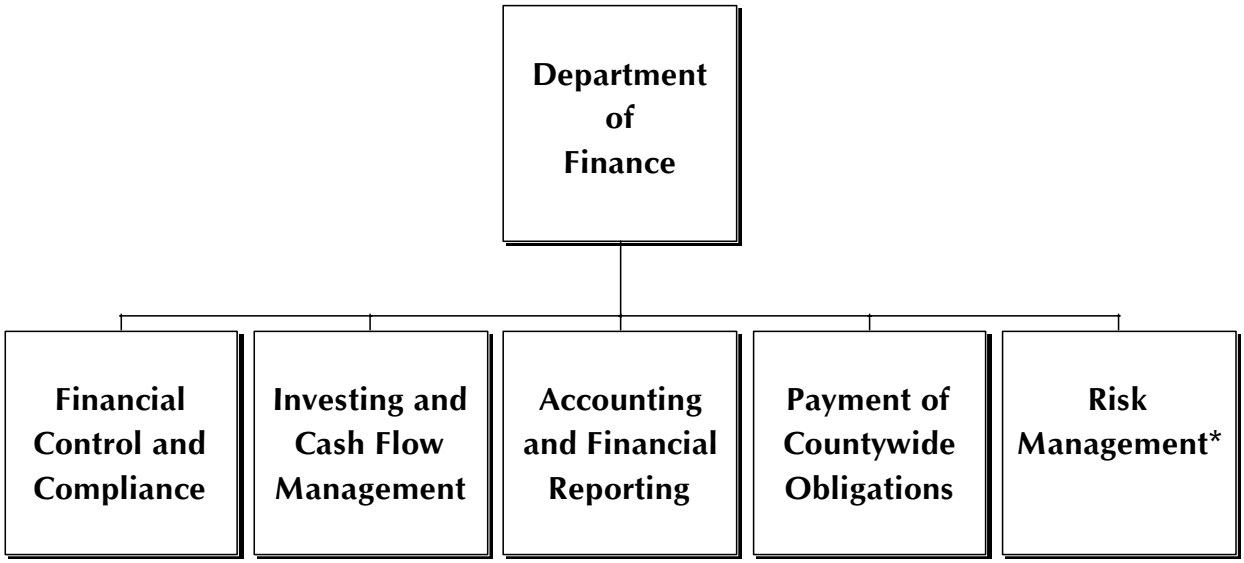
Department of Finance



* 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:

- 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;

THINKING STRATEGICALLY

Strategic issues for the department include:

- Enabling cost reductions in the payment of countywide obligations through implementation of invoice scanning and enhanced electronic document routing approval, filing and retrieval systems;
- Sharing technical expertise and assuring compliance with County policies and sound financial practices; and
- Reducing costs and increasing effectiveness of management reports through implementation of automated reporting capabilities.

- Partnering with other County departments to leverage resources is essential to achieving related objectives;
- Changes in countywide requirements and priorities, federal and state legislation, and regulatory mandates requires a flexible, responsive organization; and
- Customers expect and deserve high quality service and access to the most advanced technology available.

In FY 2008, 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 productivity.

Budget and Staff Resources

Agency Summary		
Category	**FY 2007 Actual**	**FY 2008 Adopted Budget Plan**
Authorized Positions/Staff Years		
Regular	69/ 69	69/ 69
Expenditures:		
Personnel Services	$3,964,094	$4,656,069
Operating Expenses	4,940,168	4,799,590
Subtotal	**$8,904,262**	**$9,455,659**
Less:		
Recovered Costs	($500,908)	($551,697)
Total Expenditures	**$8,403,354**	**$8,903,962**
Income:		
State Shared Finance Expenses	$394,889	$395,805
State Shared Retirement - Finance	12,132	12,245
Total Income	**$407,022**	**$408,050**
Net Cost to the County	**$7,996,332**	**$8,495,912**

SUMMARY OF ALL AGENCY LOBS
(FY 2008 Adopted Budget Data)

Number	LOB Title	Net LOB Cost	LOB Number of Positions	LOB SYE
06-01	Financial Control and Compliance	$3,368,185	26	26.0
06-02	Investing and Cash Flow Management	$626,333	8	8.0
06-03	Accounting and Financial Reporting	$3,471,770	14	14.0
06-04	Payments of Countywide Obligations	$1,029,624	21	21.0
TOTAL		**$8,495,912**	**69**	**69.0**

LOBS SUMMARY

06-01: Financial Control and Compliance

Fund/Agency: 001/06	Department of Finance
LOB #: 06-01	**Financial Control and Compliance**
Personnel Services	$2,239,946
Operating Expenses	$1,536,289
Recovered Costs	$0
Capital Equipment	$0
Total LOB Cost:	$3,776,235
Federal Revenue	$0
State Revenue	$395,805
User Fee Revenue	$0
Other Revenue	$12,245
Total Revenue:	$408,050
Net LOB Cost:	$3,368,185
Positions/SYE involved in the delivery of this LOB	26 / 26.0

▶ LOB Summary

Financial management support is decentralized in the County. Each department and agency designs support structures it finds most responsive to its mission and needs. To meet the Director of Finance's statutory responsibility for the conduct of financial operations, essential procedures and controls have been developed and they are regularly tested by a team comprising a variety of professional skills. This team assures compliance and fosters efficiency in agencies by directly addressing agencies' operational issues and sharing successes found in other agencies. Equally important, they assure the safety of County assets, the integrity of information in the financial systems, and they provide management with the tools needed for efficient utilization of resources. This LOB focuses on safeguarding the County's funds by ensuring that all agencies comply with sound financial and accounting practices and fiscal integrity standards by:

- Developing and overseeing adherence to financial policies and procedures in areas such as travel, procurement card usage, and petty cash;
- Assessing compliance with established internal fiscal controls; and
- Managing the County's financial suite of information systems for accounting, accounts payable, and fixed assets

Financial information systems are utilized by over one thousand staff. Controls require that only authorized personnel have access to the systems to perform critical financial functions. The financial systems provide automated controls that ensure Board of Supervisor-approved appropriations are not exceeded, funds for purchase orders are properly encumbered, and that only authorized payments are released. In support of this mission, a Department of Finance team with experience in the substantive areas being supported manages automated system operation and access. This team assists users through problem resolution, training, specialized reporting, and system modification when appropriate. This team is also the in-house resource for system upgrades, testing, integrity assurance, and security control.

Increasingly expanded technology tools present both opportunities and challenges in this LOB. New tools such as enterprise resource planning solutions, web-based services and internally designed data processing promise increased efficiency. The challenge is to implement these tools in a secure environment of sound internal controls. The County's core automated financial system, implemented in 1997 in cooperation with the Fairfax County Public Schools, delivers a comprehensive suite of financial applications that has enabled efficient workflow, guaranteed separation of duties, enhanced internal controls, and streamlined business processes. However, the County must continue modernization ahead of the accelerating rate of obsolescence. The department continues to devise ways to meet evolving information needs with systems that cannot be modified efficiently. Such a situation inspired a widely well-accepted financial reporting tool that enables agencies to produce timely management reports otherwise unavailable from existing mainframe systems. It is significant to note that this tool was developed as an adaptation of existing software, leveraging the experience and skills of County staff at essentially no cost to the taxpayer. With the advent of additional payment options such as the procurement card, reconciliation of financial information is increasingly critical to sound operations. The biggest change over the last few years is the increased demand for more electronic processing solutions and real-time access to financial information. This LOB provides customers effective solutions to meet their needs. Constant communication with customers in this changing environment is critical and remains a priority for the department.

Performance against the objectives of this LOB is measured by monitoring the extent to which efforts in this LOB result in resolution of identified issues and bank accounts are reconciled timely. In any given year, there should be an issue resolution rate of no less than 88 percent and at least 98 of account reconciliations are completed within 30 days.

► Method of Service Provision

This LOB is provided directly by County staff.

Soundness of internal controls is the keystone of financial operations. The Department of Finance designs, tests, monitors, and maintains a number of control processes serving approximately 1,100

FAMIS users and some 165 users of the accounts payable features of the procurement system. In assuring the integrity of financial systems, security profiles are maintained for all users; 440 additions, deletions or modifications were made to security profiles in FY 2007. Growing demands on staff time in this LOB have been met by internal reorganization and re-prioritization. Staff designs and maintains over 150 monthly reports of financial activity in response to the routine needs of managers and the special needs at certain agencies. In addition, this LOB facilitates electronic data transfer from agency sub-systems to the central suite of financial systems. There are 65 computer interfaces between systems that are managed and controlled by staff in this LOB.

Bank account reconciliation workload has remained constant. Through the use of Internet access to bank information and by automating many tasks, the department has reduced the number of items requiring reconciliation and in FY 2007 exceeded its goal by completing 100 percent of bank reconciliations within thirty days. By resolving outstanding items sooner and completing reconciliations promptly, the opportunity for fraud decreases. Improvements in these control measures have lowered the cost of the external audits. Checks that have not been cashed often represent "unclaimed property", falling under the Commonwealth of Virginia's escheatment laws. The department has been particularly effective in locating the owners of this property and delivering payments that otherwise would languish in perpetuity on the books of the Commonwealth of Virginia.

► Mandate Information

This LOB is federally or state mandated as noted on page 2 of the 2007 Federal and State Mandates Report. The percentage of this LOB's resources utilized to satisfy the mandate is 26-50 percent.

LOBS SUMMARY

06-02: Investing and Cash Flow Management

Fund/Agency: 001/06	*Department of Finance*
LOB #: 06-02	***Investing and Cash Flow Management***
Personnel Services	$547,373
Operating Expenses	$78,960
Recovered Costs	$0
Capital Equipment	$0
Total LOB Cost:	$626,333
Federal Revenue	$0
State Revenue	$0
User Fee Revenue	$0
Other Revenue	$0
Total Revenue:	$0
Net LOB Cost:	$626,333
Positions/SYE involved in the delivery of this LOB	8 / 8.0

► LOB Summary

Throughout the year, the County has available from $1.6 billion to $3.0 billion in short-term investments. The Department of Finance is charged with investing funds securely and productively and with maintaining the ability to meet all demands for payment from these funds. This LOB focuses on these requirements, providing the capability: to project the inflow of revenues; to estimate the amounts needed to meet monetary obligations; to determine the amounts of cash available for investment; and to determine the periods of time funds can be invested without risk of lost liquidity. Through a comprehensive investment policy and with oversight by a senior Investment Committee, individual investment vehicles are selected and staff executes purchase transactions each day. Staff also invests and manages cash flow to accommodate certain enterprise, externally funded, or self-supporting activities; a portion of the investment earnings from these activities is paid to the General Fund to cover the cost of this accommodation. The charge is in line with rates charged by commercial providers for similar services.

All funding for this activity comes from the County's General Fund.

The department has consistently met the objectives of this LOB: preservation of capital, timely availability of cash to meet obligations; and a return on investments that meets or exceeds industry standard benchmarks. Key to this has been development of and strict adherence to sound investment policies. This policy has been subjected to peer review by the Association of Public Treasurers and for eight years has continuously been acknowledged by the Association's Investment Policy Certificate of Excellence Award.

The expanding use of electronic payment systems has changed the way cash managers must deal with funds that are in transit, referred to as "float". Funds now move quickly through the financial systems, requiring precise cash flow monitoring and flexible funding processes to assure the availability of cash as it is needed. The department makes use of several automation tools to meet these needs. One such tool permits the department to compare bank balances to checks that are presented against that account each day, thereby enabling the County to have on account only so much cash as is needed that day. Another tool has automated the tasks of capturing all daily investment activity (on average, the department invests $17 million each day), recording it in tracking databases, and posting it to the automated financial system. Cash available for investment has grown from a low in 1997 of $781 million to a high of $3.0 billion in 2007. Development and deployment of these in-house automation tools has permitted the department to shift staff resources away from labor-intensive processes to more productive analytical and internal control functions.

Performance against the objectives of this LOB is measured by meeting customer expectations for delivery of banking services and achieving benchmark returns on investments while preserving needed liquidity. This LOB aims to achieve a 98 percent customer satisfaction rate, to earn 100 percent of the industry-standard yield on investments with uninterrupted of liquidity.

► Method of Service Provision

Investment services are provided entirely by County staff.

Performance in this LOB is measured by data in both the investing and banking services areas. In line with the objectives of preserving the safety of capital, maintaining liquidity, and achieving satisfactory yield, performance is measured three ways. First, by staff's adherence to carefully designed investment guidelines; second, by having adequate funds available each day to pay obligations, keeping uninvested cash to a minimum; third, by earning investment revenue at a level that meets or exceeds the benchmark for this type of portfolio.

This LOB consistently applies investment policy in all but extraordinary situations. (Exceptions to policy may be granted by the Investment Committee.) The FY 2007 target for policy compliance was 98 percent; this was exceeded as staff achieved 100 percent compliance. The LOB aims to always have adequate cash to meet business requirements, that is, to never need to sell an investment prior to maturity. Meeting this goal recognizes that there will be an uninvested balance, and the Investment Committee has set a target maximum for this balance. In FY 2007, the department met the target 100 percent of the time. The benchmark used for investment earnings in the County's portfolio is a composite of the amounts earned by municipal investment pools of similar size. The LOB's goal is to earn at least 95 percent of the revenue reported by benchmarked pools. Aiming for somewhat below the benchmark recognizes that the County's pool is more restrictive as to the length of maturity of allowable investments, thereby potentially reducing potential yield on investments. Nonetheless, the County has exceeded the benchmark in each of the past three years by an average of 5 percent.

► Mandate Information

This LOB is federally or state mandated as noted on page 2 of the 2007 Federal and State Mandates Report. The percentage of this LOB's resources utilized to satisfy the mandate is 1-25 percent.

06-03: Accounting and Financial Reporting

Fund/Agency: 001/06	Department of Finance
LOB #: 06-03	**Accounting and Financial Reporting**
Personnel Services	$999,154
Operating Expenses	$3,024,313
Recovered Costs	($551,697)
Capital Equipment	$0
Total LOB Cost:	$3,471,770
Federal Revenue	$0
State Revenue	$0
User Fee Revenue	$0
Other Revenue	$0
Total Revenue:	$0
Net LOB Cost:	$3,471,770
Positions/SYE involved in the delivery of this LOB	14 / 14.0

▶ LOB Summary

The Accounting and Financial Reporting program provides the capability to produce consistent and reliable financial information used by managers, residents, other governments, and investor interests. Through this LOB, the Department of Finance maintains the financial accounts used throughout the County. This resource supports the individual needs of agencies while applying accepted uniform standards to ensure that financial data is comparable from year to year, from agency to agency, from jurisdiction to jurisdiction, and can be relied upon by those with an interest in the financial health of and the result of operations in the County. A variety of internal control measures are designed, applied, and tested to assure the integrity of data and the protection of County assets. In response to these needs and requirements, the team of public finance accountants and analysts delivering this service produces the Comprehensive Annual Financial Report, which serves as an extensive resource for analysis of the County's financial performance. This report is audited by an independent certified public accountant, and it forms the basis for a variety of other financial reporting required by the Commonwealth of Virginia and the federal government. The conduct of the annual independent audit is managed through the Audit Steering Committee, comprising managers from the County and its component units.

The State Compensation Board reimburses a portion of the salary costs incident to this LOB. Non-General Fund activities reimburse the department for audit costs; all other expenses are paid from the General Fund.

Over the past several years, the department has shifted resources to respond to evolving needs and growing capabilities. For example, fixed asset accounting took on greater importance following the FY 2001 conversion from tradition financial reports to the full accrual method prescribed by the Governmental Accounting Standards Board. After extensive efforts to convert reporting tools, a number of processes were automated to permit assigned personnel to redirect their efforts to new challenges. These included creation of a debt-financing team and a grants administration team.

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In compliance with state law and to meet the needs of taxpayers, investors, and elected officials, the County produces an audited Comprehensive Annual Financial Report that conforms to the prescriptions of the Governmental Accounting Standards Board. In addition, the department prepares scores of other financial reports throughout the year. This reporting is made practical by employing systems that are carefully controlled and monitored and by developing analytics that can be adapted and applied to diverse financial structures used for day-to-day management across the County.

Performance against the objectives of this LOB is measured by reports of audits and satisfaction of all mandatory reporting requirements. The objective is to achieve an unqualified audit report each year and to meet 100 percent of reporting requirements.

► Method of Service Provision

Services are provided entirely by County staff.

The governmental accounting profession is more dynamic than ever. While consistency and comparability of information from year to year remain vital in financial reporting, there has been an accelerated demand for greater accountability, disclosure, and ease of interpretation. This challenges County managers to keep accounting staff fully trained in the art of their profession and to find ways to use technology rather than to expand the workforce. The department has been highly successful in doing this. The result of these efforts is seen in the marketplace: the County's financial reports continue to receive wide acceptance by and praise from rating agencies that examine these reports in the public interest. Annual audits of the County's financial reports have achieved an uninterrupted string of unqualified opinions from an independent certified public accountant. Subjected to peer review, for the thirtieth consecutive year the County earned a Certificate of Achievement for Excellence in Financial Reporting from the Governmental Finance Officers Association of the US and Canada.

► Mandate Information

This LOB is federally or state mandated as noted on page 2 of the 2007 Federal and State Mandates Report. The percentage of this LOB's resources utilized to satisfy the mandate is 76-100 percent.

LOBS SUMMARY

06-04: Payments of Countywide Obligations

Fund/Agency: 001/06	Department of Finance
LOB #: 06-04	**Payments of Countywide Obligations**
Personnel Services	$869,596
Operating Expenses	$160,028
Recovered Costs	$0
Capital Equipment	$0
Total LOB Cost:	$1,029,624
Federal Revenue	$0
State Revenue	$0
User Fee Revenue	$0
Other Revenue	$0
Total Revenue:	$0
Net LOB Cost:	$1,029,624
Positions/SYE involved in the delivery of this LOB	21 / 21.0

► LOB Summary

Under Virginia law, the Director of Finance is responsible for all payments of County and Schools obligations. Payments are made by check, by electronic funds transfer and, to a limited extent, by cash. The payment services process includes a carefully controlled and administratively separate accounts payable operation, check-writing and electronic payment authorization, and bank relationship management.

The accounts payable program manages prompt payment of all obligations, producing over 330,000 checks annually. Vendor payments are made within 30 days of invoicing and receipt of goods, in compliance with mandated prompt payment guidelines. In addition, the County's objective is to take 100 percent of discounts available from vendors. Payment operations also support payroll, retirement, debt service, employee reimbursement, tax refunds, and inter-government payments.

Funding is provided by the County's General Fund. Part of the salary costs for this LOB is recovered from the State Compensation Board.

In FY 2007, the Department of Finance completed a reengineering of functions in line with its Strategic Plan, consolidating all payment operations under this LOB. The production of checks in payment of the County's obligations has evolved from a highly manual, multi-step process to one of full seamless automation, at dramatically lower cost. Its design permits continued operations under every imaginable contingency, either on-site or transportable to temporary operations. The County was a pioneer in implementing the anti-fraud measure known as "payee positive pay." By sharing with our bank data on each check issued, fraudulent checks can be detected upon first presentment to our bank, before any charge is made to a County account. The "payee" feature enables bank tellers to discover that the payee name on an otherwise valid check has been altered. This capability

also facilitates voiding and reissuing checks that have been lost or destroyed, avoiding delays and hardships previously encountered in the traditional "stop payment" processes available to the County.

FY 2007 also saw renewed emphasis on using electronic payment methods in place of checks. The County has had a strong commitment to direct deposit of salary payments; the department has taken the lead in expanding electronic payments to other areas. For example, all employee travel is now settled by direct deposit; electronic payment is now a standard for vendors proposing to do business with the County; electronic transfers have replaced checks in periodic funding of over two hundred Fairfax County Public School locally managed accounts.

The effort to expand electronic payment continues. In FY 2007, the department initiated a project to consolidate thousands of utility bills so that they can be analyzed, verified, and paid electronically. A related initiative is revolutionizing the accounts payable process. This initiative will permit conversion of vendor invoices from paper to electronic images. County staff will have the capability to perform online audit functions, to electronically authorize payments and postings to the County's financial records, and to generate an electronic funds transfer to vendors. This capability, eliminating delays and oversights that accompany handling of hardcopy documents, will reduce the staff costs in the payment process, reduce the cost of storage and retrieval of documentation, and enable the County to maximize available discounts for timely invoice payments.

Performance against the objectives of this LOB is measured by timely accurate payment of obligations and increased efficiency. A 99 percent on-time record and a 5 percent increase in processing efficiency will determine that the objectives of this LOB are being met.

► Method of Service Provision

Services are provided entirely by County staff. A program for out-sourcing utility payments is pending.

There are three distinct operations in the Payments LOB: accounts payable; check-writing; and check security. Checks generated by accounts payable operations are printed and mailed on the due date 97 percent of the time. Automation initiatives and inventory management have contained the per-check cost, with increases attributable completely to postal rates. The higher postage expense has been met by savings generated by close management of personnel costs. Cost avoidance efforts include measures to prevent check fraud; the department's positive pay program has resulted in the early detection of several efforts to defraud the County.

► Mandate Information

This LOB is federally or state mandated as noted on page 2 of the 2007 Federal and State Mandates Report. The percentage of this LOB's resources utilized to satisfy the mandate is 76-100 percent.

AGENCY PERFORMANCE MEASURES

Objectives

- To improve compliance and financial support activities in County agencies by facilitating the access to, and the 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.

- 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 100 percent of industry-standard yield.

- To manage funds so that the target cash balance is met 100 percent of the time.

- 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.

- 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 99 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 or before the authorized payment date at least 99 percent of the time.

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Indicator	Prior Year Actuals FY 2006 Actual	Prior Year Actuals FY 2007 Estimate/Actual	Current Estimate FY 2008	Future Estimate FY 2009	LOB Reference Number
Output:					
Agency compliance and/or program support assessments completed (1)	34	30 / 33	34	41	06-01
Average monthly bank transactions reconciled and resolved within established timeframe (2)	47,296	48,715 / 43,540	41,581	39,710	06-01
Banking service transactions processed	203	176 / 165	175	175	06-01
Annual portfolio return achieved	4.2%	5.0% / 5.1%	5.0%	5.0%	06-02
Total cash payment transactions conducted	1,704	1,700 / 1,650	1,650	1,650	06-02
Fund/agency accounts reviewed and analyzed	142	139 / 144	139	144	06-03
Mandated reports issued	6	6 / 6	6	6	06-03
Adjustments or corrections to payment transactions	3,528	3,493 / 3,221	3,253	3,285	06-04
Checks and electronic payments initiated	331,484	334,799 / 300,008	303,008	306,038	06-04
Payments processed utilizing e-commerce initiatives	34,930	35,978 / 39,147	39,930	40,729	06-04
Efficiency:					
Staff hours per agency compliance assessment and/or program support effort	41	41 / 42	42	39	06-01
Staff hours per 100 bank transactions	1.20	1.20 / 1.10	1.05	1.02	06-01
Staff hours per 100 banking service transactions	180	180 / 180	180	180	06-01
Work years per 100 investment transactions	0.6	0.6 / 0.6	0.6	0.6	06-02
Staff hours per 1,000 cash flow transactions	35.0	35.0 / 35.0	35.0	35.0	06-02
Staff hours per report issued	1,074	1,075 / 1,030	1,075	1,200	06-03
Staff hours per account reviewed and analyzed	72	72 / 77	72	71	06-03
Staff hours of proactive data analysis per adjustment or correction	0.41	0.41 / 0.16	0.20	0.22	06-04
Cost per payment (check or transfer)	$0.472	$0.470 / $0.460	$0.520	$0.520	06-04
Staff hours used to research, develop and implement e-commerce payments (3)	0.20	0.20 / 0.16	0.19	0.21	06-04

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Indicator	Prior Year Actuals FY 2006 Actual	Prior Year Actuals FY 2007 Estimate/Actual	Current Estimate FY 2008	Future Estimate FY 2009	LOB Reference Number
Service Quality:					
Average customer satisfaction rating of assessment and/or program support implementation effort	95%	92% / 93%	92%	92%	06-01
Percent change of items requiring reconciliation	0.10%	0.10% / (0.30%)	0.10%	0.10%	06-01
Percent of customer satisfaction	98%	98% / 98%	98%	98%	06-01
Percent of investment transactions in compliance with policy guidelines (i.e., without need of exception approval)	100.0%	99.5% / 100.0%	99.5%	99.5%	06-02
Percent of days the un-invested cash balance does not fall outside target range	100%	98% / 100%	98%	98%	06-02
Percent of accounts requiring no year-end adjustment	93%	95% / 94%	95%	95%	06-03
Awarded the Government of Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting	Yes	Yes / Yes	Yes	Yes	60-03
Percent of customers fully satisfied with service provided	97.0%	97.0% / 97.0%	97.0%	97.0%	06-04
Percent of payments issued by due date	95.0%	97.0% / 97.0%	97.0%	97.0%	06-04
Percent of agencies fully satisfied with e-commerce initiatives	96%	97% / 100%	97%	97%	06-04

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Indicator	Prior Year Actuals FY 2006 Actual	Prior Year Actuals FY 2007 Estimate/Actual	Current Estimate FY 2008	Future Estimate FY 2009	LOB Reference Number
Outcome:					
Percent of agency compliance assessment issues resolved and/or support efforts completed	88%	88% / 87%	88%	88%	06-01
Percent of bank accounts reconciled within 30 days	98%	98% / 100%	98%	98%	06-01
Percent of timely bank services fully meeting customer expectations	98%	98% / 98%	98%	98%	06-01
Percent of industry-standard yield achieved	104%	95% / 106%	100%	100%	06-02
Percent of days target cash balance was met	100%	100% / 100%	100%	100%	06-02
Unqualified audit opinions	Yes	Yes / Yes	Yes	Yes	06-03
Percent of mandated requirements satisfied for all audited financial reports issued by the Department of Finance	100%	100% / 100%	100%	100%	06-03
Percentage of countywide obligations paid without requiring adjustment or correction	95.0%	99.0% / 99.0%	99.0%	99.0%	06-04
Percent change in processing efficiency resulting from use of e-commerce	4.3%	5.0% / 8.2%	5.0%	5.0%	06-04
Percent of payees rating payment system fully satisfactory	100%	99% / 100%	99%	99%	06-04

(1) The substantial reduction in percentage of items requiring reconciliation in FY 2007 is the result of a concerted effort to train user departments on correct postings to the general ledger system.

(2) The increased use of Automated Clearing House (ACH) services, which consolidates transactions, has resulted in a significant decrease in the number of bank transactions to be reconciled in FY 2007. The use of ACH services is anticipated to increase in future years.

(3) A significant reduction in staff hours per adjustment or correction was experienced in FY 2007 as a result of improvement made in the Automated Clearing House (ACH) services exception research process utilizing electronic reports and emails.