

**PROMPT PAYMENT POLICY STATEMENT OF THE  
BUFFALO FISCAL STABILITY AUTHORITY**

*Pursuant to Section 2880 of New York State Public Authorities Law*

It is the policy of the Buffalo Fiscal Stability Authority (the “Authority”) to promptly pay any valid outstanding obligation of the Authority as soon as is practicable within prescribed timeframes. It is further the policy of the Authority to seek and utilize discounts offered by vendors as an incentive for early payment.

Any vendor seeking payment from the Authority for goods or services provided to the Authority must submit an acceptable invoice to the Authority, which will be processed by the Administrative Assistant. The appropriate Authority staff will verify the validity of the invoice.

Payment will be made within 30 calendar days, excluding legal holidays, after the receipt of an acceptable invoice. Contracts with pre-determined payment dates will be paid on or before such designated date.

Payment may be delayed based on legally prescribed reasons identified in this Policy.

If the Authority fails to meet the prompt payment schedule as described above, the Authority will pay interest at the rate no greater than that set by the New York State Tax Commission for corporate taxes.

The Authority will pay penalties with funds drawn from the Authority’s operating accounts, which funds most contracts entered into by the Authority.

The following facts or conditions constitute legal exceptions to the prompt payment schedule:

- a. statutory or contract provisions requiring an inspection or an audit prior to payment;
- b. a requirement for state appropriation to authorize payment;
- c. a requirement for federal government examination of an acceptable invoice prior to payment;
- d. extraordinary delay between the provision of goods or services by a vendor and the receipt of an acceptable invoice by the Authority;
- e. failure by a vendor to submit documents required by agreement prior to payment.

The following facts or conditions justify tolling the prompt payment schedule:

- a. the existence of defects in the goods or services supplied;
- b. the existence of defects in the invoice;
- c. suspected improprieties of any kind.

In order to delay the prompt payment schedule without penalty, the Authority has fifteen days after receipt of an invoice to send a vendor notification of defects or improprieties. Authority notification shall be in writing to the vendor. In the event that the Authority fails to act within fifteen days, once the defect or impropriety has been corrected, the number of days allowed for payment is reduced by the number of days between the fifteenth day and the date of notification. In the event that the Authority's contentions are proven unreasonable, the date by which payment shall be made is calculated from the date of receipt of the invoice. For contracts which provide pre-determined payment dates without an invoice, the same fifteen day regulations apply.

This Prompt Payment Policy may be amended by the Authority at any time.

The Authority is under no liability to pay interest pursuant to Section 2880 of the Public Authorities Law after a vendor has filed a claim or given notice of an intention to file a claim or commenced legal action for payment of interest.

Any applicable matters not otherwise addressed by this Policy shall be interpreted consistently with Section 2880 of the Public Authorities Law.