TO: Purchasing Authority Contacts (PACs)
    Procurement and Contracting Officers (PCOs)

RE: Collection of Late Payment Penalties Paid for the Annual Report Required by
    The California Prompt Payment Act, GC 927 et seq.

This is to inform you that the Department of General Services (DGS), Procurement
Division, has sent an email notification to “Accounting and Fiscal Managers and Staff” that
DGS is beginning the collection of reports from all departments on late payment penalty
interest payments made on invoices from businesses during Fiscal Year 2005 -
2006. The relevant reporting form is available here under the heading:

Late Payment Penalty Paid Report

The information requested is required on the form located at the website noted
above. This email states in part: "If you have received this message and you are not the
person who is currently responsible for reporting to DGS the number and value of late
payment penalties paid to businesses last fiscal year, please direct it immediately to the
proper accounting personnel. The deadline for filing the report is September 30, 2006."

Compiled reports of late payment penalties paid by departments during prior fiscal years
are available at the above referenced site. The California Prompt Payment Act requires
that DGS make these reports available to the public.

Questions about The California Prompt Payment Act and the required annual Late
Payment Penalties Paid Report can be emailed to:

pams@dgs.ca.gov.