

Prompt Payment Compliance

The *Code of Virginia* requires that State agencies and institutions pay for goods and services by the required payment due date. The reporting required by the *Code of Virginia* §2.2-4356 is being met by the information presented here. This section details the number and dollar amounts of late payments by secretarial area, institutions and

agencies, and the total amount of interest paid. Agencies and institutions that process 50 or more vendor payments during a quarter are reported as not meeting Prompt Pay requirements if fewer than 95 percent of their payments are processed by the required due date.

Statewide Prompt Payment Performance Statistics

	Quarter Ended June 30, 2010		Fiscal Year 2010 To-Date		Comparative Quarter Ended June 30, 2009	
	Late	Total	Late	Total	Late	Total
Number of Payments	4,905	600,878	22,302	2,273,196	5,546	600,703
Dollars (in thousands) \$	34,817	\$ 1,559,790	\$ 141,148	\$ 6,117,983	\$ 36,453	\$ 1,656,428
Interest Paid on Late Payments				\$8,358		
Current Quarter Percentage of Payments in Compliance				99.2%		
Fiscal Year-to-Date Percentage of Payments in Compliance				99.0%		
Comparative Fiscal Year 2009 Percentage of Payments in Compliance						99.1%



Prompt Payment Performance by Secretarial Area
Quarter Ended June 30, 2010

Secretarial Area	Payments in Compliance	Dollars in Compliance
Administration	99.9%	99.5%
Agriculture and Forestry	99.5%	97.9%
Commerce and Trade	98.9%	99.5%
Education*	99.2%	98.4%
Executive Offices	98.7%	96.8%
Finance	99.8%	86.5%
Health and Human Resources	99.3%	98.0%
Independent Agencies	99.1%	98.8%
Judicial	99.9%	99.9%
Legislative	99.8%	99.0%
Natural Resources	99.5%	97.5%
Public Safety	99.4%	97.8%
Technology	99.9%	99.9%
Transportation*	98.1%	92.9%
Statewide	99.2%	97.8%

Prompt Payment Performance by Secretarial Area
Fiscal Year 2010

Secretarial Area	Payments in Compliance	Dollars in Compliance
Administration	99.6%	99.3%
Agriculture and Forestry	99.7%	98.7%
Commerce and Trade	98.4%	96.7%
Education *	98.9%	97.7%
Executive Offices	98.9%	93.4%
Finance	99.7%	84.7%
Health and Human Resources	99.2%	98.0%
Independent Agencies	98.8%	98.5%
Judicial	99.9%	99.9%
Legislative	99.9%	99.0%
Natural Resources	99.2%	97.5%
Public Safety	99.6%	98.9%
Technology	99.8%	99.9%
Transportation*	98.6%	95.3%
Statewide	99.0%	97.7%

* Statistics include those provided independently by Virginia Port Authority, Virginia Polytechnic Institute and State University, University of Virginia, Radford University, James Madison University, Old Dominion University, Virginia Commonwealth University, George Mason University, The College of William and Mary in Virginia, the Virginia Institute of Marine Science, and the University of Mary Washington may include local payments. These agencies and institutions are decentralized for vendor payment processing.

For the quarter ended June 30, 2010, the following agencies that processed more than 50 vendor payments during the quarter were

below the 95 percent prompt payment performance standard.

**Prompt Payment Compliance Rate
Agencies Below 95 Percent
Quarter Ended June 30, 2010**

<u>Agency</u>	<u>Late Payments</u>	<u>Total Payments</u>	<u>Payments in Compliance</u>
Education			
Frontier Culture Museum of Virginia	18	234	92.3%
Gunston Hall	6	89	93.3%
Health and Human Resources			
Department of Behavioral Health and Developmental Services - Grants to Localities	11	196	94.4%
Public Safety			
Department of Military Affairs	153	2,548	94.0%

For FY 2010, the following agencies that processed more than 200 vendor payments

during the year were below the 95 percent prompt payment performance standard.

**Prompt Payment Compliance Rate
Agencies Below 95 Percent
Fiscal Year 2010**

<u>Agency</u>	<u>Late Payments</u>	<u>Total Payments</u>	<u>Payments in Compliance</u>
Education			
Eastern Shore Community College *	60	717	91.6%
New College Institute	15	237	93.7%
Independent Agencies			
Virginia Office for Protection and Advocacy *	28	445	93.7%
Administration			
State Board of Elections **	34	487	93.0%

* Eastern Shore Community College and the Virginia Office for Protection and Advocacy had difficulties with SPCC payments being made on a timely basis. Both agencies indicate they will strive to improve this process in the future to bring their prompt payment standards to appropriate levels.

** State Board of Elections (SBE) often fails to process payment transactions and deliver associated supporting documentation on a timely basis. SBE reports that they will take corrective action to bring their prompt payment compliance level up to acceptable standards.