




November 25, 2015

To: Governor Mark Dayton
Legislative Reference Library

From: Myron Frans, Commissioner 

Subject: FY2015 report shows state achieved 97.3% on-time payments to vendors

Attached is the Prompt Payment Report for fiscal year 2015. The report shows agency vendor payment information and the interest paid to state vendors for late payments.

State laws (MS 16A.124) requires state agencies to pay vendors within the vendor's early payment discount period, or within 30 days following receipt of the invoice or the completed delivery of the product or service. In fiscal year 2015, MMB set a goal to achieve 98% prompt payment compliance with state vendors.

I'm pleased to report that we are very close to reaching our goal. In fiscal year 2015, 97.3% of payments were made within 30 days. This compares with 96.7% in fiscal year 2014. Below are key findings from the report.

- 60% of agencies met our 98% compliance goal
- Interest on late payments for fiscal year 2015 was \$5,780.

We remain committed to improving the compliance of individual agencies so that we reach our 98% statewide goal. MMB regularly monitors state agency payment status. We provide training, suggest business process improvements, and offer quick reference guides to assist agencies in meeting the statewide goal.

Please contact me if you have any questions or would like more information about this report.

State Of Minnesota
Payment Record by State Agency
Fiscal Year 2015 (July 1, 2014 -June 30, 2015)
As of June 30, 2015

State Agency	Fiscal Year 2014			Fiscal Year 2015			Variance
	Total Payments	Paid W/I 30 Days	% Paid W/I 30 Days	Total Payments	Paid W/I 30 Days	% Paid W/I 30 Days	
Accountancy Board	151	150	99.34%	170	168	98.82%	-0.51%
Administration Department	27,414	26,686	97.34%	26,514	26,046	98.23%	0.89%
Administrative Hearings	1,179	1,138	96.52%	874	859	98.28%	1.76%
Agriculture Department	7,183	7,137	99.36%	7,221	7,178	99.40%	0.04%
Amateur Sports Commission	51	50	98.04%	63	59	93.65%	-4.39%
Animal Health Board	544	525	96.51%	562	542	96.44%	-0.07%
Architecture, Engineering Bd	326	323	99.08%	362	361	99.72%	0.64%
Arts Board	620	597	96.29%	542	481	88.75%	-7.54%
Asian Pacific Council	186	173	93.01%	217	211	97.24%	4.22%
Attorney General	2,427	2,403	99.01%	2,947	2,941	99.80%	0.79%
Barber Examiners Board	117	115	98.29%	115	114	99.13%	0.84%
Behavioral Health & Therapy Bd	265	259	97.74%	279	263	94.27%	-3.47%
Black Minnesotans Council	267	246	92.13%	316	309	97.78%	5.65%
Campaign Finance Board	230	225	97.83%	263	263	100.00%	2.17%
Capitol Area Architect	125	117	93.60%	122	107	87.70%	-5.90%
Center for Arts Education	2,286	2,214	96.85%	2,427	2,316	95.43%	-1.42%
Chicano Latino Affairs Council	204	199	97.55%	173	161	93.06%	-4.49%
Chiropractic Examiners Board	239	228	95.40%	250	222	88.80%	-6.60%
Commerce Department	4,093	3,983	97.31%	3,886	3,843	98.89%	1.58%
Corrections Department	45,891	45,142	98.37%	46,142	45,291	98.16%	-0.21%
Cosmetologist Examiners Board	237	230	97.05%	258	253	98.06%	1.02%
Court of Appeals	320	308	96.25%	281	270	96.09%	-0.16%
Dentistry Board	630	576	91.43%	633	620	97.95%	6.52%
Dietetics & Nutrition Practice	107	100	93.46%	68	67	98.53%	5.07%
Education Department	3,925	3,320	84.59%	3,365	3,133	93.11%	8.52%
Emergency Medical Services Off	386	360	93.26%	369	327	88.62%	-4.65%
Employment & Economic Develop	13,320	13,185	98.99%	12,625	12,376	98.03%	-0.96%
Explore Minnesota Tourism	1,267	1,254	98.97%	1,444	1,435	99.38%	0.40%
Gambling Control Board	405	394	97.28%	378	351	92.86%	-4.43%
Governors Office	482	481	99.79%	493	488	98.99%	-0.81%
Health Department	12,387	11,380	91.87%	11,744	11,463	97.61%	5.74%
Housing Finance Agency	2,663	2,662	99.96%	2,585	2,581	99.85%	-0.12%
Human Rights Department	432	302	69.91%	507	469	92.50%	22.60%
Human Services Department	63,249	58,111	91.88%	59,206	53,151	89.77%	-2.10%
Indian Affairs Council	362	349	96.41%	264	250	94.70%	-1.71%
Investment Board	408	345	84.56%	459	431	93.90%	9.34%
Iron Range Resources	2,288	2,232	97.55%	2,105	2,037	96.77%	-0.78%
Judicial Standards Board	237	231	97.47%	242	237	97.93%	0.47%

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	Total Payments	Paid W/I 30 Days	% Paid W/I 30 Days	Total Payments	Paid W/I 30 Days	% Paid W/I 30 Days	
Legislative Auditor	486	465	95.68%	550	542	98.55%	2.87%
Legislature Coordinating Comm	1,572	1,560	99.24%	1,356	1,355	99.93%	0.69%
Lottery	178	169	94.94%	160	160	100.00%	5.06%
Marriage and Family Therapy Bd	200	187	93.50%	251	242	96.41%	2.91%
Mediation Services Department	238	230	96.64%	277	272	98.19%	1.56%
Medical Practice Board	1,306	1,302	99.69%	1,273	1,268	99.61%	-0.09%
Military Affairs Department	11,799	11,632	98.58%	12,490	12,292	98.41%	-0.17%
Minn State Retirement System	22,003	21,947	99.75%	21,289	21,261	99.87%	0.12%
Minnesota Management & Budget	3,227	3,132	97.06%	3,177	3,141	98.87%	1.81%
Minnesota State Academies	2,392	2,385	99.71%	2,472	2,464	99.68%	-0.03%
MMB Debt Service	98	98	100.00%	124	124	100.00%	0.00%
MMB Non-Operating	634	631	99.53%	1,340	1,332	99.40%	-0.12%
MN Insurance Marketplace	1,778	1,574	88.53%	2,063	1,602	77.65%	-10.87%
MN State Colleges/Universities	196,004	195,821	99.91%	185,124	184,941	99.90%	-0.01%
MN State Council on Disability	367	338	92.10%	389	370	95.12%	3.02%
MN.IT	11,623	9,798	84.30%	9,668	8,798	91.00%	6.70%
Natural Resources Department	65,425	60,522	92.51%	63,971	61,800	96.61%	4.10%
Nursing Board	831	810	97.47%	928	908	97.84%	0.37%
Nursing Home Admin Board	358	330	92.18%	390	381	97.69%	5.51%
Office of Higher Education	1,815	1,786	98.40%	1,654	1,635	98.85%	0.45%
Office of State Auditor	617	542	87.84%	643	538	83.67%	-4.17%
Ombudsman MH/DD	215	207	96.28%	207	199	96.14%	-0.14%
Ombudsperson for Families	148	145	97.97%	130	124	95.38%	-2.59%
Optometry Board	101	98	97.03%	76	76	100.00%	2.97%
Peace Officers Board (POST)	188	187	99.47%	210	206	98.10%	-1.37%
Pharmacy Board	451	421	93.35%	505	496	98.22%	4.87%
Physical Therapy Board	223	217	97.31%	349	346	99.14%	1.83%
Podiatric Medicine	96	93	96.88%	83	82	98.80%	1.92%
Pollution Control Agency	9,840	9,473	96.27%	9,191	8,969	97.58%	1.31%
Private Detectives Board	36	36	100.00%	40	40	100.00%	0.00%
Psychology Board	368	348	94.57%	358	334	93.30%	-1.27%
Public Defense Board	5,819	5,777	99.28%	5,401	5,385	99.70%	0.43%
Public Employees Retire Assoc	32,513	32,470	99.87%	31,024	31,022	99.99%	0.13%
Public Facilities Authority	470	464	98.72%	481	476	98.96%	0.24%
Public Safety Department	30,678	29,949	97.62%	29,216	27,724	94.89%	-2.73%
Public Utilities Commission	667	588	88.16%	560	528	94.29%	6.13%
Racing Commission	907	782	86.22%	803	782	97.38%	11.17%
Revenue Department	7,520	7,277	96.77%	6,550	6,477	98.89%	2.12%
Revenue Intergovt Payments	44,716	42,492	95.03%	79,063	76,874	97.23%	2.20%
Secretary of State	1,067	1,056	98.97%	1,049	1,042	99.33%	0.36%
Sentencing Guidelines Comm	139	138	99.28%	136	133	97.79%	-1.49%
Social Work Board	285	275	96.49%	278	265	95.32%	-1.17%
State Guardian Ad Litem	2,517	2,342	93.05%	2,706	2,396	88.54%	-4.50%

State Agency	Fiscal Year 2014			Fiscal Year 2015			Variance
	Total Payments	Paid W/I 30 Days	% Paid W/I 30 Days	Total Payments	Paid W/I 30 Days	% Paid W/I 30 Days	
Supreme Court	5,564	5,224	93.89%	5,225	4,958	94.89%	1.00%
Tax Court	164	149	90.85%	163	161	98.77%	7.92%
Teachers Retirement Assoc	29,529	29,484	99.85%	28,681	28,666	99.95%	0.10%
Transportation Department	126,123	121,946	96.69%	131,597	128,110	97.35%	0.66%
Trial Courts	91,559	87,577	95.65%	94,923	91,253	96.13%	0.48%
Uniform Laws Commission	9	9	100.00%	9	9	100.00%	0.00%
University of Minnesota	10	9	90.00%	15	11	73.33%	-16.67%
Veterans Affairs Department	15,638	14,870	95.09%	14,406	14,090	97.81%	2.72%
Veterinary Medicine Board	162	155	95.68%	165	162	98.18%	2.50%
Water and Soil Resources Board	1,755	1,670	95.16%	1,823	1,758	96.43%	1.28%
Workers' Comp Court of Appeals	183	176	96.17%	169	168	99.41%	3.23%
Zoological Board	5,000	4,884	97.68%	4,664	4,563	97.83%	0.15%
Totals For The State:	940,684	910,090	96.75%	956,322	930,969	97.35%	0.60%

State Of Minnesota
Interest On Late Payments Paid to Vendors by State
Fiscal Year 2015: July 01, 2014 through June 30, 2015
As of: June 30, 2015

State Agency	Fiscal Year 2014	Fiscal Year 2015
Administration	\$19.92	\$121.59
Department of Natural Resource	\$236.94	\$498.46
Human Services Department	\$2,296.46	\$80.74
Military Affairs	\$1.91	\$0.00
MnSure	\$0.00	\$728.00
MN State Colleges/Universities	\$2,170.76	\$3,743.08
Public Safety	\$12.75	\$7.00
Transportation Department	\$25.53	\$600.68
Veterans Affairs	\$7.60	\$0.00
Totals For The State:	<u>\$4,771.87</u>	<u>\$5,779.55</u>