

<b>SUBJECT:</b> Prompt Payment Compliance	<b>Effective Date:</b> 1-12-06	<b>Policy Number:</b> 3-208	
	<b>Supersedes:</b>	<b>Page</b> 1	<b>Of</b> 2
	<b>Responsible Authority:</b> University Controller		

**APPLICABILITY/ACCOUNTABILITY:**

This policy applies to all University of Central Florida personnel authorized to approve or process vendor payments.

**POLICY STATEMENT:**

The University of Central Florida endeavors to be a responsible customer by paying its vendors within 30 days.

**DEFINITIONS:**

**Vendor Invoices.** An original invoice with invoice date, invoice number, purchase order number, the name and address of the entity to be paid, a description of deliverables, number of units, extended prices where applicable, payment terms, and discounts.

**PROCEDURES:**

Finance & Accounting will date stamp all invoices upon receipt. The prompt payment start date is the date of receipt of the original vendor invoice in Finance & Accounting or the date goods or services are received by the department, whichever is later. Departmental personnel must inspect goods or services and notify Finance & Accounting of the approval or disapproval of the vendor payment within 10 business days of the prompt payment start date. If the department receives the original invoice directly from the vendor, the department must approve or disapprove the invoice and forward it to Finance & Accounting within 10 business days.

**Vendor Payment:**

Upon receipt of the invoice and the appropriate approvals, Finance & Accounting will process the vendor payment. The period of time between the prompt payment start date and the date of the check or electronic payment should not exceed 30 days.

**Payment Disapprovals:**

If the department disapproves payment, a detailed reason for the dispute must be provided at the time the disapproval is forwarded to Finance & Accounting. The start date for prompt payment of disputed items is the date the dispute is resolved positively.

Late Payment Penalty:

Upon request by the vendor, late payment penalties may be calculated by Finance & Accounting. The university will not pay a late payment penalty if any of the following circumstances apply:

- Late payment penalties of less than \$10.00.
- Payments to state agencies or other governmental entities within the State of Florida.
- Employee reimbursements dated more than 10 days after the date of the invoice or store receipt.
- Travel reimbursements submitted to Finance & Accounting more than 10 days after the travel completion date or when responses to requests for additional information by Finance & Accounting are provided after 5 business days.

RELATED INFORMATION:

The university's official invoice address is UCF, Finance & Accounting, 12424 Research Parkway, Suite 300, Orlando, FL 32826-3240.

INITIATING AUTHORITY: Vice President for Administration and Finance

POLICY APPROVAL (For use by the Office of the President)	
Policy Number: 3-208	
Initiating Authority: <u>Will F. Menck II</u>	Date: <u>1/17/06</u>
Policies and Procedures Review Committee Chair: <u>Leth Barnes</u>	Date: <u>1/12/06</u>
President or Designee: <u>John C. Hill</u>	Date: <u>1/17/06</u>