

Priority: Accountability
Program Offer Type: Existing Operating
Related Programs:

Lead Agency: County Management
Program Contact: Mindy Harris

Program Characteristics:

Executive Summary

Central Accounts Payable (AP) supports County programs in the areas of vendor payment processing, auditing & data integrity, travel & training audits, procurement card administration, SAP vendor record management and compliance with County Administrative Procedures.

Program Description

AP processes over 100,000 vendor invoice payments and refunds annually; this includes check payments, electronic payments and intergovernmental funds transfers. AP also administers the procurement and travel card programs and audits travel & training payment settlements. AP facilitates the establishment and monitoring of petty cash accounts countywide; coordinates the fiscal year-end expenditure accrual function; conducts internal audits of AP functions, coordinates/prepares documentation for external audits and is responsible for maintaining accurate vendor information records for payment and tax reporting purposes. In addition, AP provides technical assistance & individual or county-wide training to staff utilizing AP services.

Program Justification

AP contributes to the accountability priority by ensuring that vendor payments are paid in an accurate and timely manner and are compliant with applicable administrative procedures and government accounting practices. AP also contributes by establishing and communicating clear and uniform county administrative practices and procedures related to AP functions. AP contributes to staff competencies and development through information forums and monthly finance related user-group meetings for the purpose of information updates, training, and peer/professional support. AP also fosters continuous process improvement by exploring/adopting AP best practices and leveraging existing technology to evolve the payables function from a paper intensive process to a more sustainable, electronic process. This sustainable payment practice accounts for more than 30% of all payments processed and has reduced the cost of government--providing operating efficiencies without compromising internal controls.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY06-07)	Current Year Purchased (FY07-08)	Current Year Estimate (FY07-08)	Next Year Offer (FY08-09)
Output	Invoice payments processed	116,148	97,000	110,738	111,000
Outcome	Percent of Invoices paid on time within Std Net 30	86.4%	87.0%	85.3%	87.0%
Outcome	Percent of total payments that are electronic	26.4%	32.0%	31.0%	34.0%
Outcome	Procurement Card Program Rebates as a result of e-payment growth	33,972	35,670	51,355	50,670

Performance Measure - Description

Invoice payments processed declined from previous year actual due to the itax sunset and the reduction of itax refund checks printed.

Percent of total payments that are electronic is quantifying all paperless disbursements made via ACH (Automated Clearing House), wire transfer, government funds transfer or credit card purchase.

Procurement Card Rebates are directly associated with the total amount spent in the P-Card system; the County experienced significant growth largely due to expanded use of the County issued credit cards combined with improved rebate rates negotiated with Bank of America.

Legal/Contractual Obligation

Tax Information Returns (ie. 1099 MISC, 1099 INT, etc) are mandated by the Internal Revenue Service code as described in Sections 1.6001-1 through 1.6091-4. Failure to comply could result in the County being assessed penalties and fines.

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2008	2008	2009	2009
Personnel	\$565,706	\$0	\$585,487	\$0
Materials & Supplies	\$15,000	\$0	\$15,965	\$0
Internal Services	\$133,500	\$0	\$124,575	\$0
Subtotal: Direct Exps:	\$714,206	\$0	\$726,027	\$0
Administration	\$52,018	\$9,684	\$42,175	\$6,826
Program Support	\$8,262	\$0	\$9,450	\$0
Subtotal: Other Exps:	\$60,280	\$9,684	\$51,625	\$6,826
Total GF/non-GF:	\$774,486	\$9,684	\$777,652	\$6,826
Program Total:	\$784,170		\$784,478	
Program FTE	6.75	0.00	6.75	0.00
Program Revenues				
Other / Miscellaneous	\$35,670	\$0	\$50,670	\$0
Program Revenue for Admin	\$0	\$9,684	\$6,826	\$0
Total Revenue:	\$35,670	\$9,684	\$57,496	\$0

Explanation of Revenues

This program is supported by General Fund revenues.

Rebates are the only external source of revenue for Central AP. Rebates are received from U.S. Bank and Bank of America. Rebates are based on the annual spend in each of the banks' credit card programs, the majority of which is from Bank of America's procurement card program. Multnomah County is part of the Bank of America Procurement Card Consortium of local governments which, as a group, has leveraged competitive rebate terms.

Significant Program Changes

Last year this program was: #72008, Accounts Payable

There are no significant changes to the Account Payable program offer.