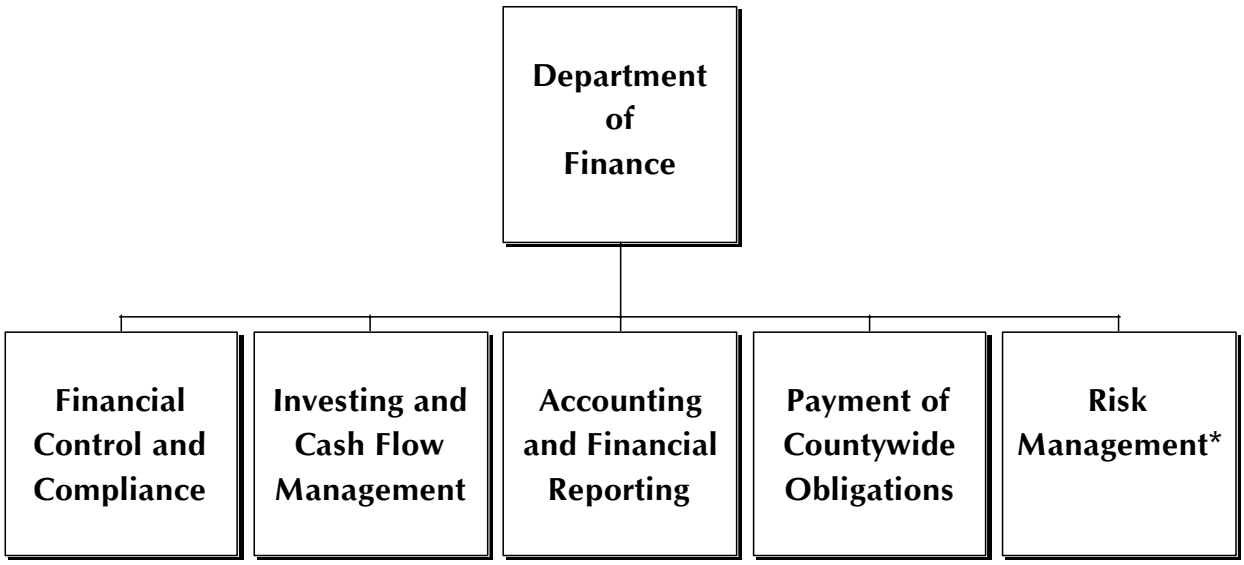
Department of Finance



* The Risk Management budget and program information are reported separately in Fund 501, the County Insurance Fund.

Mission

To protect and maintain the fiscal integrity and financial solvency of the County government.

Focus

The Department of Finance serves the residents of Fairfax County, its vendors and partners, and agencies throughout the County. The department's five business areas are Financial Control and Compliance, Investing and Cash Flow Management, Accounting and Financial Reporting, Payment of Countywide Obligations and Risk Management, all of which work together to meet the department's core business functions. These functions include: collecting non-tax revenue; ensuring accurate processing of financial transactions; investing County cash resources prudently and effectively; identifying and mitigating risk of loss of County financial resources; paying countywide obligations; and ensuring timely reporting of financial data to the governing body, rating agencies, and the public.

In order to provide optimal service to its customers, the department remains cognizant of the following:

- Partnering with other County departments to make the most efficient use of resources is essential to achieving related objectives;
- Internal resources must be leveraged to accomplish the department's mission. This may require analyzing and re-engineering business processes; improving support systems; and using cross-functional approaches and shared resources;
- Changes in countywide requirements and priorities, federal and state legislation, and regulatory mandates require a flexible, responsive organization; and
- Customers expect and deserve high quality service and access to the most advanced technology available.

In FY 2010, the Department of Finance will continue to pursue its aggressive strategic plan that focuses on efficiency of operations through new technology and total customer satisfaction. The department will vigorously pursue automated tools and techniques in all business areas to reduce costs and increase returns.

Challenge of FY 2010 Budget Reductions

In order to address a projected FY 2010 budget shortfall, the County Executive proposed, and the Board of Supervisors adopted, a series of budget reductions affecting all General Fund-supported agency budgets. In order to minimize the impact of FY 2010 reductions, resources were reallocated to ensure the delivery of services that were either required by law, essential to the integrity of financial transactions and records, and/or necessary to achieve moderate-to-high control against abuses. The County strove to ensure the continuation of the County's AAA bond rating, which positively impacts the interest requirements on County debt.

Reductions included within the FY 2010 budget vary in level of risk. Low-risk reductions, such as the elimination of non-certification training might impact the agency's support of required reporting practices and its ability to introduce efficiencies. Moderate-risk reductions might impact savings that could otherwise have been achieved, such as implementing more efficient decentralized finance operations in agencies through the development of new PC applications, and eliminating a position supporting the marketing to County vendors of the use of less costly electronic check (ACH) transfers. High-risk reductions, such as the elimination of central auditing of travel accounting across the County, may more directly impact financial integrity and financial records reliability.

The Department of Finance serves approximately 40 County agencies at over 30 locations. The implemented reductions will translate into less support of countywide agencies' finance operations and delays in planned new finance projects. Using efficiencies and system supports already put into place in prior fiscal years, the Department Finance will do its best to build capacity within County agencies to deliver services to their customers. It will continue to design work on new projects that have been placed on hold, so that implementation on such projects can be evaluated for a future year.

Budget and Staff Resources

Agency Summary					
Category	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2010 Advertised Budget Plan	FY 2010 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	69/ 69	69/ 69	69/ 69	62/ 62	62/ 62
Expenditures:					
Personnel Services	$4,541,889	$4,756,190	$4,644,098	$4,383,580	$4,383,580
Operating Expenses	5,034,929	5,399,590	5,442,538	5,061,778	5,061,778
Capital Equipment	0	0	0	0	0
Subtotal	**$9,576,818**	**$10,155,780**	**$10,086,636**	**$9,445,358**	**$9,445,358**
Less:					
Recovered Costs	($449,383)	($751,697)	($751,697)	($751,697)	($751,697)
Total Expenditures	**$9,127,435**	**$9,404,083**	**$9,334,939**	**$8,693,661**	**$8,693,661**
Income:					
State Shared Finance Expenses	$406,524	$404,761	$400,713	$400,713	$400,713
State Shared Retirement - Finance	12,538	12,435	12,435	12,435	12,435
Total Income	**$419,062**	**$417,196**	**$413,148**	**$413,148**	**$413,148**
Net Cost to the County	**$8,708,373**	**$8,986,887**	**$8,921,791**	**$8,280,513**	**$8,280,513**

FY 2010 Funding Adjustments

The following funding adjustments from the FY 2009 Adopted Budget Plan are necessary to support the FY 2010 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on April 27, 2009.

- **Employee Compensation** **$88,223**
  An increase of $88,223 reflects the full-year impact of salary increases awarded during FY 2009. It should be noted that no funding is included for pay for performance or merit awards in FY 2010.

- **Intergovernmental Charges** **($139,812)**
  A reduction of $139,812 in Operating Expenses reflects a decrease in anticipated charges for Department of Information Technology (DIT) charges which is commensurate with the reductions in Fund 505, Technology Infrastructure Services.

- **Reductions** **($658,833)**
  A decrease of $658,833 reflects agency reductions utilized to balance the FY 2010 budget. The following chart provides details on the specific reductions approved, including funding and associated positions.

LOB Reduction	Impact	Posn	SYE	Reduction
Reduce Agency Training	Negatively affects readiness to implement evolving professional standards, to introduce new techniques and technologies, to develop succession leadership, and to provide non-monetary incentive for staff retention. Greater emphasis will be placed on train-the-trainer approaches and hosted video and Internet training opportunities. Over the long term, this will negatively affect introduction of new technologies and modernization.	0	0.0	$18,000
Reduce Administrative Support	Results in less efficient use of supervisory staff. Supervisors will take on heightened responsibilities to prevent abuses of these systems. Delays in producing checks may occur.	1	1.0	$33,000
Decrease Funding for Audit Services	No negative impact foreseen. Contract negotiated with external auditors was less than the budgeted amount.	0	0.0	$180,000
Decrease Expansion of Automation Efficiencies	Expanded use of commercial (off-the-shelf) applications calls for greater diligence in maintaining system security and user controls. There is likely to be some degradation of control; delays in addressing application outages (particularly critical in investment operations); and slower response to customer needs. New projects will experience delayed implementation.	1	1.0	$62,000
Decrease Centralized Systems Security, Administrative, and IT Project Oversight	Eliminates one Network Analyst I position. The impact of this reduction may result in delays in responses to system issues and new project support. This reduction will decrease the ability to deliver labor-saving PC applications to finance operations both in the Department of Finance and to agencies across the County.	1	1.0	$112,000
Reduce Effort to Convert from Checks to Electronic Payments	Eliminate position focused on expanding acceptance by vendors of electronic bill payments (Automated Clearing House (ACH) transfers). ACH transfers are substantially less costly than payment by checks. By reducing staff effort to market this payment vehicle to vendors, the opportunity to reduce the cost of payment operations will be delayed for an extended period of time.	1	1.0	$38,000

LOB Reduction	Impact	Posn	SYE	Reduction
Reduce Outreach Program in Oversight of Financial Compliance	Reduction of staff will impede the expansion of programs to modernize revenue collections (e.g., acceptance of credit card and online check payments). In the absence of such collection capabilities, some departments will be unable to make available certain County services through the Internet and kiosks. Some reduction will be seen in training future employees in financial support roles rendered within County agencies, such as cash handling, travel accounting and account monitoring.	1	1.0	$59,833
Eliminate the Verification of Travel Accounting Accuracy and Policy Compliance	Responsibility for ensuring compliance with County travel policy will shift to agencies. Reduced oversight of this high-profile expenditure class would likely to lead to uneven application of travel guidelines, inadequate documentation of expenses, excess travel costs, and possible inadvertent, but objectionable practices.	1	1.0	$36,000
Eliminate Deputy Director Position, Financial Control and Compliance	Reductions in this and other lines of business will be addressed through both program and organizational restructuring. Duties will be redistributed. There will be no impact on the quality of service; the extent of oversight of internal controls may diminish. Prioritization needs are likely to delay new initiatives. This reduction is offered to meet the department's reduction goal, in lieu of reduction of technical staff. Redistribution of management tasks poses less risk to the mission than elimination of certain subordinate functions. State law authorizes one or more deputy finance directors; there is no minimum or mandate.	1	1.0	$120,000

Changes to FY 2009 Adopted Budget Plan

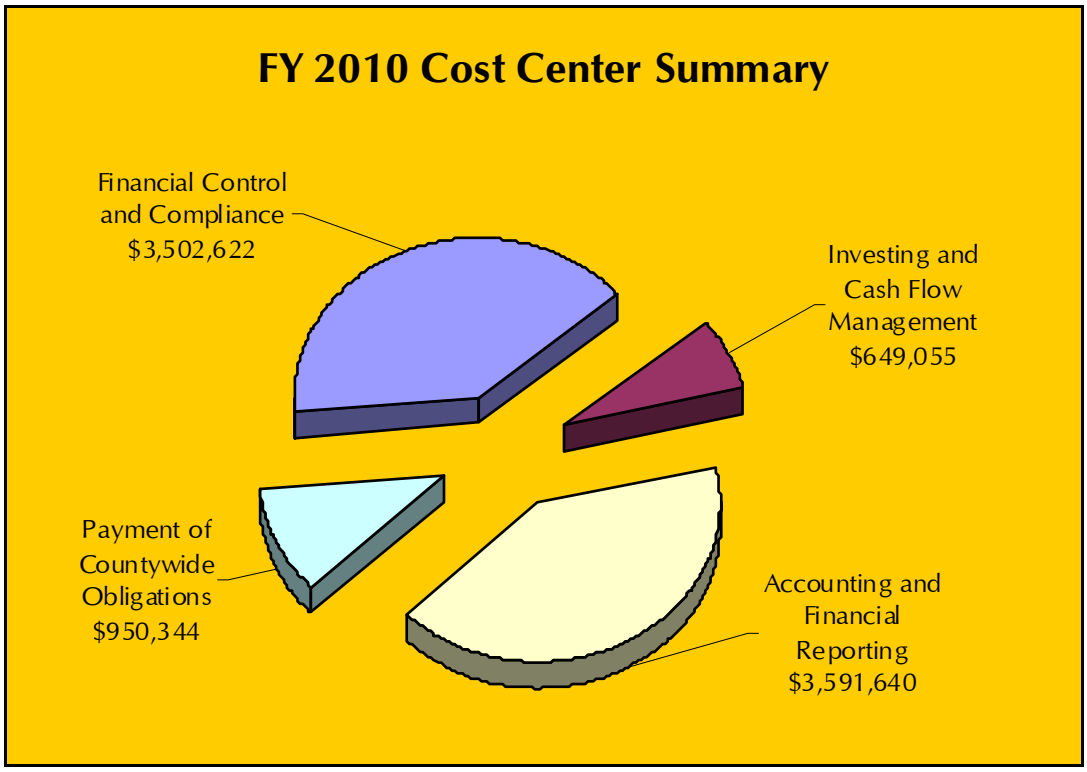
The following funding adjustments reflect all approved changes in the FY 2009 Revised Budget Plan since passage of the FY 2009 Adopted Budget Plan. Included are all adjustments made as part of the FY 2008 Carryover Review, FY 2009 Third Quarter Review, and all other approved changes through April 20, 2009.

- **Carryover Adjustments** **$222,948**
  As part of the *FY 2008 Carryover Review*, the Board of Supervisors approved encumbered funding of $222,948 in Operating Expenses.

- **Third Quarter Adjustments** **($292,092)**
  As part of the *FY 2009 Third Quarter Review*, the Board of Supervisors approved a net reduction of $292,092 including $96,013 based on additional Personnel Services reductions, $16,079 based on the mandatory January 2, 2009 furlough day, and $180,000 based on the acceleration of FY 2010 reductions in order to address the FY 2009 revenue shortfall.

Cost Centers

The four cost centers of the Department of Finance are Financial Control and Compliance, Investing and Cash Flow Management, Accounting and Financial Reporting and Payment of Countywide Obligations. These distinct program areas work to fulfill the mission and carry out the key initiatives of the Department of Finance.



Financial Control and Compliance

Funding Summary					
Category	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2010 Advertised Budget Plan	FY 2010 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	26/ 26	26/ 26	26/ 26	22/ 22	22/ 22
Total Expenditures	**$3,439,735**	**$3,824,106**	**$3,957,724**	**$3,502,622**	**$3,502,622**

Position Summary					
1	Director	1	Business Analyst IV	1	Info. Tech. Prog. Mgr. I
0	Deputy Directors (-1)	3	Business Analysts III (-1)	1	Administrative Assistant IV
1	Chief, Finance Division	2	Business Analysts II	1	Administrative Assistant III
4	Accountants III	1	Business Analyst I	1	Administrative Assistant II
2	Accountants II (-1)	0	Network Analysts I (-1)	1	Administrative Associate
2	Accountants I				

TOTAL POSITIONS
22 Positions (-4) / 22.0 Staff Years (-4.0) **(-) Denotes Abolished Positions due to Budget Reductions**

Key Performance Measures

Goal

To continually maintain and improve the financial management systems used across the County in accordance with sound principles of internal control, minimizing inefficiencies or redundancies and assuring the integrity of data used by the public, the governing body and County managers.

Objectives

- To improve compliance and financial support activities in County agencies by facilitating access to, and implementation of, services and automated tools that resolve 88 percent of the issues identified as needing improvement.

- To ensure that 98 percent of bank accounts are reconciled within 30 days.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate/Actual	FY 2009	FY 2010
Output:					
Agency compliance and/or program support assessments completed	34	33	34 / 34	34	34
Average monthly bank transactions reconciled and resolved within established timeframe	47,296	43,540	41,581 / 42,941	42,082	41,241
Efficiency:					
Staff hours per agency compliance assessment and/or program support effort	41	42	42 / 39	39	39
Staff hours per 100 bank transactions	1.20	1.10	1.05 / 1.01	1.07	1.09
Service Quality:					
Average customer satisfaction rating of assessment and/or program support implementation effort	95%	93%	92% / 92%	92%	92%
Percent change of items requiring reconciliation	0.10%	(0.30%)	0.10% / 0.23%	0.10%	0.10%
Outcome:					
Percent of agency compliance assessment issues resolved and/or support efforts completed	88%	87%	88% / 88%	88%	88%
Percent of bank accounts reconciled within 30 days	98%	100%	98% / 100%	98%	98%

Performance Measurement Results

The Department of Finance (DOF) continues to improve compliance and financial support activities in County agencies by facilitating the access to, and the implementation of, services and automated tools.

In FY 2008, the expansion of the Data Analysis Retrieval Tool (DART) was completed. DART is an online financial reporting tool that leverages the County's Web technology and allows users timely access to three years of financial data via reports published on the INFOWEB. The capability empowers managers and

administrators in a decentralized environment to better analyze and forecast financial information. This effort was recognized by the National Association of Counties and awarded the 2008 Achievement Award.

DOF also continues to work on improving access to County programs and services by making available convenient methods of payments, such as credit card and e-checks offered through Govolution, the County eCollections provider. Since its inception on July 1, 2003, a total of 1,881,988 transactions have been processed through this system, collecting net revenue of approximately $197.4 million from 17 County programs through June 30, 2008. During FY 2008, six more departments began participating in the eCollection program: General District Court, Department of Cable Communications and Consumer Protection, Department of Tax Administration, Department of Family Services, Department of Human Resources and Department of Community and Recreation Services.

DOF sponsored its first eCollection Conference in FY 2008. This inaugural event provided a forum for agency managers and staff to learn about the different products and services available in the areas of electronic collections and banking. Over 100 managers and line staff from all revenue collecting departments as well as budget analysts working with those departments attended this half-day event.

The multi-year program of updating financial policies and procedures continues. Five policy documents were released in FY 2008. Three of these policy documents were released in final form as Accounting Technical Bulletins (ATB) and two were released as a Department of Finance Notices (DFN). The Financial Contracts ATB issued in October 2007 is designed to provide departments with a means to encumber funds in the County's Financial Accounting Management Information System (FAMIS) for a County obligation and to facilitate recurring payments against the encumbrance. The Primary Filing Fee ATB, also issued in October 2007, requires departments involved in the process to facilitate the prompt and accurate collection and refunding of filing fees for primary elections. The Petty Cash ATB issued in April 2008 provides policy and guidance to ensure that petty cash funds are administered in conformance with laws and regulations that pertain to the use of public funds. The two DFNs released for comment included the Vendor File DFN and the Accounts Payable Dollar Approval Threshold DFN. The Vendor File DFN establishes the requirements for, and documents the procedures for, updating and maintaining the vendor master file within the FAMIS. The Accounts Payable Dollar Approval Threshold DFN provides guidance to facilitate the payment approval process in the County and empowers departments to authorize payments within the established payment threshold without requiring the approval of the DOF.

During FY 2008, DOF launched a new financial support hotline to respond to agency queries on policies and procedures as well as the new Electronic Accounts Payable System.

Investing and Cash Flow Management

Funding Summary

Category	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2010 Advertised Budget Plan	FY 2010 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	8/ 8	8/ 8	8/ 8	8/ 8	8/ 8
Total Expenditures	**$683,975**	**$639,921**	**$634,967**	**$649,055**	**$649,055**

Position Summary

1	Deputy Director	1	Investment Manager	3	Investment Analysts
2	Accountants II	1	Administrative Assistant II		

TOTAL POSITIONS
8 Positions / 8.0 Staff Years

Key Performance Measures

Goal

To manage all bank relationships and cash for County agencies in order to ensure the prudent and safe investment of financial assets, maximize interest income and fund financial obligations.

Objectives

- To ensure that 98 percent of banking services fully meet customer expectations.
- To securely invest cash assets in order to meet daily cash flow requirements and to earn a rate of return that is at least 95 percent of industry-standard yield.
- To manage funds so that the target cash balance is met 100 percent of the time.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate/Actual	FY 2009	FY 2010
Output:					
Banking service transactions processed (1)	203	165	175 / 463	200	200
Annual portfolio return achieved (2)	4.2%	5.1%	3.0% / 4.5%	1.5%	1.5%
Total cash payment transactions conducted	1,704	1,650	1,650 / 1,910	2,000	2,000
Efficiency:					
Staff hours per 100 banking service transactions	180	180	180 / 180	180	180
Work years per 100 investment transactions	0.6	0.6	0.6 / 0.6	0.6	0.6
Staff hours per 1,000 cash flow transactions	35.0	35.0	35.0 / 35.0	35.0	35.0
Service Quality:					
Percent of customer satisfaction	98%	98%	98% / 98%	98%	98%
Percent of investment transactions in compliance with policy guidelines (i.e., without need of exception approval)	100.0%	100.0%	99.5% / 100.0%	99.5%	99.5%
Percent of days the un-invested cash balance does not fall outside target range	100%	100%	98% / 100%	98%	98%
Outcome:					
Percent of timely bank services fully meeting customer expectations	98%	98%	98% / 98%	98%	98%
Percent of industry-standard yield achieved	104%	106%	100% / 109%	95%	95%
Percent of days target cash balance was met	100%	100%	100% / 100%	100%	100%

(1) FY 2008 reflects changes in signatories for virtually all accounts of the Fairfax County Public Schools.

(2) Extraordinary market conditions in FY 2009 suggests constrained earnings in FY 2009 and FY 2010.

Performance Measurement Results

The number of banking service transactions fluctuates from one year to the next with little predictability. The department responds to numerous requests for banking services, ranging from establishment of deposit accounts to creation of complex electronic revenue collection mechanisms. Regardless of the number of actions, County agencies look for timely and thorough responses to their needs. In FY 2008, the department maintained its level of customer satisfaction. In the four quarterly performance review sessions, attended by both customers and representatives of the County's bank, not one service issue carried forward to the next session as unresolved. New products and services have been identified and planned for implementation at the initiative of the division. During the fiscal year, significant declines in interest rates were driven by downturns in the national economy; nonetheless, the department was able to anticipate revenue declines and adjust investment strategy to deliver, and to slightly exceed, its revenue projections. Performance results show returns on investments exceeding those achieved by funds of comparable size and complexity. The County maintained liquidity to meet every cash need without reliance on a back-up credit facility or the need to sell an investment instrument prior to maturity. For the twelfth consecutive year, the County's investment policy was awarded the Certificate of Excellence by the Association of Public Treasurers of the United States and Canada. Fairfax County was the only jurisdiction in Virginia and the only county in the nation to receive this prestigious peer-review certificate in 2008.

Accounting and Financial Reporting

Funding Summary

Category	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2010 Advertised Budget Plan	FY 2010 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	15/ 15	15/ 15	15/ 15	15/ 15	15/ 15
Total Expenditures	**$3,635,988**	**$3,896,570**	**$3,706,802**	**$3,591,640**	**$3,591,640**

Position Summary

1	Chief, Finance Division	5	Accountants III	1	Accountant I
3	Financial Reporting Managers	5	Accountants II		

TOTAL POSITIONS
15 Positions / 15.0 Staff Years

Key Performance Measures

Goal

To provide technical accounting oversight and guidance to County agencies to ensure that generally accepted accounting procedures, legal requirements and County policies and procedures are consistently applied; to maintain the integrity of the County's accounting records; and to fully satisfy all reporting requirements.

Objectives

- To provide technical oversight of accounting records by reviewing and analyzing financial records of all County agencies so that the County earns an unqualified audit opinion.

- To satisfy 100 percent of mandated requirements for all audited financial reports compiled, completed and issued by the Department of Finance.

Indicator	Prior Year Actuals FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate/Actual	Current Estimate FY 2009	Future Estimate FY 2010
Output:					
Fund/agency accounts reviewed and analyzed (1)	142	144	139 / 142	144	142
Mandated reports issued	6	6	6 / 6	6	6
Efficiency:					
Staff hours per report issued	1,074	1,030	1,075 / 1,174	1,200	1,150
Staff hours per account reviewed and analyzed (2)	72	77	72 / 77	71	70
Service Quality:					
Percent of accounts requiring no year-end adjustment	93%	94%	95% / 94%	95%	95%
Awarded the Government of Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting	Yes	Yes	Yes / Yes	Yes	Yes
Outcome:					
Unqualified audit opinions	Yes	Yes	Yes / Yes	Yes	Yes
Percent of mandated requirements satisfied for all audited financial reports issued by the Department of Finance	100%	100%	100% / 100%	100%	100%

(1) Three new funds were added in FY 2008. This includes Fund 124 - County and Regional Transportation Projects, Fund 603 - OPEB Trust Fund and Fund 713 - Transient Occupancy Tax.

(2) In FY 2008, the increase in staff hours was due in part to the additional funds added, and the significant turnover and reduction in staff. FY 2010 estimates demonstrate a reversal of this trend as efficiencies are increased and processes streamlined.

Performance Measurement Results

The County met all statutory, regulatory and external mandates for timely, comprehensive financial reporting. For 30 consecutive years, the high quality of the County's Comprehensive Annual Financial Report has earned the Certification of Achievement for Excellence in Financial Reporting awarded through peer review by the Government Finance Officers Association of the United States and Canada.

Payment of Countywide Obligations

Funding Summary					
Category	FY 2008 Actual	FY 2009 Adopted Budget Plan	FY 2009 Revised Budget Plan	FY 2010 Advertised Budget Plan	FY 2010 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	20/ 20	20/ 20	20/ 20	17/ 17	17/ 17
Total Expenditures	**$1,367,737**	**$1,043,486**	**$1,035,446**	**$950,344**	**$950,344**

Position Summary					
1	Chief, Finance Division	2	Accountants II	4	Administrative Assistants IV
1	Financial Reporting Manager	1	Accountant I	0	Administrative Assistants III (-3)
1	Management Analyst III	1	Business Analyst II	1	Administrative Assistant II
1	Accountant III	3	Administrative Assistants V	1	Administrative Associate

TOTAL POSITIONS
17 Positions (-3) / 17.0 Staff Years (-3.0) **(-) Denotes Abolished Position due to Budget Reductions**

Key Performance Measures

Goal

To provide guidance and oversight in fiscal management practices in order to maintain the highest level of accountability and to provide accurate and timely financial performance information to County agencies and external customers.

Objectives

- To provide analysis, training and customer support to decentralized accounts payable operations to ensure payments initiated by County agencies comply with County policies; to obtain available discounts for prompt payments; and to ensure that at least 97 percent of obligations are paid accurately and on time.

- To increase processing efficiency by at least 5 percent by developing and implementing electronic commerce initiatives associated with accounts payable and payment production programs.

- To produce checks and electronic transfers in payment of County obligations on the authorized payment date while maintaining a fully satisfactory payee rating of 97 percent or greater.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate/Actual	FY 2009	FY 2010
Output:					
Adjustments or corrections to payment transactions	3,528	3,221	3,253 / 3,130	3,324	3,321
Checks and electronic payments initiated	331,484	300,008	303,008 / 288,186	291,068	293,979
Payments processed utilizing e-commerce initiatives	34,930	39,147	39,930 / 41,753	43,006	44,296
Efficiency:					
Staff hours of proactive data analysis per adjustment or correction	0.41	0.16	0.20 / 0.17	0.20	0.22
Cost per payment (check or transfer)	$0.472	$0.460	$0.520 / $0.450	$0.540	$0.540
Staff hours used to research, develop and implement e-commerce payments (1)	0.20	0.16	0.19 / 0.14	0.24	0.26
Service Quality:					
Percent of customers fully satisfied with service provided	97.0%	97.0%	97.0% / 97.0%	97.0%	97.0%
Percent of payments issued by due date	95.0%	97.0%	97.0% / 96.0%	95.0%	97.0%
Percent of agencies fully satisfied with e-commerce initiatives	96%	100%	97% / 97%	97%	97%

Indicator	Prior Year Actuals FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate/Actual	Current Estimate FY 2009	Future Estimate FY 2010
Outcome:					
Percentage of countywide obligations paid without requiring adjustment or correction	95.0%	99.0%	99.0% / 99.0%	97.0%	97.0%
Percent change in processing efficiency resulting from use of e-commerce	4.3%	8.2%	5.0% / 7.0%	5.0%	5.0%
Percent of payees rating payment system fully satisfactory	100%	100%	99% / 100%	97%	97%

(1) Significant improvements were made in the Automated Clearing House (ACH) exception research process through the use of electronic reports and e-mails, thus fewer staff hours were required to research and resolve issues in FY 2008. It is anticipated that outside vendor participation in the ACH program will increase coordination time in the coming years.

Performance Measurement Results

The accounts payable and check writing operations are joined in a common business area to capture the benefits of enhanced teamwork and to facilitate future process reengineering. A multi-year project to enhance the processing of accounts payable continues. The Electronic Accounts Payable System (EAPS) was first launched in October 2007 with three pilot agencies participating including Department of Human Resources, Department of Information Technology and Facilities Management Department. A rollout to other agencies is currently ongoing and will continue into 2009. EAPS allows for front-end scanning of invoices received from the County's centralized post office box address. Each invoice is routed electronically to the appropriate agency based on a mailstop location code provided on the invoices by the vendors. Invoices are matched to the original purchase authorization and routed electronically for approval and online posting to the electronic County and Schools accounts payable system. This new system has dramatically reduced the time and effort to process and pay invoices.

During FY 2008, the County contracted with a third-party vendor to provide utility bill payment services. The scope of this new program includes the payment of the County's natural gas and electric utility bills by consolidated electronic bank transfers and provides staff across the County Internet access to view invoices and energy-usage reports. The energy-usage reports will allow County agencies to manage their energy usage more efficiently. Currently, eight agencies are participating in the program with 1,075 utility invoices already processed totaling approximately $2.1 million.

In addition, DOF created the Accounts Payable Users Group to facilitate compliance with County policy and assist the agencies in meeting their vendor and employee payment needs.