



## 5.14 Bureaus May, When Reasonable, Charge Prompt Pay Interest Penalties to Program Offices

Bureaus will follow the policies and procedures as described in the Department's Cash Management Policies and Procedures Handbook, Appendix F Prompt Pay Requirements, Section 9.0 Late Payment Interest Penalties (Page F-12) at <http://www.osec.doc.gov/ofm/whatsnew.htm> :

“When an organization unit fails to make payments when due, interest penalties will be paid pursuant to the guidelines provided below. Organization units will pay such interest penalties without the need for Payees to request them. Organization units shall pay interest out of funds made available for the administration or operation of the program for which the penalty was incurred. Bureaus may, **when reasonable**, charge interest penalties back to the applicable program office(s).”

### Examples

**Example:** (Not applicable)

### Sources

**1. Source:** AP BPR Recommendation 4.6.3 Invoice Aging

**Document ID:** Accounts Payable Standardization and Optimization Business Process Re-Engineering Analysis (Accounts Payable BPR Analysis 2007 v3.0.doc)

**Publication Date:** August 28, 2007

**2. Source:** AP BPR Phase II Recommendation 2.28.1.3 Invoice Aging

**Document ID:** Department of Commerce AP BPR Phase II Results Documentation (AP\_BPR\_Results\_Final\_v1.5.doc)

**Publication Date:** April 30, 2008

**3. Source:** 8. AP BPR 4.28.2.3 Charge Prompt Pay to Program Offices

**Document ID:** AP BPR Implementation Status as of 09-13-10.xls

**Publication Date:** September 13, 2010