



New York State Comptroller
THOMAS P. DINAPOLI

Prompt Payment Interest Report

State Fiscal Year 2021-22

May 2022

Introduction

Article 11-A of State Finance Law was enacted to ensure contractors doing business with New York State are paid in a timely manner. The law prescribes timeframes for agencies to prepare and submit vouchers to the Office of the State Comptroller (OSC) for review and approval before payment. Generally, the timeframe is 30 days from the date goods or services are provided and an invoice is received. However, for eligible small businesses that agree to use the State's electronic means of receiving invoices and making payments, the timeframe is reduced to 15 days. If an agency misses the deadline, interest accrues until the payment is made.

Annually, OSC reports on late payments and interest paid by agencies, including the number of days in which payments were late, as well as the causes reported by agencies for delays, as required by State Finance Law Section 179-m(3). For State Fiscal Year (SFY) 2021-22, agencies paid vendors \$1,005,376 in interest, a decrease of \$445,842 (approximately 31 percent) from SFY 2020-21. OSC consistently processed vouchers in less time than allotted under the State Finance Law. In doing so, it prevented an estimated \$248,831 in additional prompt payment interest charges that would have otherwise been owed.

Prompt Payment Interest

Top Ten Agencies with the Highest Interest Paid in SFY 2021-22 Compared to the Prior Fiscal Year

Agency Name	SFY 2021-22	SFY 2020-21	Change
Department of Health	\$262,523	\$720,790	-63.58%
Department of Transportation	245,379	100,440	144.30%
State University of New York	95,701	59,376	61.18%
Department of Corrections & Community Supervision	72,903	49,100	48.48%
Office of Information Technology Services	57,366	65,839	-12.87%
Office of Mental Health	30,985	58,030	-46.61%
State Education Department	30,398	93,653	-67.54%
Office of General Services	29,406	33,638	-12.58%
Department of Environmental Conservation – Oil Spill	28,696	35,679	-19.57%
Department of Environmental Conservation	22,809	72,373	-68.48%
Subtotal	\$876,166	\$1,288,918	-32.02%
All Other State Agencies	129,210	162,300	-20.39%
Statewide Total	\$1,005,376	\$1,451,218	-30.72%

Reasons for Interest Payments

April 1, 2021 through March 31, 2022

Reason for Interest	Amount of Interest Paid	Number of Interest Payments
Agency Backlog/Processing Delay	\$284,573	196
Delay in Encumbrance Processing	147,974	60
System Processing	16,519	10
Agency Data Entry Error	5,518	2
Agency Did Not Report Interest Reason	1,264	2
Various Reasons – Interest Under \$500*	549,528	11,133
	\$1,005,376	11,403

**This category is the aggregate of interest on vouchers where the interest was less than \$500 per voucher.*

Prompt Payment Interest by Agency

April 1, 2021 through March 31, 2022

Agency Name	Total Number of Days to Process All Late Payments ¹	Number of Interest Chargeable Days ²	Number of Interest Payments ³	Amount of Interest Paid ⁴
Department of Health	461,746	410,146	1,730	\$262,523
Department of Transportation	115,667	70,802	1,514	245,379
State University of New York	236,930	156,140	2,698	95,701
Department of Corrections & Community Supervision	152,275	94,900	1,916	72,903
Office of Information Technology Services	10,997	5,972	170	57,366
Office of Mental Health	55,976	36,731	639	30,985
State Education Department	46,222	33,802	413	30,398
Office of General Services	24,623	15,083	326	29,406
Department of Environmental Conservation – Oil Spill	7,723	3,433	143	28,696
Department of Environmental Conservation	25,672	18,262	247	22,809
Department of Agriculture and Markets	11,565	8,115	95	15,428
Office of Children & Family Services	45,707	39,107	220	13,515
Department of State	4,164	2,334	61	13,097
Division of Budget	298	208	3	11,159
Office for People with Developmental Disabilities	22,728	15,153	263	10,543
Department of Labor	9,913	6,823	103	7,792
Office of Parks, Recreation & Historic Preservation	3,795	1,845	65	5,897
Office of Temporary & Disability Assistance	2,018	938	35	5,462
Division of Homeland Security	1,705	805	30	5,170
Division of Military & Naval Affairs	9,841	7,531	77	4,811
Office for the Aging	632	242	15	4,343

Agency Name	Total Number of Days to Process All Late Payments ¹	Number of Interest Chargeable Days ²	Number of Interest Payments ³	Amount of Interest Paid ⁴
Division of Criminal Justice Services	2,355	1,035	44	3,976
Court Administration and General Support	4,156	2,086	69	3,932
Department of Law	13,258	9,508	125	3,607
Department of Motor Vehicles	3,092	1,952	39	3,275
Department of Financial Services	1,762	1,252	17	2,799
Higher Education Services Corporation	2,454	1,254	40	1,542
Department of Civil Service	543	123	12	1,461
Office of Victim Services	1,317	567	25	1,378
Courts of Original Jurisdiction	3,616	2,566	35	1,316
City University of New York	4,489	2,869	54	1,150
Board of Elections	2,379	1,629	25	1,056
Office of the State Comptroller	2,369	1,529	28	830
Division of State Police	1,048	448	20	685
Lake George Park Commission	577	352	9	646
Corcraft	859	439	14	477
Justice Center for the Protection of People with Special Needs	484	184	10	448
Office of Medicaid Inspector General	104	74	1	412
Office for the Prevention of Domestic Violence	686	356	11	392
Department of Taxation and Finance	358	118	8	370
Workers' Compensation Board	335	155	6	311
Gaming Commission	139	49	3	305
Governor's Traffic Safety Committee	336	96	8	292

Agency Name	Total Number of Days to Process All Late Payments ¹	Number of Interest Chargeable Days ²	Number of Interest Payments ³	Amount of Interest Paid ⁴
Division of Veterans' Affairs	653	503	6	225
Interest on Lawyer Account Fund	62	32	1	211
Office of Addiction Services and Supports	401	191	7	183
Senate	81	21	2	174
Department of Economic Development	50	20	1	131
Appellate Divisions	789	579	7	92
Commission on Judicial Conduct	354	324	1	77
Department of Public Service	576	456	4	73
Division of Housing & Community Renewal	65	35	1	42
Division of Human Rights	41	11	1	39
Public Employment Relations Board	416	326	3	34
Council on the Arts	158	128	1	27
Assembly	57	27	1	14
Division of Alcohol and Beverage Control	88	58	1	11
Total:			11,403	\$1,005,376

¹ The total number of days to process all payments that accrued interest. The number includes both days prior to the due date when a payment was not considered late, plus days after the due date when the payment was late and accruing interest.

² The total number of days for all payments made after the due date when the payment was considered late and accruing interest.

³ The total number of interest payments made for transactions that were considered late and accrued interest.

⁴ The total amount of interest paid as a result of all late payments.

Contact

Office of the New York State Comptroller

110 State Street

Albany, New York 12236

(518) 474-4040

www.osc.state.ny.us

Prepared by the Office of Operations

Terri Crowley, Executive Deputy Comptroller, Office of Operations

Patty Warrington, Deputy Comptroller, Division of Contract and Expenditures

Holly Reilly, Director, Bureau of State Expenditures

Katie Mahoney, Assistant Director, Bureau of State Expenditures

