

## Payment Procedures

11.09  
(09-17-04)

## Payment Due

11.09-1

A payment owed by Windham on a contract executed on or after September 1, 1987, is due not later than the 30th calendar day after the day on which the department received supplies, materials, or equipment, or the day on which the performance of services was completed, or the day on which the department received the invoice for the supplies, materials, equipment, or services, whichever is later.

## Exceptions

11.09-1.1

The payment provisions set out above do not apply to payments made by the department or vendor in the event:

1. The terms of a contract specify other times and methods of payment; or
2. There is a bona-fide dispute between a vendor and a subcontractor or between a subcontractor and its supplier concerning the supplies, materials, or equipment delivered or the services performed which causes the payment to be late; or
3. The terms of a federal contract, grant, regulation, or statute prevent the department from making a timely payment with federal funds; or
4. The invoice is not mailed to the addressee in strict accordance with instructions, if any, on the purchase order covering said payment.

## Interest

11.09-1.2

If a payment is not made within the period specified in this policy, the payment is overdue and subject to interest. This interest accrues and is charged beginning on the day after the payment is due and accrues at the rate of one percent per month. The interest ceases to accrue on the date that the payment is mailed by the department. A payment is considered mailed on the date the payment is postmarked or electronically transmitted to the vendor's financial institution. If partial payment is made within the period specified, the unpaid balance accrues interest unless the balance is in dispute.

## Disputed Payments

11.09-1.3

If the department believes there is an error in an invoice submitted for payment, the department shall notify the vendor no later than the 21st day after the date on which the invoice is received. If the dispute is resolved in favor of the vendor, the vendor shall receive interest on all invoices for which payment has not been received within the applicable time period from the date on which the payment first becomes overdue. If the dispute is resolved in favor of the department, the vendor who submitted the original invoice shall submit a corrected invoice and the corrected invoice shall be paid by the appropriate date or interest begins to accrue.

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Early Payment Discounts

11.09-1.4

No early payment discount offered by a vendor shall be taken by the department unless full payment is made within the discount period. In the event a discount is taken later, interest shall accrue on the unpaid balance from the day the discount offer expired.

Check Signing Authorities

11.09-2

All checks for both Windham Regular & Special Funds shall be signed by the Chief Financial Officer (Director of Administrative and Business Services). In addition, any check in the amount of \$10,000 or more must have the signature of the Chief Financial Officer (Director of Administrative and Business Services) and the Windham Director of Business. The signature of the Windham Director of Business is accepted in the absence of the Chief Financial Officer.