

LIAISON MEMORANDUM

NUMBER 07-09

To: Agency Liaison Officers

From: Cindy Rougeou
Executive Director

Re: Interest on Delinquent Contributions

Date: July 3, 2007

LASERS has updated its policy regarding *Interest on Delinquent Contributions*.

It is LASERS policy to collect interest on agency employer and employee contributions when an *Agency Retirement Report* **and/or** the contributions due are delinquent. This policy applies to all agencies, including LASERS.

LASERS will mail you an invoice that will reflect the interest due on agency contributions whenever payments or reports are not received in a timely manner. The interest charged will be calculated starting on the 16th day after the end of the monthly reporting period, and will continue on a daily basis until LASERS receives both the payment **and** the report. If the 16th day falls on a weekend or holiday, interest will begin accruing the next business day.

The legal rate of interest charged is established by the State of Louisiana, Office of Financial Institutions, and published on its website, www.ofi.state.la.us. LASERS will utilize the judicial interest rate to calculate interest. The judicial interest rate was set at eight percent for the year ending December 31, 2006 and is set at 9.50 percent for the year ending December 31, 2007.

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For questions regarding delinquent interest invoices, please contact the following individuals in the LASERS Fiscal Division:

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We appreciate your cooperation.

cc: Agency Payroll Contacts