

215.442 – Payments, warrants, and invoices; processing time limits; dispute resolution; agency or judicial branch compliance-

Background and Rationale for Recommendation:

Section 215.422(16) requires agencies to pay interest penalty amounts assessed due to invoices not paid in compliance with Section 215.422 requirements to pay those amounts from the original appropriation charged. It is not always possible to pay interest from the same appropriation as the original payment due to timing or allowability. For example, if the payment was incurred in the prior year, the payment may have been certified forward, but interest would not have been known at that time. Also, interest penalty fees are unallowable costs for federal grants. The recommendation is to add language to allow the interest payment to be made from available and allowable appropriation.

Recommended Revisions to 215.422(16):

(16) Nothing contained in this section shall be construed to be an appropriation. Any interest which becomes due and owing pursuant to this section ~~shall only~~ should be ~~payable~~ paid from the appropriation charged for such goods or services or from an available and allowable appropriation for such charges.