



04 - 0514

Minnesota

Department of Finance

September 9, 2004

To: Governor Tim Pawlenty
Members of the 2004 Legislature

Minnesota Statutes Section 16A.124 requires state agencies to pay valid obligations to vendors within the vendor's early payment discount period, or in the absence of a stated period, within 30 days following receipt of the invoice for the completed delivery of the product or service. The Commissioner of Finance is responsible for monitoring state agencies to ensure the prompt payment of vendor obligations. Annually, the Commissioner is required to report to the legislature the state's payment record for the previous year. The statewide goal for agency compliance is 97 percent.

In fiscal year 2004, 98.8 percent of payments were made within 30 days, after adjustments for items contested or subject to audit prior to payment. This compares with 98.3 percent reported for fiscal year 2003.

The attached reports show individual agency comparisons for fiscal years 2003/2004 including interest paid on late payments to state vendors.

The Department of Finance remains committed to working with state agencies to maintain and improve individual agency compliance with the 97 percent statewide goal. The department monitors payment performance monthly and provides quarterly performance reporting to all state agencies. Agencies not meeting targeted performance receive monthly reports and are required to provide written response on their performance. Department staff also provide guidance in educating agency staff on the proper use of the Minnesota Accounting and Procurement System to ensure timely payment of obligations.

Questions about this report may be directed to Mary Muellner, Systems Compliance Supervisor, 651-282-5052.

A handwritten signature in cursive script that reads "Peggy Ingison".

Peggy Ingison
Commissioner of Finance

Prompt Payment Report

State Of Minnesota
 Payment Record by State Agency (1)
 Fiscal Year: 2004 - July 1, 2003 through June 30, 2004
 As Of: June 30, 2004

	Fiscal Year 2003			Fiscal Year 2004			Variance
	Total Payments	Paid W/ 30 Days	% Paid W/ 30	Total Payments	Paid W/ 30 Days	% Paid W/ 30	
B7P ACCOUNTANCY BOARD	247	242	97.98%	185	182	98.38%	0.40%
G16 ADMIN CAP PROJECT & RELOCATION	212	207	97.64%	420	408	97.14%	-0.50%
G02 ADMINISTRATION DEPT	40,659	39,814	97.92%	33,483	32,854	98.12%	0.20%
G9K ADMINISTRATIVE HEARINGS	1,166	1,154	98.97%	953	949	99.58%	0.61%
B04 AGRICULTURE DEPT	12,164	12,123	99.66%	8,131	8,128	99.96%	0.30%
B9D AMATEUR SPORTS COMM	106	105	99.06%	69	68	98.55%	-0.51%
B14 ANIMAL HEALTH BOARD	594	591	99.49%	1,387	1,385	99.86%	0.36%
B7E ARCHITECTURE, ENGINEERING BD	199	190	95.48%	215	197	91.63%	-3.85%
E50 ARTS BOARD	844	840	99.53%	468	430	91.88%	-7.65%
G9N ASIAN-PACIFIC COUNCIL	111	111	100.00%	116	113	97.41%	-2.59%
G06 ATTORNEY GENERAL	3,717	3,694	99.38%	2,416	2,412	99.83%	0.45%
B11 BARBERS BOARD	63	63	100.00%	55	54	98.18%	-1.82%
H7X BEHAVIORAL HEALTH & THERAPY BD	0	0	0.00%	53	53	100.00%	0.00%
G9L BLACK MINNESOTANS COUNCIL	307	305	99.35%	205	200	97.56%	-1.79%
G9J CAMPAIGN FINANCE BOARD	264	264	100.00%	228	228	100.00%	0.00%
G9X CAPITOL AREA ARCHITECT	85	85	100.00%	74	74	100.00%	0.00%
E25 CENTER FOR ARTS EDUCATION	3,838	3,833	99.87%	3,685	3,666	99.48%	-0.39%
G9M CHICANO LATINO AFFAIRS COUNCIL	136	136	100.00%	122	122	100.00%	0.00%
H7H CHIROPRACTIC EXAMINERS BOARD	171	170	99.42%	137	135	98.54%	-0.88%
B13 COMMERCE DEPT	5,533	5,275	95.34%	4,919	4,853	98.66%	3.32%
P78 CORRECTIONS DEPT	63,322	62,286	98.36%	57,076	56,310	98.66%	0.29%
J58 COURT OF APPEALS	453	431	95.14%	304	301	99.01%	3.87%
P0V CRIME VICTIM OMBUDSMAN	4	3	75.00%	0	0	0.00%	0.00%
H7F DENTISTRY BOARD	394	393	99.75%	346	346	100.00%	0.25%
H7U DIETETICS & NUTRITION PRACTICE	68	68	100.00%	63	57	90.48%	-9.52%
G9Y DISABILITY COUNCIL	246	245	99.59%	173	173	100.00%	0.41%
B7A ELECTRICITY BOARD	2,363	2,363	100.00%	2,293	2,293	100.00%	0.00%
H7S EMERGENCY MEDICAL SERVICES BD	672	663	98.66%	612	611	99.84%	1.18%
G24 EMPLOYEE RELATIONS DEPT	2,423	2,374	97.98%	2,066	1,950	94.39%	-3.59%
B22 EMPLOYMENT & ECONOMIC DEVELPMT	28,019	27,697	98.85%	22,567	22,257	98.63%	-0.22%
R18 ENVIRONMENTAL ASSISTANCE	859	856	99.65%	756	737	97.49%	-2.16%
E44 FARIBAULT ACADEMIES	2,729	2,722	99.74%	2,258	2,256	99.91%	0.17%
G10 FINANCE DEPT	1,494	1,493	99.93%	1,495	1,474	98.60%	-1.34%
G8S FINANCE INTERGOVERNMENTAL AIDS	715	709	99.16%	518	512	98.84%	-0.32%
G9R FINANCE NON-OPERATING	44	44	100.00%	49	49	100.00%	0.00%
G09 GAMBLING CONTROL BOARD	374	374	100.00%	336	331	98.51%	-1.49%
G39 GOVERNORS OFFICE	1,401	1,351	96.43%	1,444	1,444	100.00%	3.57%
G59 GOVT INNOV & COOPERATION BOARD	2	2	100.00%	0	0	0.00%	0.00%
H12 HEALTH DEPT	16,840	16,748	99.45%	14,197	14,142	99.61%	0.16%
E60 HIGHER ED SERVICES OFFICE	2,192	2,190	99.91%	1,842	1,841	99.95%	0.04%
B34 HOUSING FINANCE AGENCY	3,192	3,192	100.00%	1,844	1,843	99.95%	-0.05%
G17 HUMAN RIGHTS DEPT	514	514	100.00%	453	453	100.00%	0.00%
H55 HUMAN SERVICES DEPT	56,911	55,536	97.58%	48,777	47,974	98.35%	0.77%
G19 INDIAN AFFAIRS COUNCIL	315	315	100.00%	255	254	99.61%	-0.39%
G38 INVESTMENT BOARD	449	441	98.22%	360	359	99.72%	1.50%
B43 IRON RANGE RESOURCES & REHAB	5,234	5,210	99.54%	4,514	4,463	98.87%	-0.67%
J70 JUDICIAL STANDARDS BOARD	130	130	100.00%	103	103	100.00%	0.00%
B42 LABOR AND INDUSTRY DEPT	5,159	5,113	99.11%	4,141	4,072	98.33%	-0.77%
L49 LEGISLATIVE AUDITOR	475	475	100.00%	375	372	99.20%	-0.80%
L10 LEGISLATURE	0	0	0.00%	1,123	1,074	95.64%	0.00%
H7M MARRIAGE & FAMILY THERAPY BD	88	88	100.00%	83	83	100.00%	0.00%
G45 MEDIATION SERVICES DEPT	413	409	99.03%	193	191	98.96%	-0.07%

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	Fiscal Year 2003			Fiscal Year 2004			Variance	
	Total Payments	Paid W/ 30 Days	% Paid W/ 30	Total Payments	Paid W/ 30 Days	% Paid W/ 30		
H7B	MEDICAL PRACTICE BOARD	1,154	1,154	100.00%	1,156	1,156	100.00%	0.00%
P01	MILITARY AFFAIRS DEPT	11,150	11,109	99.63%	10,923	10,868	99.50%	-0.14%
G62	MINN STATE RETIREMENT SYSTEM	589	589	100.00%	710	710	100.00%	0.00%
B9U	MINNESOTA TECHNOLOGY INC	2,735	2,622	95.87%	1,114	1,113	99.91%	4.04%
E37	MN DEPARTMENT OF EDUCATION	10,932	10,680	97.69%	8,519	8,220	96.49%	-1.20%
R29	NATURAL RESOURCES DEPT	101,654	97,229	95.65%	86,008	84,837	98.64%	2.99%
H7C	NURSING BOARD	746	744	99.73%	556	556	100.00%	0.27%
H7K	NURSING HOME ADMIN BOARD	94	94	100.00%	77	77	100.00%	0.00%
P08	OMBUDSMAN FOR CORRECTIONS	16	13	81.25%	1	1	100.00%	18.75%
H9G	OMBUDSMAN MH/MR	255	254	99.61%	179	179	100.00%	0.39%
G92	OMBUDSPERSON FOR FAMILIES	119	119	100.00%	127	125	98.43%	-1.57%
H7J	OPTOMETRY BOARD	97	96	98.97%	91	88	96.70%	-2.27%
P7T	PEACE OFFICERS BOARD (POST)	263	261	99.24%	216	216	100.00%	0.76%
H7D	PHARMACY BOARD	327	327	100.00%	342	342	100.00%	0.00%
H7W	PHYSICAL THERAPY BOARD	126	126	100.00%	90	90	100.00%	0.00%
G30	PLANNING, STRATEGIC & L R	566	555	98.06%	80	74	92.50%	-5.56%
H7Q	PODIATRIC MEDICINE BOARD	63	63	100.00%	64	64	100.00%	0.00%
R32	POLLUTION CONTROL AGENCY	12,191	12,134	99.53%	10,844	10,802	99.61%	0.08%
B7S	PRIVATE DETECTIVES BOARD	141	138	97.87%	87	85	97.70%	-0.17%
H7V	PSYCHOLOGY BOARD	179	178	99.44%	170	169	99.41%	-0.03%
J52	PUBLIC DEFENSE BOARD	5,013	4,917	98.08%	4,844	4,761	98.29%	0.20%
G63	PUBLIC EMPLOYEES RETIRE ASSOC	1,322	1,316	99.55%	1,164	1,160	99.66%	0.11%
P07	PUBLIC SAFETY DEPT	40,968	40,718	99.39%	37,758	37,572	99.51%	0.12%
B82	PUBLIC UTILITIES COMM	213	210	98.59%	183	183	100.00%	1.41%
G05	RACING COMMISSION	413	410	99.27%	423	417	98.58%	-0.69%
G67	REVENUE DEPT	7,891	7,885	99.92%	6,679	6,661	99.73%	-0.19%
G53	SECRETARY OF STATE	1,293	1,292	99.92%	1,161	1,160	99.91%	-0.01%
P9E	SENTENCING GUIDELINES COMM	149	148	99.33%	110	109	99.09%	-0.24%
H7L	SOCIAL WORK BOARD	176	176	100.00%	170	170	100.00%	0.00%
G64	ST TREAS/TRANS TO DOF 1/6/03	434	434	100.00%	34	34	100.00%	0.00%
G61	STATE AUDITOR	977	977	100.00%	809	810	100.12%	0.12%
J65	SUPREME COURT	8,048	7,907	98.25%	5,715	5,627	98.46%	0.21%
J68	TAX COURT	94	94	100.00%	76	75	98.68%	-1.32%
G69	TEACHERS RETIREMENT ASSOC	939	932	99.25%	798	794	99.50%	0.24%
T79	TRANSPORTATION DEPT	121,196	120,082	99.08%	103,381	102,671	99.31%	0.23%
J33	TRIAL COURTS	46,731	46,354	99.19%	38,528	37,714	97.89%	-1.31%
G96	UNIFORM LAWS COMMISSION	7	7	100.00%	4	4	100.00%	0.00%
H75	VETERANS AFFAIRS DEPT	495	495	100.00%	486	486	100.00%	0.00%
H76	VETERANS HOME BOARD	18,486	18,308	99.04%	16,322	16,196	99.23%	0.19%
H7R	VETERINARY MEDICINE BOARD	101	101	100.00%	69	69	100.00%	0.00%
R9P	WATER & SOIL RESOURCES BOARD	3,696	3,641	98.51%	2,819	2,803	99.43%	0.92%
B41	WORKERS COMP COURT OF APPEALS	174	174	100.00%	150	150	100.00%	0.00%
E77	ZOOLOGICAL BOARD	6,030	6,021	99.85%	5,025	5,021	99.92%	0.07%
Totals For The State		676,153	664,721	98.31%	575,999	569,255	98.83%	0.52%

(1) Minnesota State Colleges and Universities have been excluded due to insufficient data in MAPS.

(2) Currently Agency L10 is the Legislative Coordinating Commission (LCC) only, which starting using MAPS on July 1, 2003. Therefore they had no activity to report for Fiscal Year 2003

State Of Minnesota
Interest on Late Payments, Paid to Vendors by State Agency
Fiscal Year: 2004 - July 1, 2003 through June 30, 2004
As Of: June 30, 2004

	<u>Fiscal Year 2003</u>	<u>Fiscal Year 2004</u>
G02 ADMINISTRATION DEPT	1,565	21
B7E ARCHITECTURE, ENGINEERING BD	0	54
R18 ENVIRONMENTAL ASSISTANCE	0	103
H12 HEALTH DEPT	0	71
H55 HUMAN SERVICES DEPT	255	1,204
B42 LABOR AND INDUSTRY DEPT	0	30
E37 MN DEPARTMENT OF EDUCATION	0	256
R29 NATURAL RESOURCES DEPT	1,082	26
R32 POLLUTION CONTROL AGENCY	0	381
P07 PUBLIC SAFETY DEPT	13	0
T79 TRANSPORTATION DEPT	38	7
J33 TRIAL COURTS	11	357
R9P WATER & SOIL RESOURCES BOARD	5	212
Totals For The State	<u>2,968</u>	<u>2,722</u>