

Part: **Public Money and Property**
 Section: **General Revenue Fund and Revolving Funds**
 Subsection: **Payments from the GRF**
 Policy: **Timing of Supplier Payments**

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Timing of Supplier Payments

Objective		<i>The objective is to ensure cash is managed effectively by providing a policy for the timing of payments to suppliers, while ensuring suppliers are treated consistently.</i>
Authority		<i>The Financial Administration Act, 1993, clauses 5(a) and 5(e), subsection 10(2) and sections 22 and 28</i>
Definition		Suppliers are providers of goods and/or services. The Government can receive goods/services directly or it may pay for goods/services received by an individual (e.g., payments to SaskEnergy for Saskatchewan Assistance Plan recipients).
Treasury Board Policy	.01	Suppliers are paid within 30 days.
Provincial Comptroller Directives	.02	Suppliers are paid 30 days from the date the goods/services are received or as soon as possible thereafter. Payment is initiated once the goods/services and the supplier's invoice have been received. The goal is to pay suppliers no later than 30 days from: <ul style="list-style-type: none"> • the date that goods/services are received; or • the date the invoice is received, <p style="text-align: center;">WHICHEVER IS LATER.</p>
Automatic Payment	.03	The goal is also to pay suppliers no earlier than 30 days.
Automatic Payment	.04	The Government's central financial system will automatically pay suppliers 30 days from the date of receipt of goods/services in the ministry, or as soon as possible thereafter, provided the supplier's invoice has been received and both the date of receipt of goods/services and the date the invoice is received are entered to the system. See the Accounting Manual, Appendix H Central System Processing for details of scheduling for direct deposits and cheques.
Exceptions to the 30 Day Policy	.05	In certain circumstances, early payment for goods and services may be necessary. These exceptions include:

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- Prepaid items – Prepayment is necessary when a supplier **requires** payment prior to the shipping or provision of goods and services (e.g., subscriptions, course registrations).
- Special contract terms – Contract payment terms should comply with the 30 day payment policy. Exceptions must be **justifiable** as sound business decisions.
- Progress billings – A contract may provide for monthly progress billings where terms extend for several months. Payment for progress payments should comply with the 30 day payment policy.

See the [Accounting Manual, Appendix H Central System Processing](#) for processing details to use in scheduling early payments.

Trigger Dates

.06 Ministries are responsible for capturing three dates on the Government's central financial system:

- the invoice date;
- the goods/services received date (GSD); and
- the invoice received date (IRD) (i.e., the date the invoice is first received at any point in the ministry).

See the [Accounting Manual, Appendix H Central System Processing](#) for examples where the application of the GSD or the IRD requires some interpretation (e.g., pre-paid items, invoices in dispute).

References

[3100 Payments from the GRF](#)
[3101 GRF Payment Responsibilities](#)
[3152 Interest on Late Supplier Payments](#)

[Accounting Manual, Section 1320 Prepaid Expenses](#)

[Accounting Manual, Appendix A General Revenue Fund Year-end Procedures and Schedules](#)

[Accounting Manual, Appendix H Central System Processing](#)