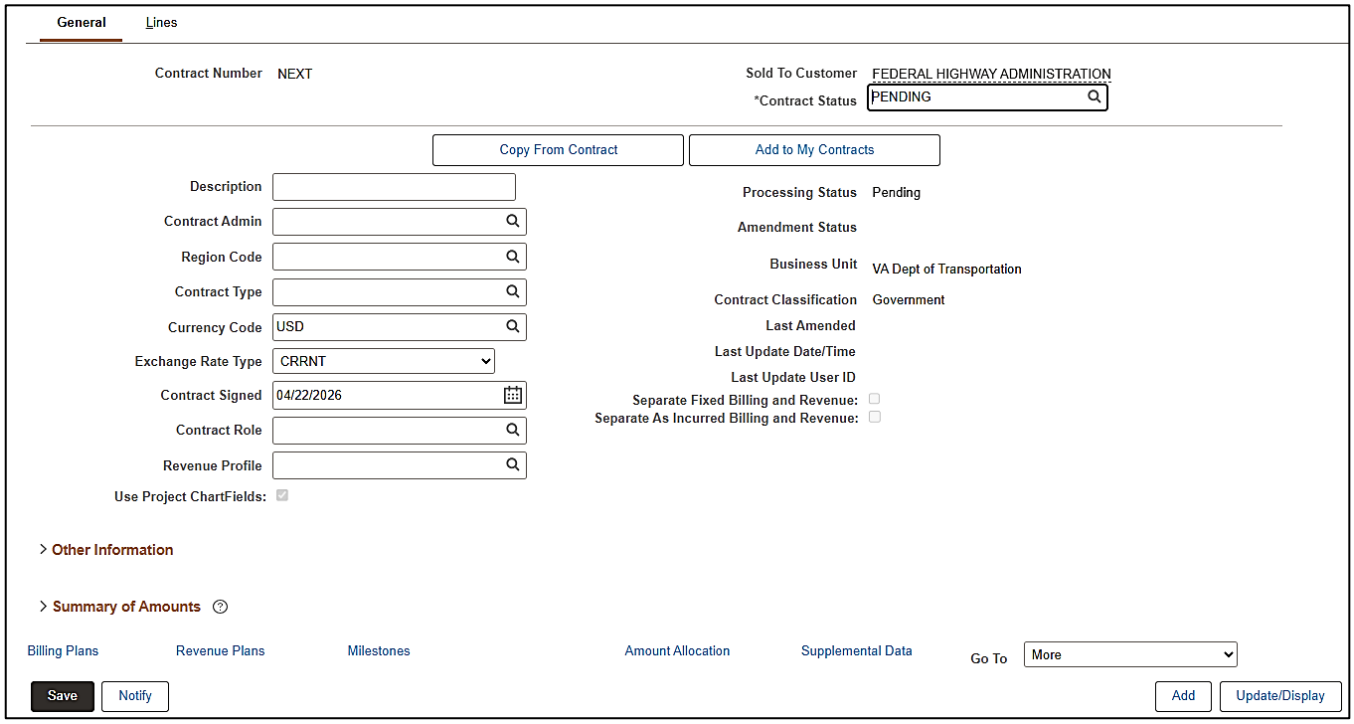
Step	Action
	The **General Information Add a New Value** page displays.

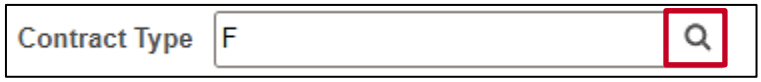


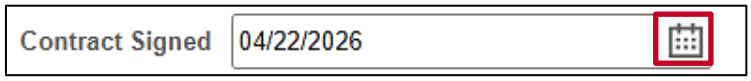
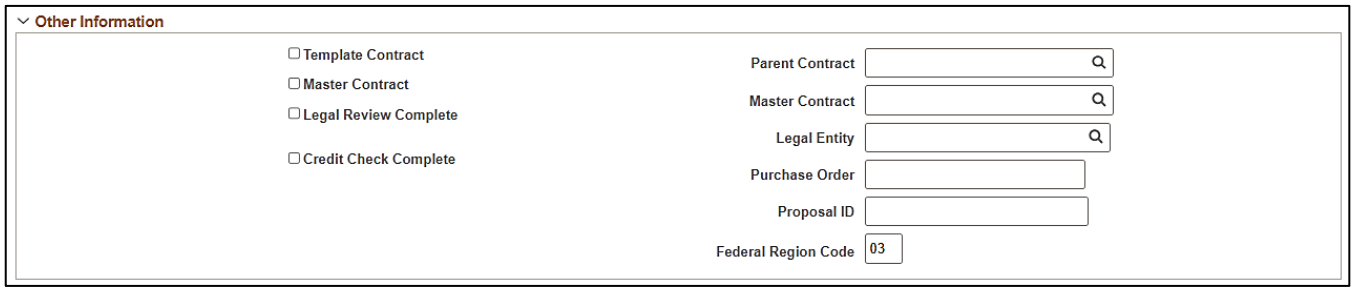
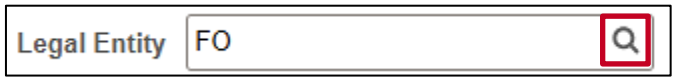
4.	Click the **Business Unit Look up** icon and select the applicable Business Unit.
5.	The **Contract** field defaults to “Next”. Replace this value with the Federal Project Number.
6.	Click the **Sold To Customer Look up** icon and select “0000055002”. This value is used for all Federal Contracts. 
7.	The **Contract Classification** field defaults to “Standard” but must be changed for all Federal Contracts. Click the **Contract Classification** dropdown button and select “Government”.
	The **Separate Fixed Billing and Revenue** and **Separate As Incurred Billing and Revenue** checkbox options are not used. 

Step	Action
8.	Click the **Add** button.

The **General Information** page displays with the **General** tab displayed by default.

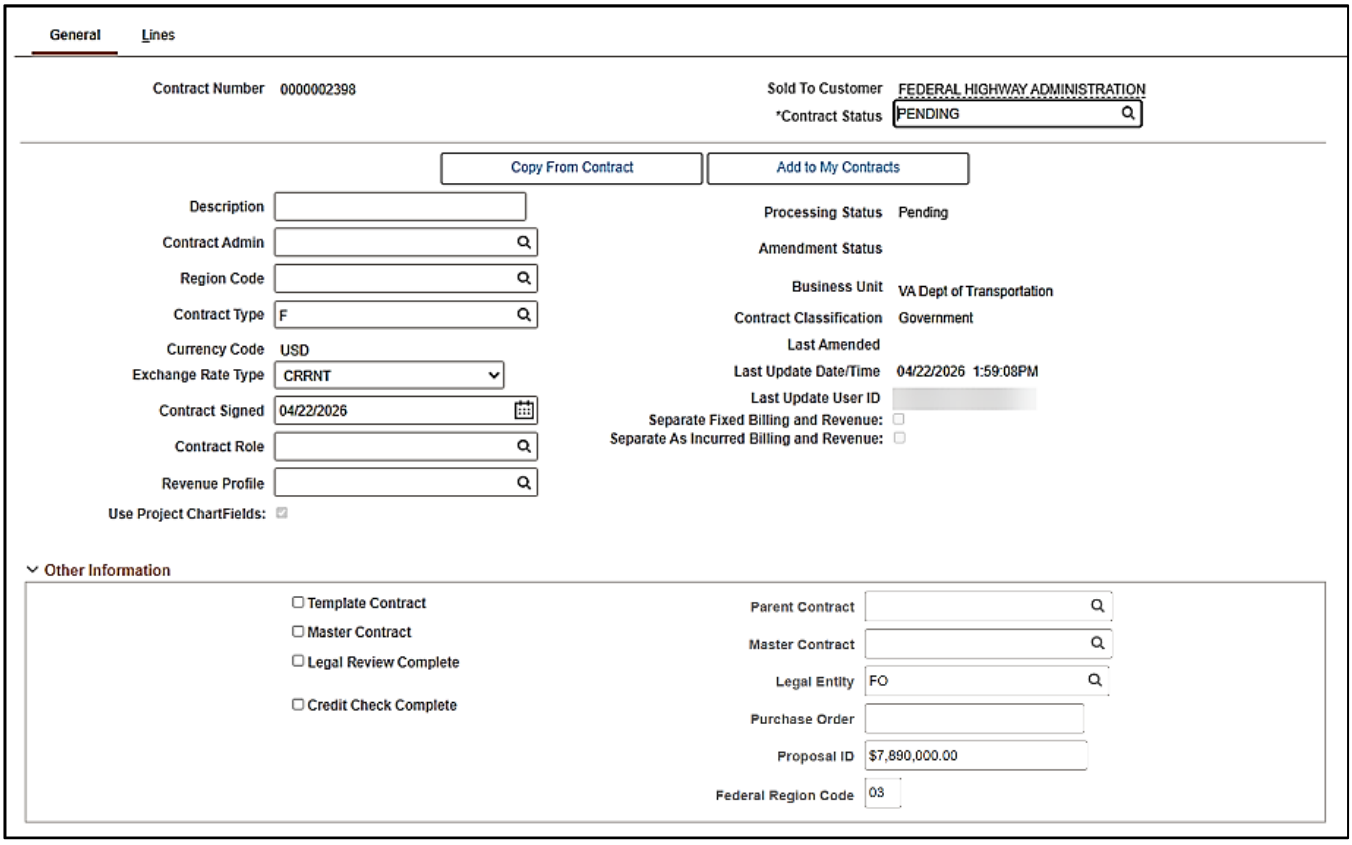


9.	Enter a description for the Contract in the **Description** field. Include the Contract Prefix and Federal Project Number from the agreement in the description. The **Description** field allows a maximum of 35 characters.
10.	Click the **Contract Type Look up** icon and select “F” (Federal). 

Step	Action
11.	The **Contract Signed** field will default to the current date. Change this date to the Effective Date of Authorization found on the Federal Agreement using the **Contract Signed Calendar** icon. 
	The **Use Project ChartFields** checkbox option defaults as selected and cannot be changed.
12.	Click the **Expand** (**>**) icon to expand the **Other Information** section.
The **Other Information** section displays. 	
13.	Click the **Legal Entity Look up** icon and select either “FO” (Federal Oversight) or “NFO” (Non-Federal Oversight) based on the Contract. 
14.	Enter the monetary obligation amount of the Contract in the **Proposal ID** field. It is calculated by adding the Total Federal Funds Under Agreement and the Advanced Construction Funds from the Federal Agreement. Use a dollar sign ($), commas, and decimals when entering this value.
15.	The **Federal Region Code** field defaults to “03” (FHWA). This value can be changed to “15” (Federal Lands) as needed.

Step	Action
16.	Click the **Save** button.

The **General Information** page refreshes.



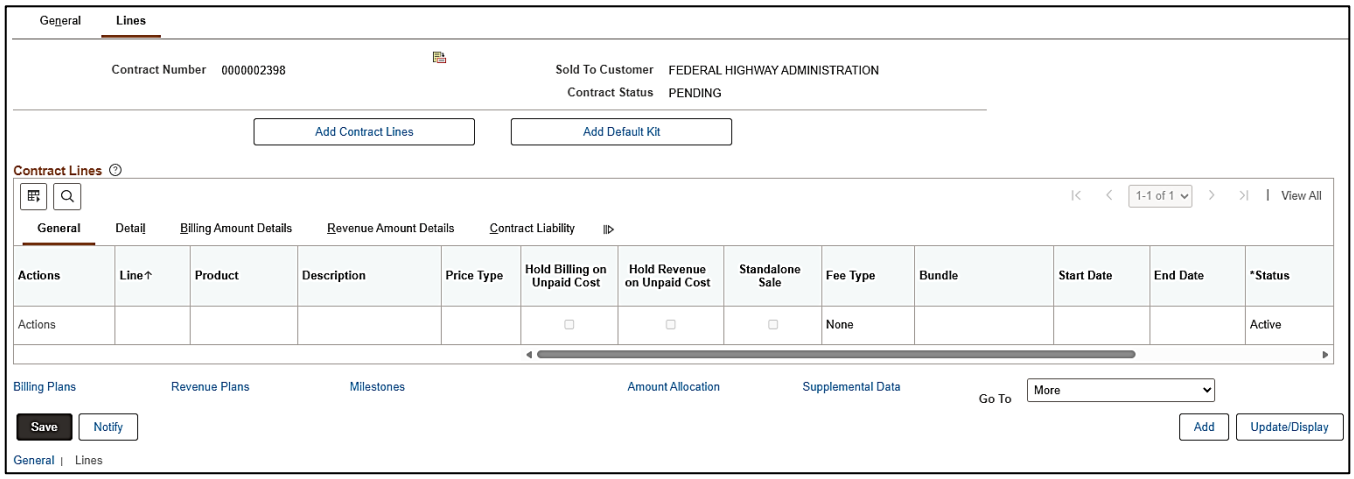
17.	Click the **Lines** tab.

Entering a Contract Line

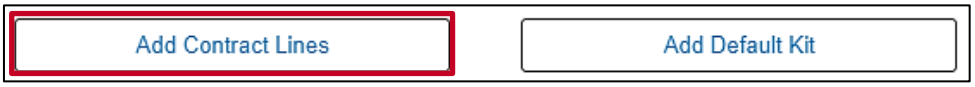
This section of the Job Aid begins on the **General Information** page and continues from the previous section. For information and navigation to this page, refer to the Entering Contract General Information section of this Job Aid.

Step	Action

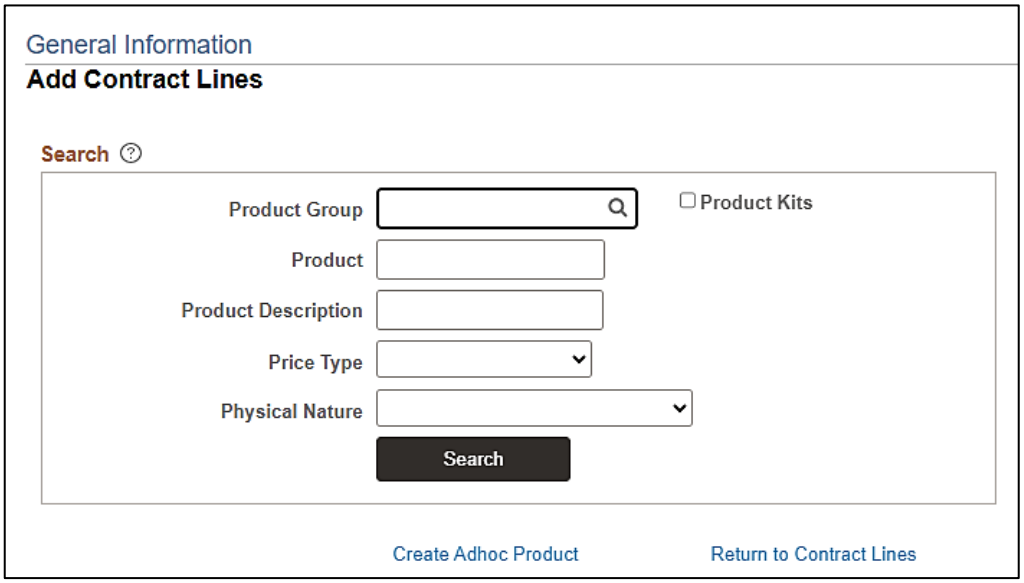
The **General Information** page displays with the **Lines** tab displayed by default.

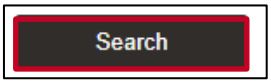
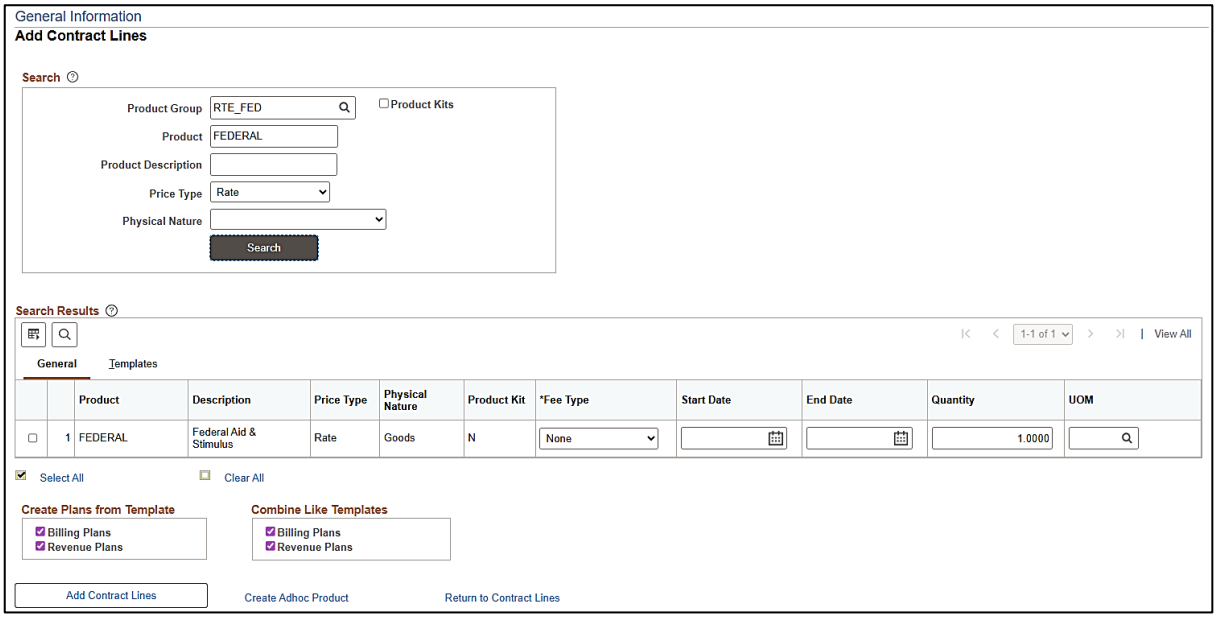
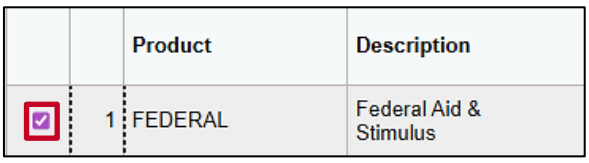


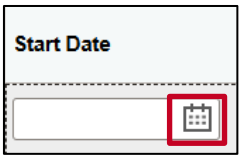
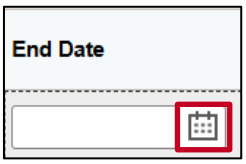
1. Click the **Add Contract Lines** button.



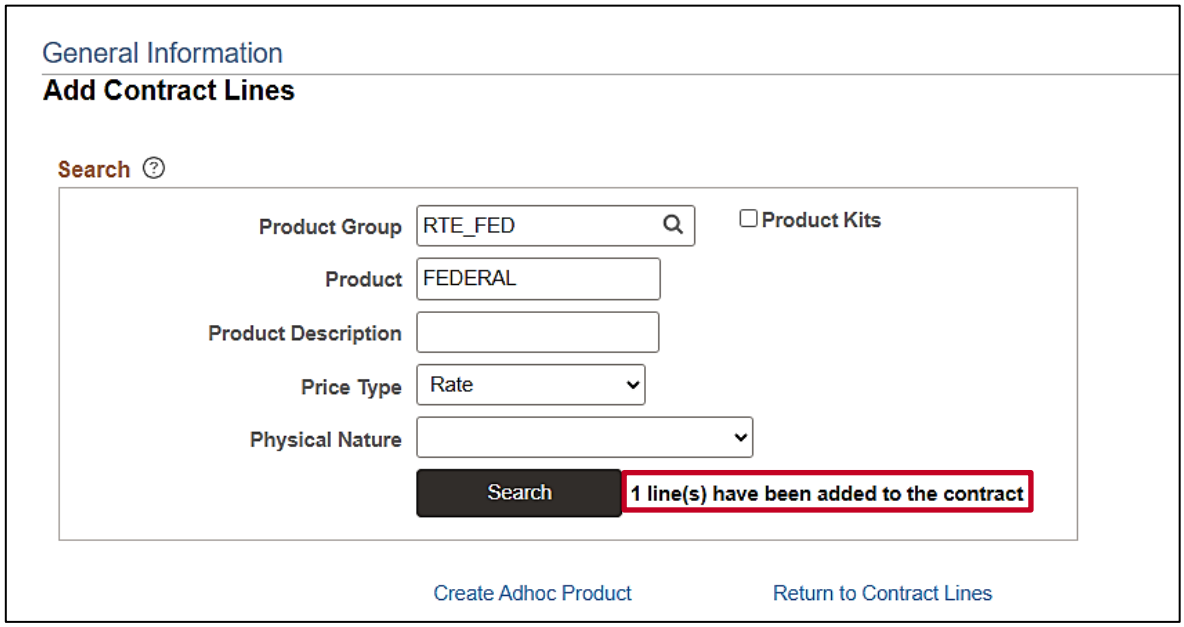
The **General Information Add Contract Lines** page displays.

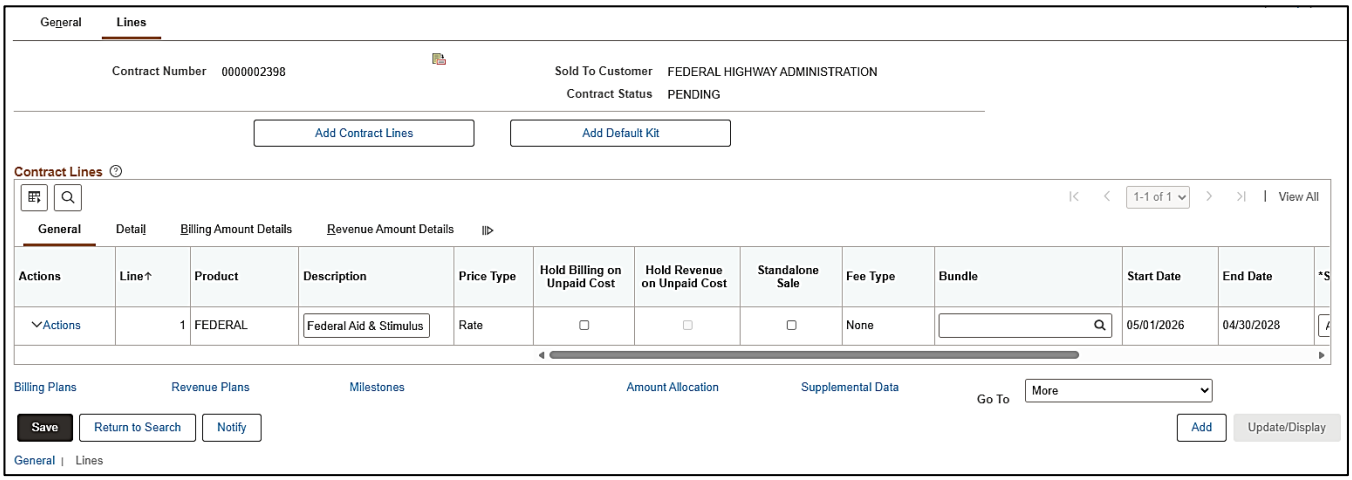


Step	Action
2.	Click the **Product Group Look up** icon and select the applicable Product Group.
3.	Enter “FEDERAL” in the **Product** field.
4.	Click the **Price Type** dropdown button and select “Rate” as this is a Rate-based Contract.
5.	Click the **Search** button. 
The **General Information Add Contract Lines** page refreshes with the search results displayed in the **Search Results** section. 	
6.	Click the **Select** checkbox for the row with “FEDERAL” in the **Product** field. 

Step	Action
7.	Click the **Start Date Calendar** icon and select the applicable date (Federal Agreement's Effective Date of Authorization). 
8.	Click the **End Date Calendar** icon and select the Period of Performance end date (found in the **Recipient Remarks** section of the Federal Agreement). 
9.	Click the **Add Contract Lines** button.

The **General Information Add Contract Lines** page redisplays with a message indicating that one Line has been added to the Contract.



Step	Action
10.	Click the **Return to Contract Lines** link to continue processing the Contract.
	The **General Information** page displays with the **Lines** tab displayed by default. 
11.	Click the **Save button**.

When to Add an Additional Contract Line

Although most Federal Contracts only have one Contract Line, there are times when more than one Contract Line is required. Create a second Contract Line by repeating the steps in the Entering a Contract Line section of this Job Aid.

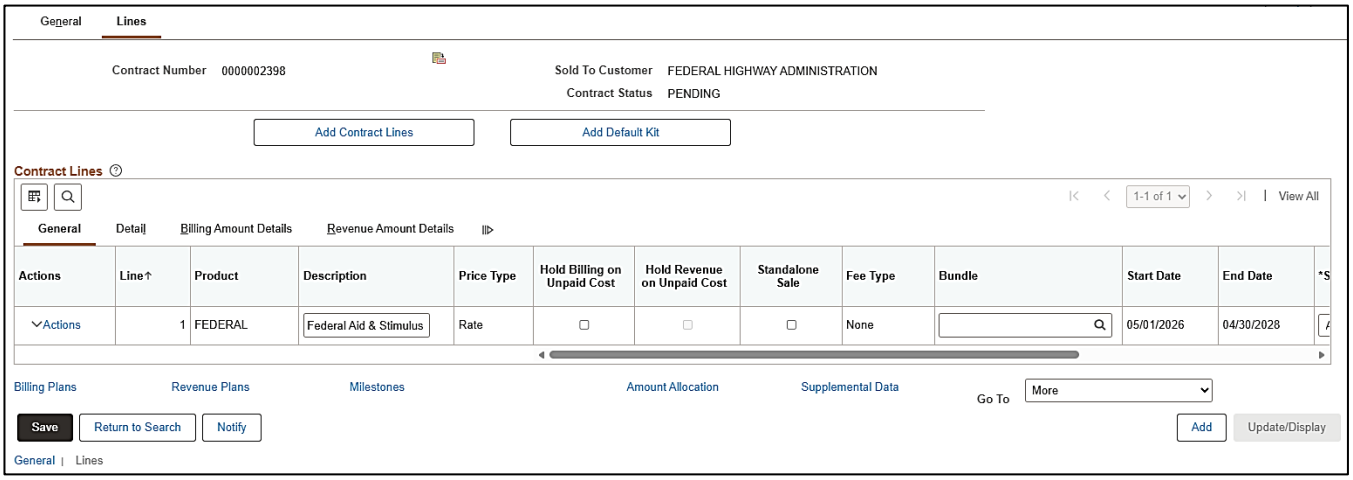
Scenarios requiring a second Contract Line:

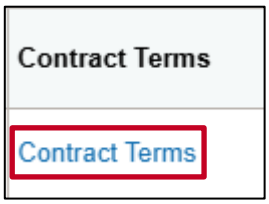
- Both standard and Federal Lands Appropriation Codes are on one Federal Agreement; Federal Lands and standard Appropriation Codes should not be included on the same Contract Line. Instead, two Contract Lines will need to be created. One Contract Line with the standard Appropriation Code and the other Contract Line with the Federal Lands Appropriation Code. If the same UPC (i.e., Project ID) and phase are associated with both Contract Lines, the UPC can only be associated to one Contract Line. Once the first Contract Line has billed to the maximum, remove the Project-Activity combinations from that Contract Line and associate them to the second Contract Line. The Project and Activity should only be moved once billing has been completely processed. The user will also need to amend the Contract in order to change the Federal Region Code from “03” to “15”, or vice versa.
- Multiple Projects are associated with the Contract. Check the detailed estimate to verify if the Appropriation Codes are to be associated with specific Project phases. If this is the case, create multiple Contract Lines. Ensure that the correct transaction identifiers are assigned to the Contract Lines with the appropriate Project/Activity combinations.

Entering the Contract Amount and Related Projects

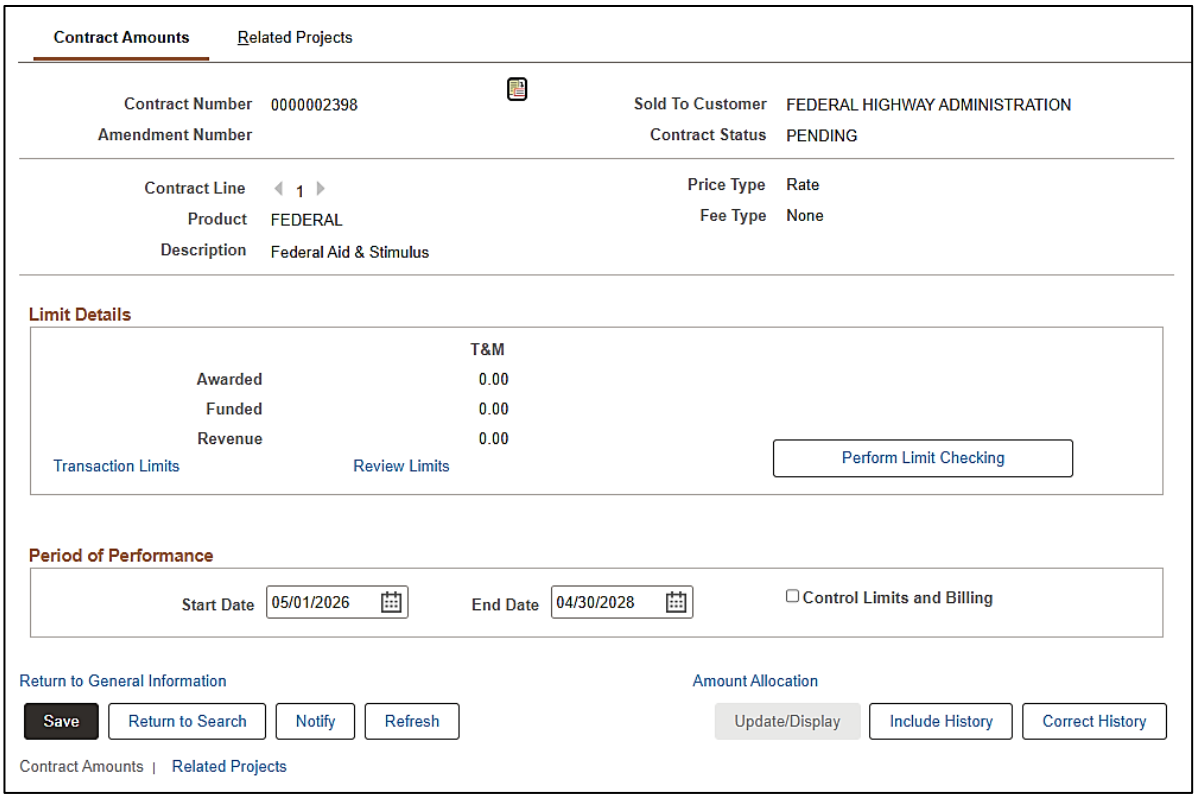
This section of the Job Aid begins on the **General Information** page (**Lines** tab). For information and navigation to get to this step, refer to the Entering Contract General Information section of this Job Aid.

Step	Action
	The **Lines** page displays.

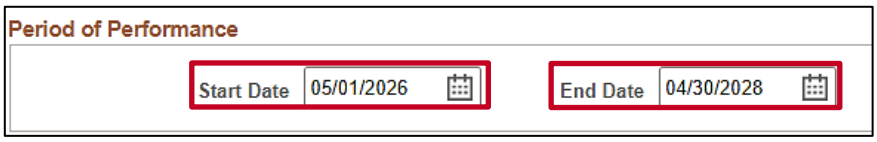


1.	Click the **Detail** tab in the **Contract Lines** section of the page.
2.	Click the **Contract Terms** link within the **Contract Terms** column. 

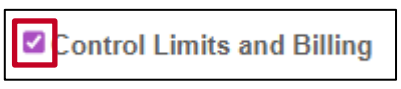
Step	Action
	The **Contract Terms** page displays with the **Contracts Amounts** tab displayed by default for the selected Contract Line.



	The **Start Date** and **End Date** fields within the **Period of Performance** section default from the dates entered on the Contract Line.



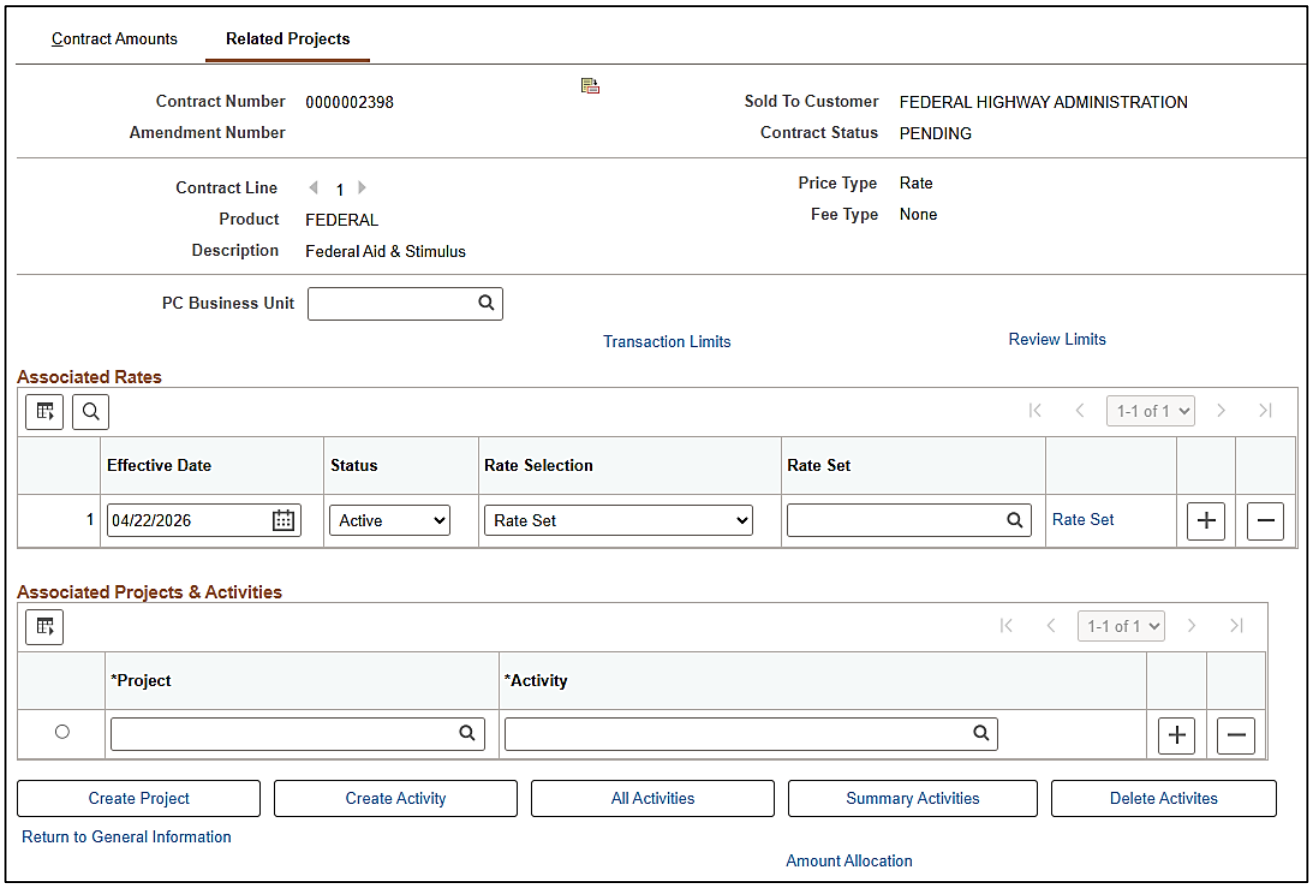
3.	Select the **Control Limits and Billing** checkbox option.

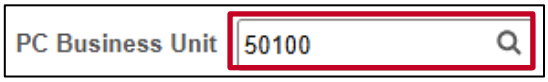


4.	Click the **Related Projects** tab.

Step	Action

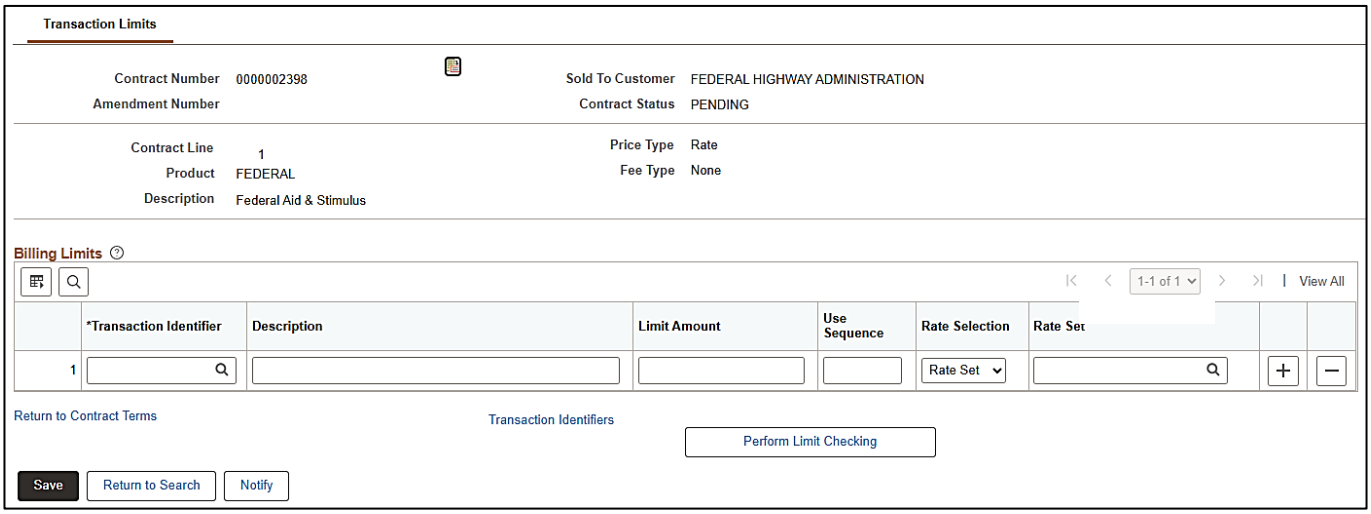
The **Related Projects** page displays.

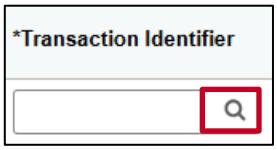
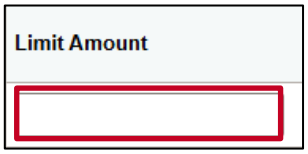
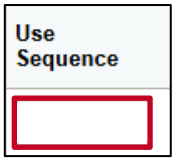
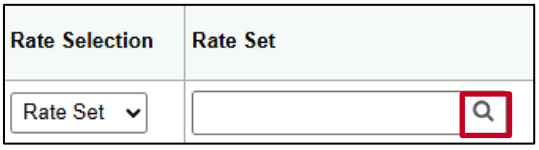
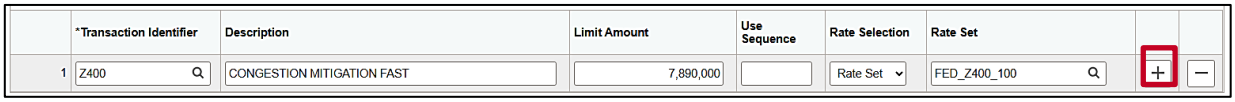


5.	Click the **PC Business Unit Look up** icon and select the applicable Business Unit. 
6.	Click the **Save** button.
7.	Click the **Transaction Limits** link.

Step	Action
	Transaction Identifiers and Rate Sets In Cardinal, only one Appropriation Code can bill at a time. When multiple Transaction Identifiers are listed, the user must determine the billing priority for the Contract Line. In other words, the user must determine which Appropriation Code bills first. The user should consult the **Source Type Priority** list for this information. When setting up the initial Contract, the Rate Set assigned "Use Sequence 1" should be the Rate Set that is linked on the **Contract Terms** page (**Related Projects** tab). If the Transaction Identifier is not in the dropdown menu, then a new Transaction Identifier, Source Type, Rate Set, and corresponding accounting rules will need to be created. To create these, see the Job Aid titled **PA Creating a New Rate Set - Structure Billing (VDOT Only)**. This Job Aid is located on the Cardinal website in **Job Aids** under **Learning**. If the Rate Set is not in the dropdown menu for a particular Transaction Identifier, then a new Rate Set will need to be created for that participation rate. To create a new Rate Set, see the Job Aid titled **PA Creating a New Rate Set - Structure Billing (VDOT Only)**. This Job Aid is located on the Cardinal website in **Job Aids** under **Learning**. If there is money allocated towards Advanced Construction Funds, use the Transaction Identifier "**0AW0**" and the Rate Set of "**ADC_0AW0**" with the appropriate participation rate. If all money on the Agreement is deemed Advanced Construction (i.e., no other Appropriation Codes are on the Agreement), the Advance Construction should be assigned "**Use Sequence 1**". Otherwise, all Advance Construction funds should be designated the highest Use Sequence Number that can be assigned.

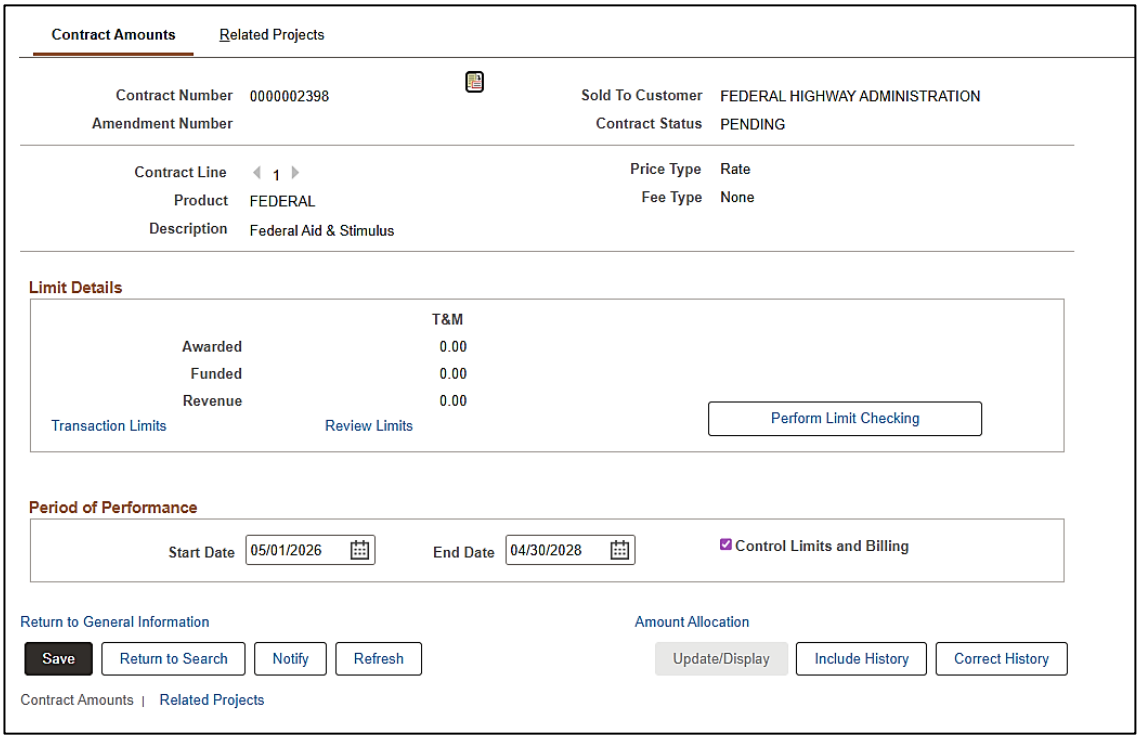
The **Transaction Limits** tab displays for the Contract Line.



Step	Action
8.	Click the **Transaction Identifier Look up** icon and select the applicable Federal Appropriation Code from the Federal Agreement. The **Description** field will automatically populate once selected. 
9.	Enter the Limit Amount (i.e., Federal Funds Under Agreement) from the Federal Agreement in the **Limit Amount** field. 
10.	Enter the appropriate Use Sequence Number (based on the Source Type Priority List) in the **Use Sequence** field. **Note**: ADC Rate Sets will be assigned using the highest Use Sequence Number. 
11.	Click the **Rate Set Look up** icon and select the appropriate Rate Set. The Rate Set will contain the participation rate identified on the Federal Agreement. 
	Non-structure Rate Sets are defined with a prefix of “FED” followed by the Transaction Identifier_Participation Rate (e.g., FED_L28R_90). Structure Rate Sets are defined by Contract Number_Transaction Identifier_Participation Rate (e.g., 0184008_L28R_80).
	Use the **Add a New Row** (**+**) icon to add additional rows if there are multiple Transaction Identifiers and repeat these steps. 

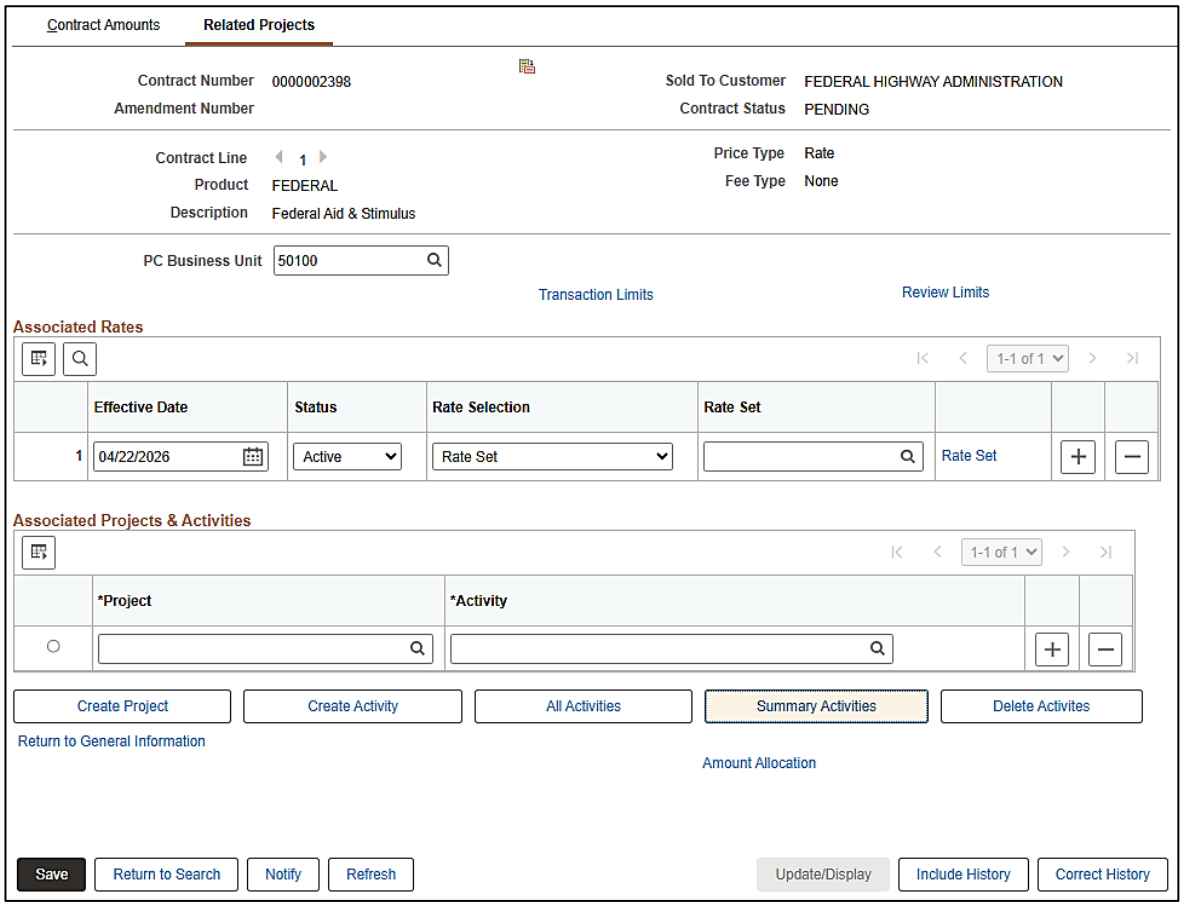
Step	Action
12.	Click the **Save** button.
13.	Click the **Return to Contract Terms** link.

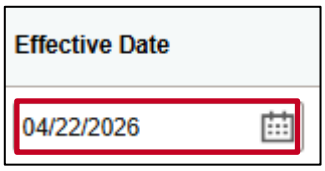
The **Contract Terms** page displays with the **Contract Amounts** tab displayed by default.

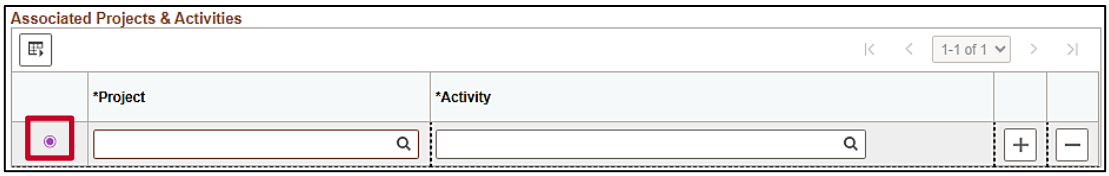


14.	Click the **Related Projects** tab.

Step	Action
	The **Related Projects** page displays.

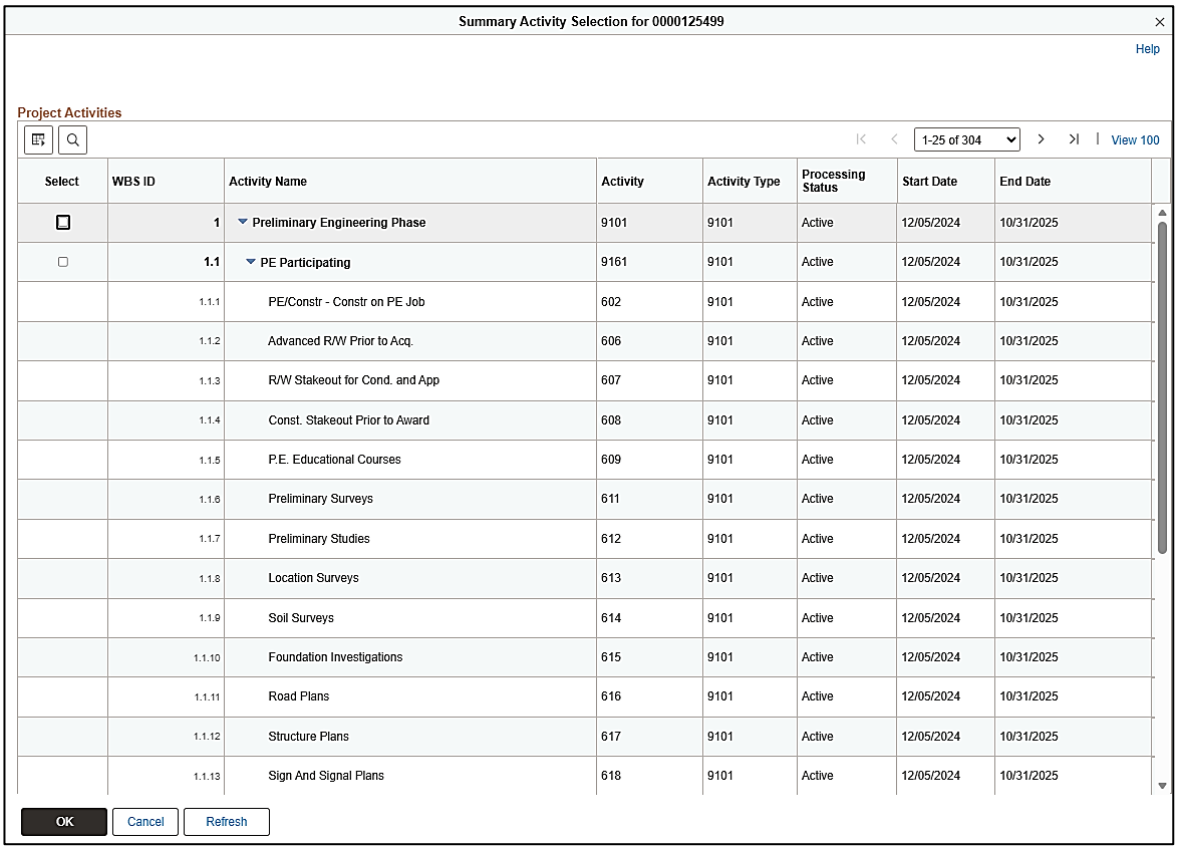


15.	The **Effective Date** field in the **Associated Rates** section defaults to the current date. Update this date as needed to the Effective Date of Authorization from the Federal Agreement using the **Effective Date Calendar** icon. 
16.	Enter the Rate Set assigned in the **Use Sequence** field on the **Transaction Limits** page in the **Rate Set** field or use the **Rate Set Look up** icon to locate and select the Rate Set.

Step	Action
17.	Select the **Select** radio button option for the first row in the **Associated Projects & Activities** section. 
18.	Click the **Project Look up** icon and select the Project Number from the Federal Agreement.
19.	Click the **Summary Activities** button.

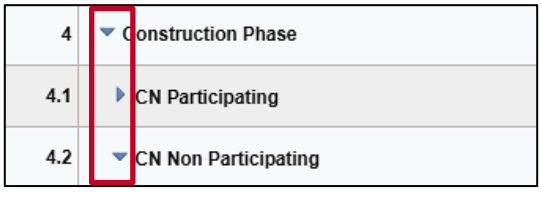
Step	Action

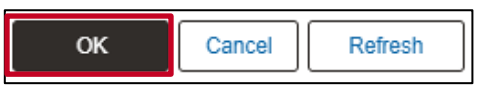
The **Summary Activity Selection** page displays in a pop-up window.



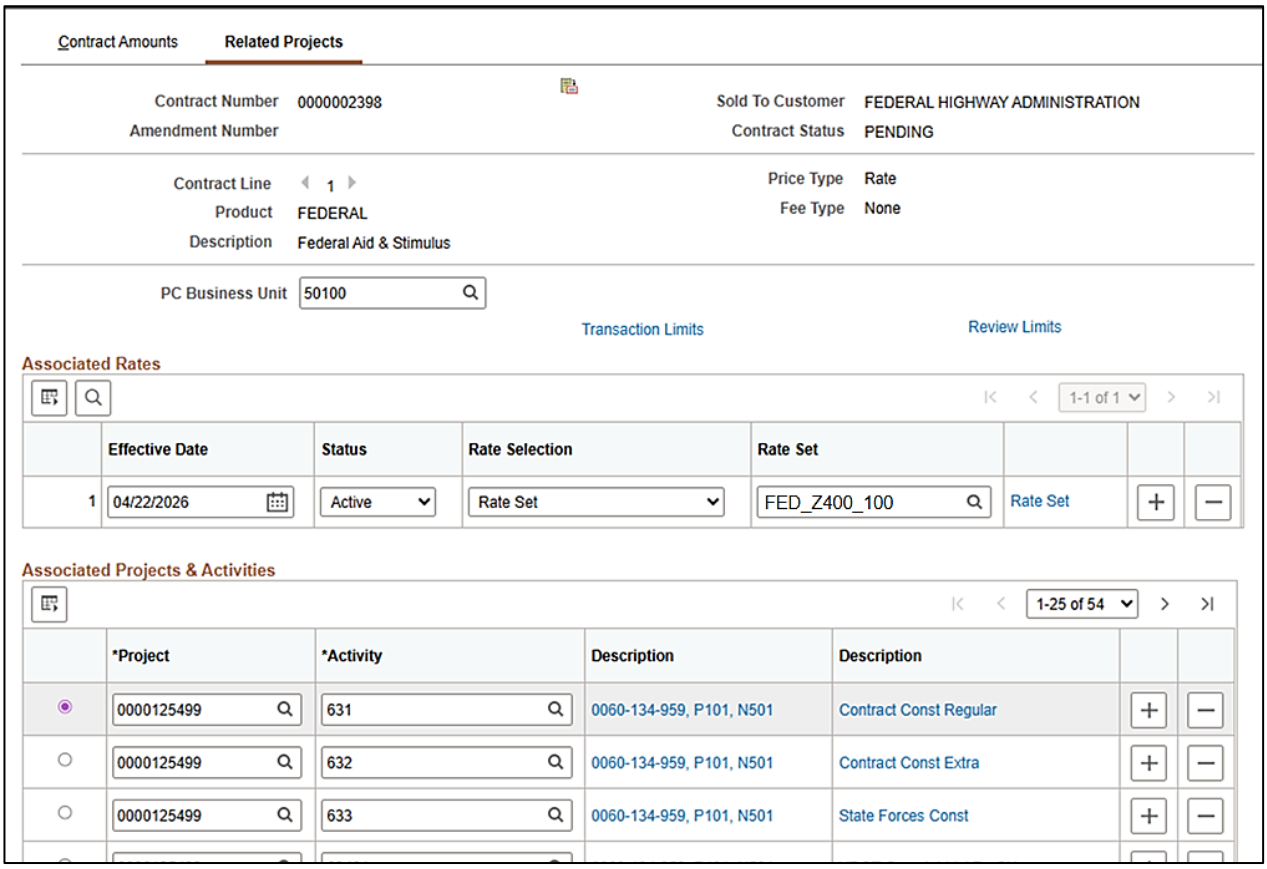
Select	WBS ID	Activity Name	Activity	Activity Type	Processing Status	Start Date	End Date
☐	1	Preliminary Engineering Phase	9101	9101	Active	12/05/2024	10/31/2025
☐	1.1	PE Participating	9161	9101	Active	12/05/2024	10/31/2025
	1.1.1	PE/Constr - Constr on PE Job	602	9101	Active	12/05/2024	10/31/2025
	1.1.2	Advanced R/W Prior to Acq.	606	9101	Active	12/05/2024	10/31/2025
	1.1.3	R/W Stakeout for Cond. and App	607	9101	Active	12/05/2024	10/31/2025
	1.1.4	Const. Stakeout Prior to Award	608	9101	Active	12/05/2024	10/31/2025
	1.1.5	P.E. Educational Courses	609	9101	Active	12/05/2024	10/31/2025
	1.1.6	Preliminary Surveys	611	9101	Active	12/05/2024	10/31/2025
	1.1.7	Preliminary Studies	612	9101	Active	12/05/2024	10/31/2025
	1.1.8	Location Surveys	613	9101	Active	12/05/2024	10/31/2025
	1.1.9	Soil Surveys	614	9101	Active	12/05/2024	10/31/2025
	1.1.10	Foundation Investigations	615	9101	Active	12/05/2024	10/31/2025
	1.1.11	Road Plans	616	9101	Active	12/05/2024	10/31/2025
	1.1.12	Structure Plans	617	9101	Active	12/05/2024	10/31/2025
	1.1.13	Sign And Signal Plans	618	9101	Active	12/05/2024	10/31/2025

20.	Select the **Select** checkbox option associated with the Activity Name for the Phase that includes Activities that need to be added.		
21.	Use the **Expand** or **Collapse** icons to expand or collapse Phases as needed.		
22.	Click the **OK** button.		





Step	Action
	The **Related Projects** page redisplays.



23.	Click the **Save** button.
24.	Sign and date the paper copy of the Federal Agreement and pass it on to be reviewed.

Overview of the Review Process

Upon completion of the Contract data entry, the Contract should be reviewed by another user. The reviewer should specifically:

- **Customer ID**: Verify that the Customer ID is correct. If incorrect, submit a helpdesk ticket to have it updated.
- **Contract Start Date**: Ensure that the date was changed to the Federal Authorization date (i.e., the date the Contract was signed).

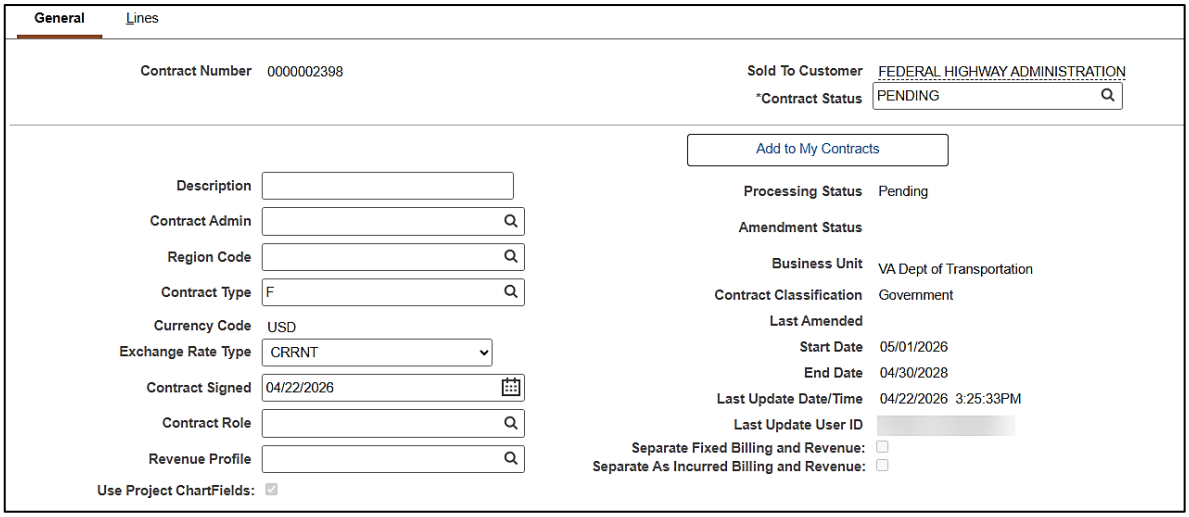
- **Proposal ID**: Verify the amount entered in this field equals the Total Authorized for the Project plus any Advance Construction Funds. Additionally, verify that the value was entered using the proper currency format.
- **Legal Entity**: Verify that the correct designation was entered/selected.
- **Federal Region Code**:
  - Verify that “03” was entered as the Federal Region Code except for Contracts where all the Appropriation Codes are for Federal Lands. In these cases, verify that the Federal Region Code is “15”.
  - If there are two Contract Lines on the Contract (one with standard Appropriation Codes and the other with Federal Lands Appropriation Codes), validate that the Federal Region Code for the Contract Line that is billing is the one assigned on the **General Information** page.
- **Related Projects**:
  - Verify that the correct Project(s) and Activities (i.e., Phase(s)) are assigned.
  - Verify that the correct number of Activities is listed.
  - Verify that the Effective Date and Rate Set are correct.
- **Transaction Identifiers**:
  - Verify that the Transaction Identifiers and Limit Amounts (i.e., Transaction Limits) are entered correctly.
  - Verify that the Use Sequence Numbers match the order in which the most recent Source Type Priority List specifies.

Activating a Contract

To activate the Contract, return to the **General** tab of the **General Information** page.

This section of the Job Aid begins on the **General Information** page (**General** tab). For information and the navigation used to get to this tab, refer to the Entering Contract General Information section of this Job Aid.

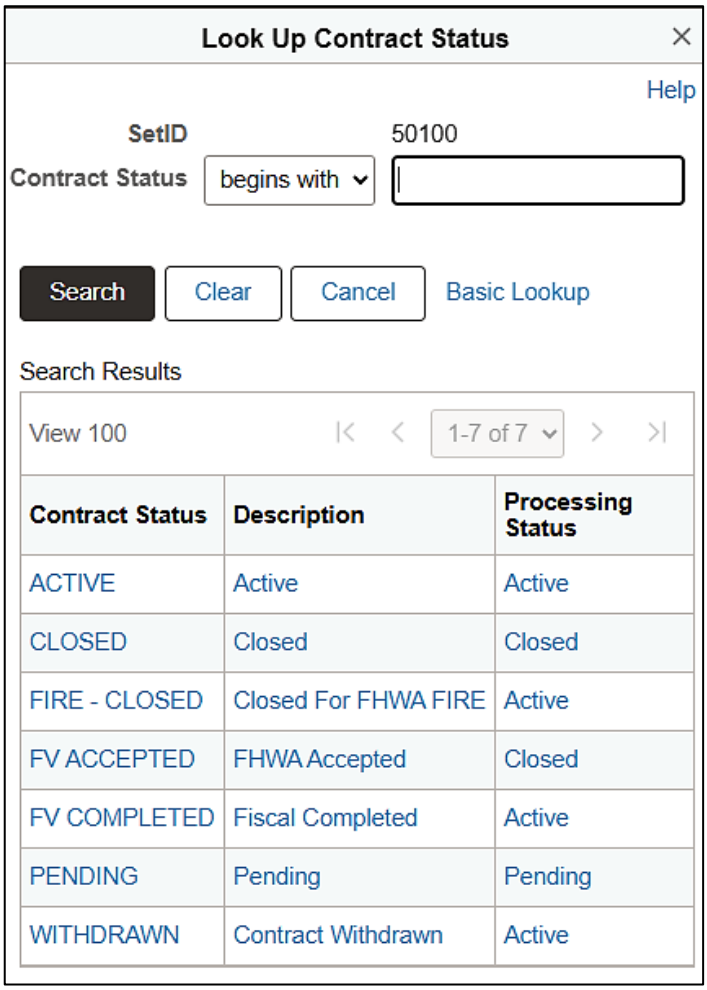
Step	Action
	The **General Information** page displays with the **General** tab displayed by default.



1.	Click the **Contract Status Look up** icon.

Step	Action

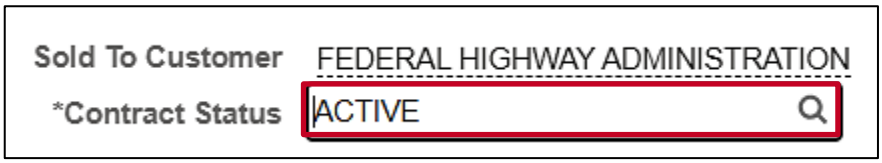
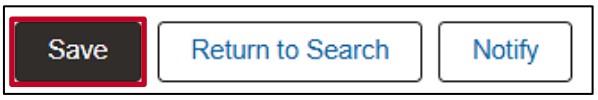
The **Look Up Contract Status** page displays in a pop-up window.



Contract Status	Description	Processing Status
ACTIVE	Active	Active
CLOSED	Closed	Closed
FIRE - CLOSED	Closed For FHWA FIRE	Active
FV ACCEPTED	FHWA Accepted	Closed
FV COMPLETED	Fiscal Completed	Active
PENDING	Pending	Pending
WITHDRAWN	Contract Withdrawn	Active

2. Click the **ACTIVE** link within the **Contract Status** column.

Contract Status	Description	Processing Status
ACTIVE	Active	Active
CLOSED	Closed	Closed
FIRE - CLOSED	Closed For FHWA FIRE	Active

Step	Action
The **General** page redisplays, with the **Contract Status** field updated to “ACTIVE”. 	
3.	Click the **Save** button. 
	The **Amend Contract** button and **Amendments** tab are now available. At this point, most of the data fields cannot be modified without creating an Amendment to the Contract.