

Lead Agency: County Management

Program Contact: Mike Waddell

Program Offer Type: Existing Operating

Related Programs:

Program Characteristics: In Target

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, vendor master records management and County Administrative Procedures compliance monitoring.

Program Description

AP processes approximately 127,000 vendor invoice payments and refunds annually; this includes check payments, electronic payments and intergovernmental funds transfers. AP administers the procurement and travel card programs and facilitates the establishment and monitoring of petty cash accounts countywide; furthermore, it coordinates the fiscal year-end expenditure accruals; conducts internal audits of AP functions ensuring that vendor payments are paid in an accurate and timely manner and are compliant with applicable internal controls, administrative procedures and government accounting practices; AP coordinates/prepares documentation for external audits and is responsible for maintaining accurate vendor records for payment and tax reporting purposes. AP also establishes and communicates clear and uniform county administrative practices and procedures related to AP functions. In addition, AP provides one-on-one technical assistance/training and also hosts information forums and periodic finance related user-group meetings for the purpose of best practice updates, group training, and peer/professional support ultimately contributing to staff competencies.

AP prides itself on fostering continuous process improvement by exploring/adopting AP best practices while leveraging technology to evolve the payables function from a paper intensive process to a more sustainable, electronic process. This single objective has reduced the cost of government—providing operating efficiencies while maintaining internal controls and supporting Climate Action Plan (Action Area 18-8).

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY11-12)	Current Year Purchased (FY12-13)	Current Year Estimate (FY12-13)	Next Year Offer (FY13-14)
Output	Invoice Payments Processed	123,045	155,000	127,761	128,845
Outcome	Percent of Invoices Paid on Time within std NET30	85.9%	96.0%	88.5%	89.0%
Outcome	Percent of Total Payments that are Electronic	52.1%	45.0%	58.9%	60.0%
Outcome	Procurement Card Program Rebates	150,715	145,000	133,000	145,000

Performance Measure - Description

Invoice payments processed increased from previous year actual and estimated volume due to popularity of electronic payments which are processed daily as compared to weekly check payment processing. Current Year Purchased was too optimistic.

Electronic Payments as a percentage of total payments. Electronic or paperless payments are made via ACH (Automated Clearing House), wire transfer, government funds transfer or credit card purchase--growth correlates with popularity and more cost effective electronic payment methods for vendors and County alike.

Procurement Card Rebates are directly associated with the total amount spent in the P-Card system; current year purchased was based on optimistic sales via the new Multco Marketplace. Previous year actual included one-time incentive bonus from Bank of America for sales growth in excess of previous year.

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 would 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	2013	2013	2014	2014
Personnel	\$624,451	\$0	\$664,050	\$0
Materials & Supplies	\$9,000	\$0	\$10,740	\$0
Total GF/non-GF:	\$633,451	\$0	\$674,790	\$0
Program Total:	\$633,451		\$674,790	
Program FTE	6.60	0.00	6.60	0.00
Program Revenues				
Fees, Permits & Charges	\$0	\$0	\$180	\$0
Other / Miscellaneous	\$145,000	\$0	\$145,000	\$0
Total Revenue:	\$145,000	\$0	\$145,180	\$0

Explanation of Revenues

This program is supported by General Fund revenues. Rebates are the only Central Accounts Payable revenue. Rebates received from U.S. Bank and Bank of America are based on the level of annual spending in each of the banks' credit card programs. The majority is from Bank of America's procurement card program; rebates from BOA are generally 1.2% of total value of transactions processed. 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: #72002, FRM Accounts Payable