



STATE OF ILLINOIS
COMPTROLLER
JUDY BAAR TOPINKA

ACCOUNTING BULLETIN

TO: Fiscal Officers of All State Agencies

FROM: Steven L. Valasek, Assistant Comptroller - Operations

DATE: October 29, 2012

SUBJECT: Fiscal Limitation on Prompt Pay Interest Penalties - Public Act 97-0932

NUMBER: 187

Public Act 97-0932 amended the fiscal year limitation section in the State Finance Act (30 ILCS 105/25) for FY12 and FY13. The amendment gives agencies an option to pay FY12 prompt pay interest penalty from their FY13 appropriation and FY13 prompt pay interest penalty from their FY14 appropriation if they meet the criteria shown below.

Section 30 ILCS 105/25 (b 2.6) was amended as follows:

For fiscal years 2012 and 2013, interest penalties payable under the State Prompt Payment Act associated with a voucher for which payment is issued after June 30 may be paid out of the next fiscal year's appropriation. The future year appropriation must be for the same purpose and from the same fund as the original payment. An interest penalty voucher submitted against a future year appropriation must be submitted within 60 days after the issuance of the associated voucher, and the Comptroller must issue the interest payment within 60 days after acceptance of the interest voucher.

The following criteria must be met to pay interest payments in the following year:

- The warrant issue date for the original voucher must be after June 30.
- The prompt pay interest penalty voucher must be submitted to the Illinois Office of the Comptroller (IOC) within 60 days of the warrant issue date of the associated voucher.

- The appropriation used to pay the interest penalty must be for the same purpose and same fund as the associated voucher.

The IOC has established a new Detail Object Code (DOC) to process a prompt pay interest penalty voucher against a future year appropriation:

DOC 1995

INTEREST PENALTY – PROMPT PAYMENT ACT – FUTURE YEAR
Payment to vendors for interest penalty incurred pursuant to the State Prompt Payment Act paid out of the following year's appropriation. **R**

This DOC must be cited on all prompt pay interest penalty vouchers against a future year appropriation. Vouchers citing DOC 1995 must adhere to the requirements that apply to vouchers citing DOC 1991. This includes the PV Text requirements for DOC 1991.

The IOC has also changed the description of DOC 1991 as follows:

DOC 1991

INTEREST PENALTY – PROMPT PAYMENT ACT – CURRENT YEAR
Payment to vendors for interest penalty incurred pursuant to the State Prompt Payment Act paid out of the current year's appropriation. **R**

If you have any questions pertaining to this bulletin, please contact Thwyla Drury, Manager of the Voucher Control Section at (217) 782-3608. Agencies may access this and other Accounting, Payroll, and SAMS Bulletins on the Comptroller's website at www.ioc.state.il.us under Resource Library.