

Automated Clearing House Network Provisions (2021)

For the purpose of these provisions, the term Contractor is defined as any person, including, but not limited to, a bidder, offeror, loan recipient, grantee or lessor, who has furnished or performed or seeks to furnish or perform, goods, supplies, services, leased space, construction or other activity, under a contract, grant, lease, or reimbursement agreement with the Commonwealth of Pennsylvania (Commonwealth). A Contractor may include a permittee, licensee, or any agency, political subdivision, instrumentality, public authority, or other public entity in the Commonwealth.

Submission of invoices for purposes of reimbursement, shall be made in accordance with Commonwealth Management Directive 310.40 issued July 16, 2021, relating to the Pennsylvania Electronic Payment Program and the establishment of the Automated Clearing House Network (“ACH”) as the Commonwealth’s preferred method of payment. The following provisions are hereby added to the Agreement:

- (a) The Commonwealth will make payments to the Contractor through ACH. Within ten days of the execution of this Agreement, the Contractor must submit or must have already established its ACH information in the Commonwealth’s Master Database. The Contractor will also be able to enroll to receive remittance information via electronic addenda and email (e-Remittance). ACH and e-Remittance information is available at <https://www.budget.pa.gov/Services/ForVendors/Pages/Direct-Deposit-and-e-Remittance.aspx>.
- (b) The Contractor must submit a unique invoice number with each invoice submitted. The unique invoice number will be listed on the Commonwealth’s ACH remittance advice to enable the Contractor to properly apply the state agency’s payment to the respective invoice or program.
- (c) It is the responsibility of the Contractor to ensure that the ACH information contained in the Commonwealth’s Master Database is accurate and complete. Failure to maintain accurate and complete information may result in delays in payments.