



STATE OF ILLINOIS
COMPTROLLER
SUSANA A. MENDOZA

ACCOUNTING BULLETIN

TO: Fiscal Officers of All State Agencies

FROM: Ellen Andres, Assistant Comptroller - Operations

DATE: June 24, 2019

SUBJECT: Prompt Payment Interest Vouchers – Public Act 101-0010

NUMBER: 227

Public Act 101-0010 amended the fiscal year limitation section in the State Finance Act for fiscal years 2018, 2019, and 2020. The law became effective June 5, 2019. The State Finance Act was amended as follows:

30 ILCS 105/25

Sec. (b-2.7) For fiscal years 2012, 2013, ~~and 2014~~, 2018, 2019, and 2020, 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, except that, for fiscal year 2018 only, an interest penalty voucher submitted against a future year appropriation must be submitted within 60 days of the effective date of this amendatory Act of the 101st General Assembly. ~~The and the~~ Comptroller must issue the interest payment within 60 days after the acceptance of the interest voucher.

Agencies should use detail object code (DOC) 1995 to process prompt pay interest penalty vouchers against a future year appropriation. Vouchers citing DOC 1995 must adhere to the requirements that apply to vouchers citing 1991, including the PV Text requirements.

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 a future year appropriation. **R**

Fiscal Years 2018, 2019, and 2020: The following criteria must be met to pay interest payments from a future year appropriation.

- The warrant issue date for the original voucher must be after June 30 of the voucher fiscal year.
- The prompt pay interest penalty voucher must be submitted to the IOC within 60 days of the warrant issue date of the associated voucher (not applicable to FY18).
- The appropriation used to pay the interest penalty must be for the same purpose and same fund as the associated voucher. Some agencies were given separate lines for prompt payment interest in FY20. These lines will meet the criteria.
- All transactions submitted on a file must be from the same fiscal year.
- If you have appropriations that allow for prior year spending, use DOC 1991 for Prompt Pay Interest expenditures.
- Refer to Accounting Bulletin 169 for procedures to consolidate prompt pay interest penalties that are due to the same vendor.

For Fiscal Year 2018 Only: For FY18 only, prompt payment interest vouchers citing a future year appropriation must be received at the IOC by August 5, 2019 (60 days from the effective date of the law).

We are currently making system updates to SAMS to accommodate these changes to the State Finance Act. Please do not send any prompt payment interest vouchers citing DOC 1995 until **July 1, 2019**. The files will reject before this date.

If you have any questions concerning this Accounting Bulletin, please contact Karla Grigsby at (217) 782-3608. Agencies may access this and other Accounting and Payroll Bulletins on the IOC website at <http://www.illinoiscomptroller.gov/agencies>.