

## **BILL/ RESOLUTION REQUEST**

**1. Title:** Revises the prompt payment ordinance in order to align it with new business processes.

**2. Requesting Agency:** Department of Finance

**3. Contact Person *with actual knowledge of proposed ordinance***

**Name:** Bill Riedell

**Phone:** 720-913-4854

**Email:** william.riedell@hotmail.com

**4. Contact Person *with actual knowledge of proposed ordinance who will present the item at Mayor Council and who will be available for first and second reading, if necessary***

**Name:** Bill Riedell

**Phone:** 720-913-4854

**Email:** william.riedell@hotmail.com

**5. Describe the proposed ordinance, including what the proposed ordinance is intended to accomplish, who's involved**

**a. Scope of Work**

This ordinance is to revise the current prompt payment ordinance in order to align it with new business processes. Accounts payable were previously entered by agencies and audited by the Controller's Office. Beginning in September of 2010, all accounts payable are now entered directly by the Controller's Office. The revisions to the ordinance allow for more flexibility in determining which City agency is responsible for any prompt payment penalties. These changes will not impact any prompt payment penalties due to vendors. In addition, the revisions include the establishment of a \$50.00 minimum prompt payment penalty. Prompt Payment penalties less than \$50.00 would not be paid out. The establishment of a minimum prompt payment penalty is the result of feedback from vendors. Many vendors have stated it costs more to process small dollar prompt payment penalties than the penalties themselves. After discussions with vendors, it was determined that \$50.00 is an appropriate minimum.

**b. Duration**

N/A

**c. Location**

Citywide

**d. Affected Council District**

Citywide

**e. Benefits**

Aligns prompt pay ordinance and business process. No financial benefits.

**f. Costs**

No.

**6. Is there any controversy surrounding this ordinance, groups or individuals who may have concerns about it? Please explain.**

There is no known controversy surrounding this ordinance. The revisions to the current prompt payment ordinance have been discussed with agencies, the Auditor's Office, and vendors.

**Bill Request Number: BR12-0837**

**Date: 10/30/2012**