



THE STATE OF FLORIDA
JUSTICE ADMINISTRATIVE COMMISSION

227 North Bronough Street, Suite 2100
Tallahassee, Florida 32301



COMMISSIONERS

Alton L. "Rip" Colvin, Jr.
Executive Director

(850) 488-2415
FAX (850) 488-8944

www.justiceadmin.org

Brad King, Chair
State Attorney
Diamond R. Litty
Public Defender
Kathleen A. Smith
Public Defender
Brian Haas
State Attorney

November 7, 2018

MEMORANDUM # 011-18-ACCT

TO: Judicial-Related Offices Served by the Justice Administrative Commission

FROM: Vicki Nichols, Director of Accounting, Justice Administrative Commission (JAC) **VN**

RE: Late Fees, Assessments, Penalties, Levies, and Similar Fees Charged by Vendors

There is no authority provided in the Florida Statutes for payment of late fees, assessments, penalties, levies, surcharges, or similar fees added to an account when payment is not made within a certain time-frame usually established by the vendor. For simplification, these charges hereafter are called late fees. The authority and restrictions provided by the Florida Statutes will supersede late fees charged by vendors. Section 215.422 (2)(b)(13), F.S., is the governing Statute related to invoice payments and late fees.

Recently, JAC contacted the Bureau of Auditing at the Florida Department of Financial Services (DFS) for confirmation regarding late fees. The response from DFS is copied below.

From: Hosmer, Crista
Date: Thursday, November 01, 2018 8:30 AM
To: Nichols, Vicki
Cc: Kamen, Dina
Subject: RE: Question Regarding Late Fees

Hi Vicki:

Thank you for your cooperation regarding late fees. I did some additional research and found that 215.422 FS is the state's intended mechanism for assessing interest payments. Fees beyond those laid out in 215.422 FS are not authorized for payment by the Bureau of Auditing.

Thank you,

Crista M. Hosmer, FCCM
Financial Administrator
Office of the Chief Financial Officer Jimmy Patronis
Florida Department of Financial Services
Bureau of Auditing

The timeframe, per s. 215.422, F.S., for allowing late fees (penalties) to be paid to a vendor is when 40 days have passed* (35 days for health care services) and the payment has not been issued by the State's accounting system, FLAIR. The interest penalty rate is also determined by Statute (s. 55.03(1), F.S.). The FLAIR system automatically generates any interest penalties (late fees) for invoices paid outside of the 40 (35) day framework. If an interest penalty is generated, JAC notifies the appropriate office for action.

This memo is provided to assist offices in dealing with late fees and may be provided to vendors as needed to support late fees being removed from accounts.

Enc. (1)

* The transaction date determines the start date for the 40 (35) day period for paying invoices "on time" and determines whether penalties should be assessed on a particular invoice payment. The transaction date is the latter of the goods and services approved date and the invoice received date as established by s. 215.422, F.S.