

Prompt Pay

- The Commonwealth's Prompt Payment Act requires that the University pay vendors:
 - 30 days after receipt of a proper invoice, or
 - 30 days after receipt of the goods/services (whichever date is later)
 - Proper invoice requires a PO number.
 - The PO must be issued *in advance* so vendor can include the PO number on their resulting invoices.



Prompt Pay Requirements

- Campus requirements to meet prompt payment dates:
 - Ensure PO is issued ***prior*** to purchase of goods/services
 - Recurring services:
 - Issue blanket PO for fiscal year.
- Ensure timely completion of eReceiving
 - Medical campus:
 - Notify eReceiving of acceptance of goods/services
 - Ensure you reference the PO number to be eReceived, and the corresponding line item (if appropriate)
 - Main Campus:
 - Complete eReceiver no later than 3 business days after receipt of goods/services
 - Don't need to wait until AP reaches out with an invoice.
 - Complete the eReceiver within 3 business days of receiving the goods/services.



Prompt Pay Requirements

Impact of timely completion of campus requirements

- Auditor of Public Accounts (APA) issued a finding related to Prompt Pay for FY24
 - Delayed payments identified were the result of:
 - Invoices being sent to department and not submitted to AP in a timely manner.
 - Lack of timely completion of eReceiver
 - eReceiver: confirms acceptance of goods/ services and authorizes payment processing.
 - Reminders:
 - Issue PO prior to order.
 - Complete eReceiver in timely manner (within 3 days of receipt of goods/services)
 - Due to impact to meeting Prompt Pay requirements, non-compliance will be documented for outreach and refresher training, as needed.



Purchase Order Management

- Purchase Orders:
 - Includes appropriate workflow review to ensure the purchase is properly approved
 - The PO authorizes the vendor to proceed with providing the goods/services.
- Recurring services:
 - Issue blanket PO for fiscal year.
- Open PO Encumbrance Management
 - PO's where goods/services have been fully received and invoices paid, but PO has remaining balance encumbered.
 - If remaining balance, process a change order in eVA to reduce open encumbrance amount.
 - Returns funds to Org code
 - Reduces the eVA fee for both the vendor and the University
 - FGIOENC: Open encumbrances can be viewed by Org code

