



## Prompt Payment Policy

### APPENDIX B, OF THE PROCUREMENT MANUAL, VERSION 4

Next Review: Annual  
Owner: Governance Committee

Accepted by the Governance Committee on August 01, 2019, whose Meeting Minutes were Approved by the full Board of Commissioners on October 03, 2019.

In accordance with Section 2880 of the New York Public Authorities Law, RGRTA has developed the following rules and regulations detailing its prompt payment policy.

#### 1.0. Requesting a Payment

The Contractor may submit an invoice for goods and/or services only after receiving a Purchase Order from RGRTA and providing the goods and/ services contracted for. A proper invoice submitted by the Contractor shall be required to initiate any payment, except where the Contract provides that the Contractor will be paid at predetermined intervals.

#### 2.0. Schedule for Making a Payment

RGRTA will make payment on the properly submitted invoice within thirty (30) days of receipt of a complete and proper invoice. Interest will be paid when prompt payment is not made; interest shall be computed at the rate equal to the overpayment rate set by the commissioner of taxation and finance

#### 3.0. Conditions Which Justify an Extension of the Payment Date:

- A. In the opinion of RGRTA, the following conditions may reasonably justify extension of the date by which Contract payment must be made:
  - (i). When, in accordance with specific statutory or Contractual provisions, payment must be preceded by an inspection period or by an audit to determine the resources applied or used by a Contractor in fulfilling the terms of the Contract
  - (ii). When the necessary governmental appropriation required authorizing payment has yet to be enacted
  - (iii). When the invoice must be examined by the federal or state government prior to payment
  - (iv). When RGRTA has notified the CONTRACTOR within fifteen (15) calendar days after receipt of an invoice at its designated payment office to notify the Contractor that there are Defects in the delivered goods or services; Defects in the invoice; or Suspected improprieties of any kind, and the existence of such defects or improprieties shall prevent the commencement of the time period for computing interest.
- B. In the event RGRTA fails to notify a Contractor of such defects within fifteen (15) calendar days of receiving the invoice, the number of days allowed for payment of a properly corrected invoice will be reduced by the number of days between the fifteenth (15th) day and the day that notification of said defect was actually transmitted to the Contractor. If RGRTA, in such situations, fails to provide reasonable grounds for its contention that a defect or impropriety exists, the date by which the Contract payment must be made in order for RGRTA not to become liable for interest payments shall be calculated from the date of receipt of an invoice.

**4.0. Inapplicability**

- A. These procedures shall not apply to payments due and owing by RGRTA:
- (i). Under New York's Eminent Domain Procedure Law; and
  - (ii). As interest allowed on judgments rendered by a court pursuant to any provision of law other than those contained in this procedure; and
  - (iii). To the Federal government, to any state agency or its instrumentalities, to any duly constituted unit of local government, including but not limited to counties, cities, towns, villages, school districts, special districts, or any of their related instrumentalities, to any other public authority or public benefit corporation, or to any employees of the foregoing when acting in, or incidental to, their public employment capacity; and
  - (iv). In situations where RGRTA exercises a legally authorized set-off against all or part of the payment due the Contractor.