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U.S. Department of Housing and Urban Development

Prompt Payment Policy

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CHAPTER 1 – INTRODUCTION

- 1-1 PURPOSE.** This handbook details the Department’s policy for compliance with the Prompt Payment Act (Public Law 97-177), the Prompt Payment Final Rule (5 CFR Part 1315), the U.S. Department of Treasury Financial Management Service guidance on the Prompt Payment Final Rule, the Office of Management and Budget (OMB) Executive Memorandum M-11-32, Accelerating Payments to Small Businesses for Goods and Services, dated September 14, 2011, and OMB Executive Memorandum M-12-16, Providing Prompt Payment to Small Business Subcontractors, dated July 11, 2012.
- 1-2 APPLICABILITY.** All Departmental organizations involved in requisitioning, contracting, purchasing, receiving, inspecting, approving, certifying, and making payment for goods and services under HUD contracts shall comply with the provisions of Chapter 3 of this handbook. The specific responsibilities of each component are listed in this handbook.
- 1-3 OVERVIEW.**
- A. The Prompt Payment Final Rule requires Executive departments and agencies to pay commercial obligations within certain time periods (no later than 30 days after receipt of proper invoice unless specified by contract terms) and to pay interest penalties when payments are late. It requires the assessment of late interest penalties against agencies that pay vendors after a payment due date. The Final Rule also includes [formulas](#) for calculation of simple and compound interest.
 - B. OMB M-11-32 established a policy of the Executive Branch that, to the full extent permitted by law, agencies shall exercise their Prompt Payment Act authority to establish an earlier, accelerated date (within 15 days) for making payments to small business contractors; however, prompt payment interest penalties are not incurred until after 30 days. OMB M-12-16 amended this policy, encouraging agencies to make payments to all prime contractors as soon as practicable, consistent with the policy for small business prime contractors, and requiring agencies to encourage prime contractors to accelerate payment to small business subcontractors.

CHAPTER 2 – SCOPE and POLICY

2-1 SCOPE. The major types of payments that are subject to the Prompt Payment Act are fixed price and cost type contracts.

2-2 POLICY

A. Determining the payment due date for payments subject to the Prompt Payment Act is as follows:

Section 1315.4(f) of the Prompt Payment rule states that the period available to an agency to make a timely payment without incurring an interest penalty begins on the date of receipt by the designated billing office of a proper invoice.

1. Section 1315.4(b) of the rule provides that an invoice is deemed to be received on the later of 1) the date a proper invoice is received by an agency if the agency annotates the invoice with the date of receipt, or 2) the seventh day after the date in which goods are delivered or services completed, unless acceptance occurs earlier or if a longer acceptance period is specified in the contract. If the agency fails to annotate an invoice with the date of receipt of the invoice, the date placed on the invoice by the contractor is used to determine the start date for the payment period.
2. Unless otherwise specified, Section 1315.4(g) of the Prompt Payment rule states that payment is due on either 1) the date specified in the contract, 2) in accordance with discount terms when discounts are offered and taken, 3) in accordance with Accelerated Payment Methods, or 4) 30 days after the start of a payment period, when a proper invoice is received
3. For contractors categorized as “small businesses,” payments will be made within 15 days after the receipt of [proper] invoice date (per OMB M-11-32); however, prompt payment interest penalties are not incurred until after 30 days. On weekends and legal holidays, when Federal Government offices are closed and Government business is not expected to be conducted, payments falling due may be made on the following business day without incurring late payment interest penalties.
4. If an invoice is returned to the contractor no later than seven days after the receipt-of-invoice date as an improper invoice, the due date for a corrected or replacement invoice subsequently submitted by the contractor shall be calculated from the receipt-of-invoice date for the corrected or replacement invoice date as if the corrected or replacement invoice were a new invoice.
5. If the contractor is notified of a discrepancy in an invoice, the 30-day payment clock shall be stopped, and the due date adjusted accordingly, until the discrepancy is resolved. If the resolution of the discrepancy results in a decision to pay the

invoice either as submitted or as modified, the 30-day payment clock shall be re-started on the date that the discrepancy is resolved. (If the invoice is returned, follow the steps in number 5 as cited above).

- B. Consistent with the policy for small business prime contractors established in OMB M-11-32, invoice payments to all prime contractors should be made as soon as practicable, with a goal of paying all prime contractors within 15 days of receiving proper documentation (see OMB M-12-16). While this accelerated payment policy is in effect, all departmental organizations shall:
1. Take measures to ensure that prime contractors pay small business subcontractors on an accelerated timetable to the maximum extent practicable, and upon receipt of accelerated payments from the Government. This acceleration does not provide any new rights under the Prompt Payment Act and does not affect the application of the Prompt Payment Act late payment interest (see [FAR 32.009](#)); and
 2. Insert clause [FAR 52.232-40](#), Providing Accelerated Payments to Small Business Subcontractors, in all solicitations and contracts.
- C. Failures/errors by agency personnel that result in delays in payments of a proper invoice after the due date shall be the responsibility of the agency and shall not work to the detriment of the contractor. Temporary unavailability of funds to make a timely payment does not relieve the obligation to pay late penalties.
- D. There is no grace period provision. Interest penalties will be calculated based on the due date and must be paid on late payment. Contractors are not required to request or bill for penalties; they are to be automatically included with the payments.
- E. Discounts will be taken only when payments are made within the discount period and if the discount terms yield an effective annual interest rate equal to or greater than the percentage rate based on the current value of funds to the Treasury. The period for taking a discount is calculated from the date placed on a proper invoice by the contractor to the discount date, unless otherwise stipulated in the contract or purchase order. If discounts are taken after expiration of the discount period, interest penalties must be paid on the amount of the discount improperly taken for the period beginning the day after the end of the specified discount period through the payment date. All discount payments must be scheduled for check issuance as close as possible to, but not later than, the last day of the discount period. A payment made by the Electronic Funds Transfer (EFT) mechanism will be made on the last day of the discount period. However, payment should not be made unless the related goods or service have been received and accepted, except as specifically provided by contract.

F. Penalty amounts:

1. Will be paid without regard to whether the vendor has requested payment of such penalty, and be accompanied by a notice stating the amount of the interest penalty, the number of days late, and the rate used.
2. Will be calculated as stated in this handbook.
3. Of \$1.00 or over are required to be paid to the vendor; however, interest may not accrue for more than one year.

G. Interest penalties will be paid automatically when due without regard to whether the business concern has requested payment provided that all of the following conditions are met:

1. There is a contract or purchase order with a business concern.
2. Acceptance of property or services has occurred and there is no disagreement over quantity, quality, or other contract provisions.
3. An invoice has been received (except where no invoice is required, e.g., periodic lease payments) and the agency fails to give notice prior to the due date that the invoice is not proper.
4. Payment is made to the contractor after the due date. This includes payment of amounts retained by the Government upon final settlement of the contract. Interest penalties will be paid at the [rate](#) established by the Secretary of the Treasury pursuant to [31 U.S.C. § 3902\(a\)](#). Penalties will be charged to funds available for the administration or operation of the program for which the penalties are incurred, that is, to the fund or account which financed the acquisition of the property or services.

H. Interest Calculation. Interest will be calculated from the day after the due-date through the payment date. For each 30-day calendar period, the accrued penalty amount will be compounded, i.e., added to the invoice amount to calculate the subsequent period(s) penalty amount. The interest rate to be used for calculating any late payment interest penalty is the [rate in effect](#) on the date on which the obligation to pay the penalty accrues. Interest penalties will not continue to accrue for more than 1 year. In addition, a vendor is also entitled to an additional penalty if he or she does not receive a late payment interest penalty within 10 days of receiving the principal amount. Any additional penalty owed is equal to one hundred percent of the original late payment interest penalty, but cannot exceed \$5,000.

I. Unless otherwise stated in the contract, penalties will not be paid when:

1. The payments are made solely for financing purposes or in advance.

2. Portions of payment are withheld temporarily in accordance with the contract.
 3. Payment is not made because of a dispute between HUD and a contractor over the amount of the payment or compliance with the contract. A claim related to such a dispute and interest payable for the period during which the dispute is being resolved is subject to the [Contracts Disputes Act](#).
 4. Payment to a contractor by EFT cannot be made because of incorrect account information provided by the contractor and the contractor has been given notice of the defective account information after the accounting office has been notified that payment could not be made.
 5. Payment by check to a contractor cannot be made because an incorrect address for receipt of payment was supplied by the contractor.
 6. The interest penalty is less than \$1.00.
 7. An EFT payment is not credited to the contractor account by the payment due date because of the failure of the Federal Reserve or the contractor bank to do so.
- J. Contractors are entitled to periodic payments for partial deliveries and other contract performance (after acceptance) during the term of any contract which does not prohibit periodic payments.
- K. If the contract includes the Federal Acquisition Regulation clause at [52.213.1, "Fast Payment Procedures](#)," payments will be made within 15 calendar days after receipt of a proper invoice. In addition, the Prompt Payment rule expands the options for making early payments in certain circumstances if doing so is in the best interest of the government. Agencies may accelerate payments for single invoices under \$2,500, payments to small businesses, or payments related to emergencies, disasters, and military deployments.
- L. Late payment rates for utility services and taxes issued by state, local, or foreign governments take precedence over prompt payment late interest penalties for determining the amount of interest due for late payments.
- M. The [Federal Travel Regulation; Final Rule](#) (April 21, 2000) provides for late payment interest penalties for Federal government employee travel reimbursements.
- 2-3 RECORDS.** The accounting offices are responsible for maintaining records of payments in compliance with current National Archives and Records Administration General Records Schedule requirements. The filing methodology used must provide for retrieval of specific paid documents on request.

- 2-4 MONITORING.** Accounting offices responsible for making payments shall establish monitoring processes sufficient to ensure compliance with all Prompt Payment requirements. In order to minimize the cost of reporting, statistical sampling methods may be used to generate these reports.
- 2-5 TIMEFRAMES.** Accounting offices responsible for making payments shall establish disbursement processes with sufficient timeframes to ensure compliance with all prompt payment due date requirements.
- 2-6 STANDARD OPERATING PROCEDURES.** Each accounting office shall have written Standard Operating Procedures (SOPs) setting forth procedures that management is satisfied are adequate to ensure timely processing (such as the designation of backup personnel for handling invoices) and compliance with all Prompt Payment Act requirements.

CHAPTER 3 – RESPONSIBILITIES

3-1 RESPONSIBILITIES. HUD component organizations and the actions for which they are responsible are described below.

A. The Office of the Chief Procurement Officer is responsible for:

1. Including on contracts as appropriate:

- a. Payment due date(s)
- b. Partial payment due dates for partial executions of deliveries of accepted goods or services. This includes partial payments authorized for periodic deliveries of accepted goods or services under supply and service contracts.
- c. A waiver of the Prompt Payment Act exclusions, if required.
- d. For construction contracts, partial payment in lieu of progress payments for delivery and acceptance of completed phases, increments, or segments of the project.
- e. A stated acceptance period following delivery beginning with the date of delivery and ending on a precisely determinable date on which the property or services are to be accepted or rejected. Alternatively, constructive acceptance terms may be used in the contract when the conditions are applicable.
- f. Complete mailing address (and the name, title, and telephone number of the responsible official, if applicable) of the Government's designated billing office and of the contractor's office to which payments are to be sent.
- g. Reference to requirements under the Debt Collection Improvement Act ([Pub. L. 104-134, 110 Stat. 1321](#)), including the requirement that payments must be made electronically except in situations where the EFT requirement is waived under [31 CFR 208.4](#).
- h. The requirement that all invoices submitted to HUD under the contract must not, in total, exceed the amounts obligated under the contract or purchase order and must include:
 - Name and official address of the contractor.
 - Invoice date.
 - Contract or purchase order number or other authorization for delivery of goods or services.

- Description, price, service dates, and quantity of goods, and/or services actually delivered or rendered.
- Shipping and payment terms (including prompt payment and/or services actually delivered or rendered).
- Taxpayer Identification Number (TIN), unless agency procedures provide otherwise.
- Banking information, unless agency procedures provide otherwise, or except in situations where the EFT requirement is waived under 31 CFR 208.4.
- Other substantiating documentation or information as required by the contract.
- Complete mailing address to which payment(s) are to be sent.
- Name, title, and telephone number of a responsible official who may be contacted regarding the invoice or the deliverables should there be a problem.

(An invoice lacking one or more of the requirements listed above will be returned for replacement or correction and the clock for payment due date will not start until a corrected or replacement invoice is received.)

2. Resolving invoice discrepancies, as follows:
 - a. Reviewing any questioned invoice forwarded by the designated approving office and determining whether the invoice should be:
 - Paid as submitted;
 - Modified and paid; or
 - Returned unpaid to the contractor.
 - b. Once this determination has been made, annotating the invoice with the appropriate instructions and returning it to the accounting office for action.
 - c. Advising the designated approving office of the determination which was made.

B. The Receiving Office is responsible for:

1. Ensuring that all of the information required by this handbook is shown on the receiving report, particularly the receipt date of the goods or services. Receiving reports (as defined in Appendix 1) must provide the following information:
 - a. The name of vendor and the contract, purchase order, or other authorization number.
 - b. Description of the product or service.
 - c. Quantities received, if applicable (also note damaged items).
 - d. Date(s) property or service delivered and accepted.
 - e. Signature, printed name and title, and telephone number of the receiving official.
2. Indicating receipt of the deliverables by signing and dating the receiving report. Delivery to a receiving facility does not constitute HUD acceptance in cases where the requesting office must approve or inspect the deliverables.
3. Forwarding the signed receiving reports to the designated approving office or designated billing office. Receiving reports should be sent to the accounting office with the invoice if the receiving office is also the designated approving office.

C. The Accounting Office is responsible for:

1. Date-stamping the invoice with the date received in the accounting office.
2. Examining the invoice to determine, to the extent possible, whether it meets the criteria for a proper invoice, as set forth in subparagraph 3-1, A. 1. h.
3. Determining whether approval of the invoice is required.
4. If the invoice appears to be a proper invoice and sufficient obligated funds are, or will be, available to pay the full amount of the invoice:
 - a. If approval is required, forwarding the invoice to the designated approving office.
 - b. If approval is not required or after an approved invoice is returned by the designated approving office, determining the due date and scheduling the invoice for payment no earlier than 7 days before the due date and no later than the due date.

5. If the invoice is determined by either the accounting office or the designated approving office to be improper, return the invoice with a written explanation to the contractor within 7 days of the receipt of invoice date, or as soon thereafter as practicable. (NOTE: If the invoice is returned to the contractor within the initial 7-day period, the accounting office will have a full 30 days to pay without interest penalty a corrected or replacement invoice subsequently submitted by the contractor.)
 6. Returning the invoice to the contractor with written notification if the procuring office determines, in resolving discrepancies, that the invoice is not payable.
 7. Ensuring that discounts are taken where appropriate, and expediting payments that are late.
 8. Calculating and paying any interest penalty due without being requested to do so by the contractor.
 9. Retaining document files and preparing reports as indicated in this handbook.
- D. The Billing Office (if different from the accounting office) is responsible for:
1. Date-stamping the invoice with the date received in the billing office.
 2. Examining the invoice to determine, to the extent possible, whether it meets the criteria for a proper invoice, as set forth in subparagraph 3-1, A. l. h.
- E. The Designated Approving Office is responsible for:
1. Verifying the vendor/contractor name and address, purchase order or contract number, and invoice date on an invoice forwarded by the accounting office.
 2. Examining the invoice to determine whether it should be approved for payment. In order to be payable, an invoice must meet all of the following conditions:
 - a. The invoice must be a proper invoice (i.e., it must meet all of the criteria specified in subparagraph 3-1, A. l. h.
 - b. All of the goods and services being billed must have been received and accepted by the Government.
 - c. The description of the goods or services delivered or rendered, quantity, price, service dates, shipping and payment terms, and other substantiating documentation or information required by the contract or purchase order must be complete and accurate.

- d. The invoice must be arithmetically accurate and the total amount of the invoice must be correct.
 - e. None of the goods and/or services billed on the invoice may have been previously invoiced and paid.
 - f. The invoice must comply with all other terms of the contract or purchase order, if any.
3. If the invoice fails to meet all of the criteria for a proper invoice, as set forth in subparagraph 3-1 A. 1. h, annotating the invoice with an explanation and returning it to the accounting office in accordance with the timeframe specified by the accounting office.
 4. If the invoice fails to meet the other criteria necessary for it to be approved for payment, as set forth in subparagraph 3-1, E. 2. a-f:
 - a. Notifying the contractor of the discrepancy. (NOTE: Notification to the contractor should be made no later than the 7th day after the receipt of invoice date, or as soon thereafter as possible. Notification to the contractor stops the 30-day payment clock. The clock will be resumed when the discrepancy is resolved.)
 - b. Annotating the invoice or [Form HUD-27045, Invoice Approval for Contract/Purchase Order or Training Requisition](#) with an explanation of the discrepancy to the contractor.
 - c. Advising the accounting office of the discrepancy. Forwarding the invoice to the appropriate office with responsibility for resolving discrepancies, in accordance with the timeframe specified by the accounting office.
 5. If the invoice is approved for payment:
 - a. Annotating the invoice to show the delivery and acceptance date and the printed name and signature of the approving official
- OR
- b. Attaching the receiving report (e.g., HUD-27045) annotated with the date of delivery and acceptance of the goods or services being invoiced and the printed name and signature of the approving official.
 - c. Returning the invoice to the accounting office for payment within the timeframe specified by the accounting office.

6. In the case of Field Office employees who certify invoices for payment prior to submission to the accounting office:
 - a. Notifying the contractor of an improper invoice or other discrepancy within 7 calendar days of receipt of the invoice, or as soon as possible thereafter as practicable.
 - b. Transmitting the invoice to the accounting office within 48 hours of its receipt from the designated billing office.
 - c. Maintaining records (logs) of the receipt and transmission of the invoices or vouchers to the accounting office.
7. If the due date is less than 10 calendar days from the current date, identifying for expedited handling (stamp "EXPEDITE" in red) invoices or other payment documents which are sent to the accounting office for payment.

F. Administrative Considerations

1. Invoices received by the designated billing office will be stamped or otherwise annotated with the date received in that office. The date of the invoice shall be used as the invoice receipt date if the invoice is not annotated with the actual invoice receipt date. Notice of apparent error, defect, or impropriety in an invoice will be given to the contractor within 7 calendar days of receipt of an invoice. Where appropriate, contracts should provide for payment of multiple invoices for multiple deliveries during the same contract performance period with one payment.

Contractors shall send invoices to the addresses stipulated by their contracting officers. After receipt of invoices by these offices, the invoice(s) will be sent to the proper office for further processing, if applicable.

2. The accounting offices, in conjunction with the approving official, shall be responsible for assuring timely payments and the payment of interest penalties, where required.
3. HUD is required to establish effective internal controls over the payment process in conformity with [OMB Circular A-123, *Management's Responsibility for Internal Control*](#).
4. The timeliness standards are measured in calendar days unless otherwise specified herein.

5. HUD contractors who act as paying agents on behalf of the Department must follow the policies of this handbook regarding prompt payment and interest penalties. HUD component organizations that manage such contracts must ensure these contracts are modified to conform to the requirements of this handbook.
6. Supervisors of employees who cause interest penalties to be incurred shall ensure that proper guidance and supervision is provided to avoid future interest penalties being caused.
7. HUD component organizations responsible for processing receiving reports, bills of lading, inspection reports, invoices or other documents incidental to the purchase, delivery and payment for goods and services, shall establish appropriate controls and procedures to ensure timely processing and compliance with the requirements of this handbook.

APPENDIX 1 – GLOSSARY OF TERMS

ACCOUNTING OFFICE - The HUD component organization responsible for the proper submissions to Treasury for preparation of checks, Schedule of Payments, wire transfers, and for reconciling and controlling the distribution of the subsidiary ledger posting media (i.e., Fort Worth Accounting Center, Office of the FHA Comptroller, or Ginnie Mae Office of Finance).

ACCEPTANCE - Acknowledgment that property and services received conform to the requirements of the contract.

APPLICABLE INTEREST RATE - The [rate](#) established by the Secretary of the Treasury pursuant to [31 U.S.C. § 3902\(a\)](#) and published in the Federal Register semi-annually on or about January 1 and July 1.

AUTOMATED CLEARING HOUSE (ACH) - A network that performs interbank clearing of electronic debit and credit entries for participating financial institutions.

CERTIFYING OFFICER - Employee authorized to certify payment to the U.S. Treasury.

CONSTRUCTIVE ACCEPTANCE - The period of time HUD shall have to inspect and accept deliveries under a contract, if no acceptance period is specified in the contract or purchase order. For purposes of calculating interest payments, constructive acceptance shall occur 7 days after delivery unless a longer constructive acceptance period is specified in the contract/purchase order documents

CONTRACT - A mutually binding legal relationship obligating the seller to furnish the supplies or services (including construction) and the buyer to pay for them. It includes all types of commitments that obligate the Government to an expenditure of funds. The term includes, but is not limited to, contract awards and notices of awards, job orders or task letters issued under basic ordering agreements, letter contracts, orders, such as purchase orders, under which the contract becomes effective by written acceptance or performance, and bilateral contract modifications.

CONTRACTING OFFICER - Employee expressly authorized to enter into, administer and/or terminate contracts and make related determinations and findings.

CONTRACTOR - A person or organization engaged in a profession, trade or business, and any non-profit entity (including state and local Governments, but excluding Federal entities) operating as contractors to HUD.

DAY - Calendar day(s), including weekends and holidays, unless otherwise indicated.

DELIVERY DATE - The date on which HUD receives the goods or services.

DESIGNATED APPROVING OFFICE - The HUD component organization or employee responsible for reviewing and approving for payment invoices which require advance approval.

DESIGNATED BILLING OFFICE - The office or employee—Governmental or Non-governmental—designated in the contract to first receive invoices.

DISCOUNT DATE - The date by which a specified discount can be properly taken (deducted) when payment is made.

DUE DATE - The date on which HUD must make payment for goods or services subject to the Prompt Payment Act in order to avoid the payment of interest penalties.

ELECTRONIC FUNDS TRANSFER (EFT) - Any transfer of funds, other than a transaction originated by cash, check, or similar paper instrument, that is initiated through an electronic terminal, telephone, computer, or magnetic tape, for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an account. The term includes, but is not limited to, Automated Clearing House and Fedwire transfers.

GOVERNMENT TECHNICAL REPRESENTATIVE (GTR) - HUD's primary liaison between the contractor and the Contracting Officer regarding the technical aspects of a contract. The employee responsible for reviewing and approving for payment invoices which require advance approval. May also be referred to as the Contracting Officer's Representative (COR).

IMPROPER INVOICE - Any invoice that does not contain the essential elements as prescribed in subparagraph 3-1, A. 1. h of this handbook.

INTEREST PENALTY - The amount of the prompt payment penalty, calculated in accordance with this policy that is added to an invoice paid after the due date.

PARTIAL PAYMENTS - Payment made for partial delivery of accepted property or partial performance of accepted services.

PAYMENT DATE - The date on which a check for payment is dated or the date on which an Electronic Fund Transfer (EFT) payment is received by the contractor's financial institution (settlement date).

PRIME CONTRACT - A contract or contractual action entered into by the United States for the purpose of obtaining supplies, materials, equipment, or services of any kind.

PRIME CONTRACTOR - A person or business who has entered into a prime contract with the United States.

PROCURING OFFICE - The HUD component organization (Office of the Chief Procurement Officer) responsible for the award and administration of contracts to acquire goods and/or services for the Department's benefit.

PROGRESS PAYMENTS - Payments based on a percentage or stage of completion/delivery of goods/services. They are generally authorized in construction contracts and fixed-price supply contracts of a production (manufacturing) nature. As such, their use at HUD is rare.

PROPER INVOICE - A bill or voucher or other written request for payment provided by a business concern for goods or services rendered. A proper invoice must meet the requirements of subparagraph 3-1, A. 1. h of this handbook.

PROVISIONAL PAYMENTS - Payments made under cost-reimbursement contracts on the basis of costs incurred by the contractor as work progresses. Generally, these costs are billed for and paid on a monthly basis and are subject to adjustments based on costs questioned by the contracting officer, GTR, or Government auditors.

RECEIPT OF INVOICE DATE

- If the invoice is not date-stamped by the Billing office, the Receipt of Invoice Date is the vendor's invoice date.
- If the invoice is date-stamped, the Receipt of Invoice Date is the later of the stamped date or the acceptance date (which is the earlier of the constructive or actual acceptance dates).
- The 30-calendar day clock commences on the receipt of invoice date. The time required for HUD's internal approvals, examinations or processing is included in the 30-day period.

RECEIVING FACILITY - Office or place where delivered goods are received.

RECEIVING OFFICE - HUD office which received goods or services.

RECEIVING REPORT - Written evidence of acceptance of goods or services by a HUD official, including inspection reports if appropriate (e.g., the [Form HUD-27045](#), Invoice Approval for Contract/Purchase Order and Training).

REFUND - Repayment for some service or property formally contracted for.

REIMBURSEMENT - Repayment of costs incurred by an individual or entity on behalf of the Department.

SETTLEMENT DATE - The date on which an EFT payment is credited to the vendor's financial institution.

NOTE: Additional [definitions](#) can be found in the Prompt Payment Final Rule.

Invoice Approval for Contract/Purchase Order or Training Requisition

U.S. Department of Housing and Urban Development Office of the Chief Financial Officer

Exempt from OMB approval requirements under 5 CFR 1320.3(c). HUD use only. HUD does not collect information from the public.

Complete this form for all invoices requiring approval (invoice amount greater than or equal to \$2500) or related to a contract

Part A	To (OCFO Fort Worth Accounting Center FWAC)	Date (mm/dd/yyyy)
---------------	---	-------------------

Attention (Accounting POC)

From (GTR/Approving Official, AO)

Phone Number

Part B	1. Invoice Number	2. Date Invoice Received (optional)	3. Check here for Discount	4. Contract Number, P.O. Number or Training Requisition Number
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5. Funding Information 5a(*) Document Number (11 chars.)	5b(*) Line Numbers (3 chars)
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6.**Date Goods/Services Delivered (mm/dd/yyyy)	7.** Date Goods/Services Accepted (mm/dd/yyyy)	8. Amount Approved for Payment \$	9. Date Vendor Notified of Disputed Invoice (mm/dd/yyyy)
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10. Check the Appropriate Box

Approved for Payment

Disapproved for Payment / Disputed Invoice: Notify the vendor within 7 calendar days of the date invoice was received (see block 2). Send a copy of this transmittal to FWAC. Send the disputed invoice, for contracts/purchase orders, and a copy of this transmittal, to your contract specialist in the Office of Procurement and Contracts (OPC). In the case of a disputed invoice for training, hold the invoice and the transmittal in the HUD Training Academy for resolution or return the package to FWAC. Explain the problem with the disputed invoice:

*If the invoice is being paid from more than one (1) obligation/task order or more than one (1) line then complete and attach the invoice summary sheet - (HUD 27045 Support)

**These fields must be completed or the form will be returned

Signature of GTR / Approving Official

Check Appropriate Box, if applicable

- Partial Payment
 Final Payment

Name of GTR / Approving Official (type or print)

Date of Signature (mm/dd/yyyy)

Phone Number

Part C to be completed by the Contract Specialist Action to be taken with disputed invoice (check one)

1. Pay invoice as is.
2. Do not pay. Vendor will submit a revised invoice.
3. Do not pay. Reason:
4. Pay invoice as modified below:
Amount \$

Remarks

Signature of Contract Specialist

Date of Signature (mm/dd/yyyy)

Phone Number

Notify approving official of resolution as indicated above. Return approved invoices and completed transmittals to FWAC.

