Vendor Due Diligence Checklist

Know who you're paying before you pay them. Use for new vendors and for any vendor handling money, data, or people for you.

IDENTITY

	YES	PARTLY	NO	N/A
Legal name, tax ID (Form W-9), and physical address are verified.	☐	☐	☐	☐
Business registration is confirmed with the Secretary of State.	☐	☐	☐	☐
Bank details are confirmed through a known contact, not the invoice.	☐	☐	☐	☐

RISK

	YES	PARTLY	NO	N/A
Conflicts of interest are checked (vendor ties to staff, board, or family).	☐	☐	☐	☐
Insurance certificates and licenses are current, if required.	☐	☐	☐	☐
Vendors with access to your data meet your security requirements.	☐	☐	☐	☐

CONTRACT AND MONITORING

	YES	PARTLY	NO	N/A
Written contract defines scope, price, and termination.	☐	☐	☐	☐
Pricing is compared to at least one alternative for larger purchases.	☐	☐	☐	☐
Vendor performance and spend are reviewed yearly.	☐	☐	☐	☐

RED FLAGS TO WATCH

- P.O. box only or residential address
- Vendor recommended and approved by the same person
- Pressure to pay quickly
- No contract for ongoing work

BEST PRACTICES

- Use a short vendor setup form
- Require a conflict disclosure from staff who choose vendors
- Review the top 20 vendors by spend every year

Need a hand putting this into action?

IAG tests vendor files against employee data to find conflicts and fake vendors.

Talk with an advisor: integrityadvisorygroup.org/contact

Educational resource, not legal, tax, or accounting advice. IAG provides consulting, investigation, mediation, and training services and is not a CPA firm or law firm.
integrityadvisorygroup.org · IAG opens for client services in 2028

© 2026 Integrity Advisory Group, LLC