

CFO's Role in Payment Processing



Department of Financial Services
Division of Accounting and Auditing

Christina Smith, Director

Statutory Authority



- **Section 17.03, F.S.**
 - Section 17.03(1), F.S.
 - Section 17.03(2), F.S.
 - Section 17.03(3), F.S.
 - Section 17.03(4), F.S.
 - **Section 17.04, F.S.**
 - **Section 215.42, F.S.**
 - **Section 215.422, F.S.**
 - Section 215.422(1-5), F.S.
 - Section 215.422(7), F.S.
 - Section 215.422(13), F.S.
- Auditing Claims Against the State**
Examine, Audit and Settle Claims
Establish Sampling Thresholds for Audit
Adopt Procedures/Standards & Train
Delivering State Warrants
- Authorizes CFO to Conduct Investigations**
- Purchases from Appropriations, Proof of Delivery**
- Payments, Warrants and Invoices**
Prompt Payment
Vendor Ombudsman
Advance Payments

Statutory Authority



- **Chapter 287, F.S.**

- 287.057(14), F.S.
- 287.058(1)(d), F.S.
- 287.058(1)(e), F.S.
- 287.058(1)(h), F.S.
- 287.137, F.S.

Procurement of Personal Property and Services

Training of Contract Managers

Scope of Work

Quantifiable, Measureable & Verifiable Deliverables

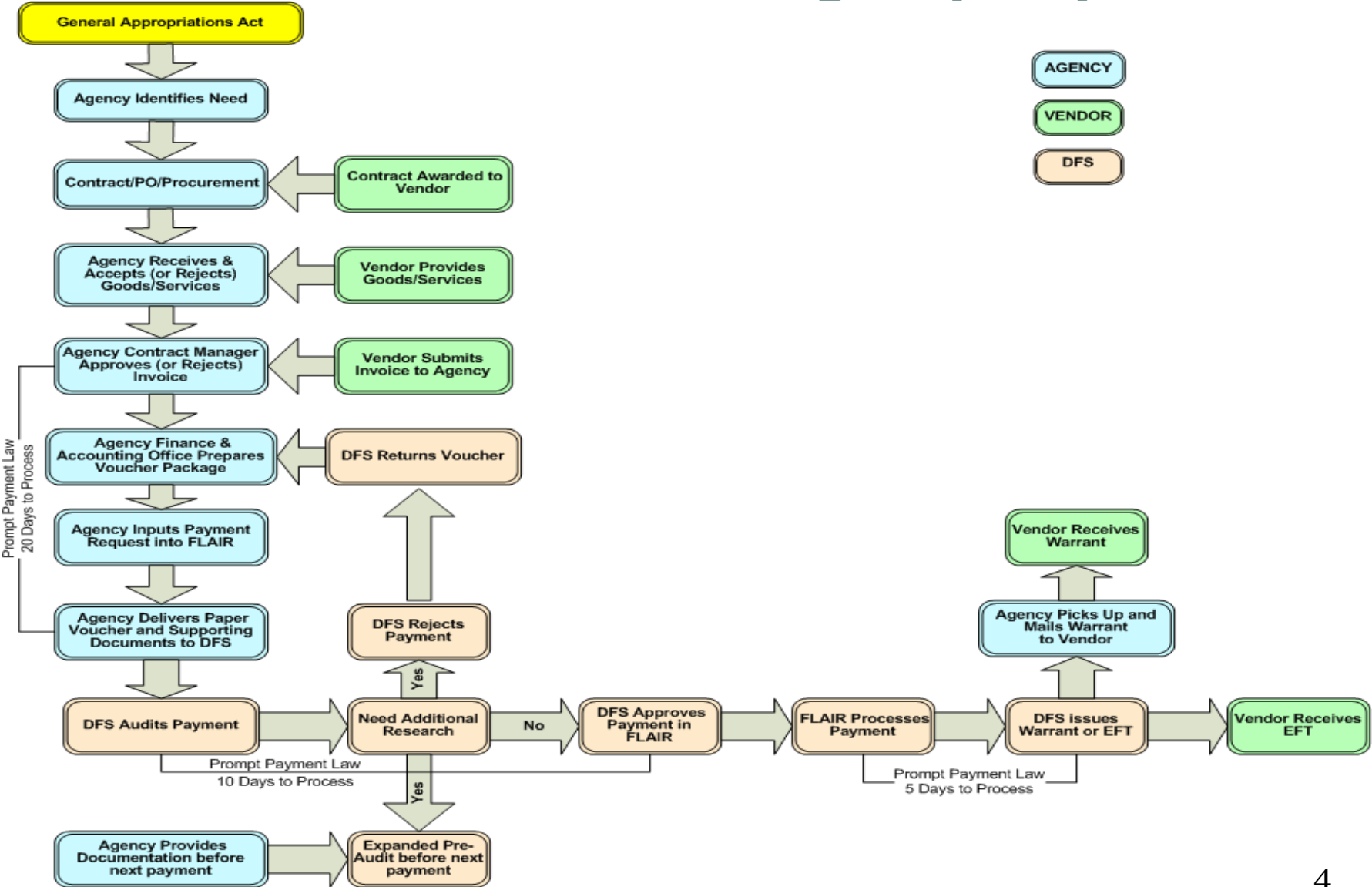
Financial Consequences for Nonperformance

Audit Executed Contract Documents

- **Section 11.45, F.S.**

Auditor General Audit Authority

Process Flow-Agency Payments



Payment Processing Timelines



Prompt Payment Timeline (Section 215.422, F.S.)

Non-Health Care Provider Payments

9/1/2015 - 9/20/2015 Agency 20 Day review	9/21/2015 - 9/30/2015 CFO 10 Day Approval of Pmt	10/1/2015 – 10/10/2015 CFO 10 Day Warrant Issued
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Health Care Provider Payments

9/1/2015 - 9/20/2015 Agency 20 Day review	9/21/2015 - 9/30/2015 CFO 10 Day Approval of Pmt	10/1/2015 – 10/5/2015 CFO 5 Day Warrant Issued
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- **Timeline for Invoice/Voucher Processing by DFS**
 - FY14/15: 328,808 Invoices Processed, Avg. Processing Time 2.7 Days
 - FY13/14: 366,437 Invoices Processed, Avg. Processing Time 2.8 Days
- **Once Invoice/Voucher Processed by DFS, warrant is cut overnight**

Examples of Agency Delays



- Delays in Procurement Process
- Slow to Execute Contract/Amendment
- Budget/Cash Issue at Agency
- Delays in Invoice Approval at Agency
 - Agency Loses Invoice
 - Contract Manager Hasn't Submitted to F&A
 - F&A Has Questions about Invoice
- Improper Invoices Submitted to DFS
 - Lacks Sufficient Proof of Delivery
 - Not Tied to Deliverables

Transparent
to the Vendor

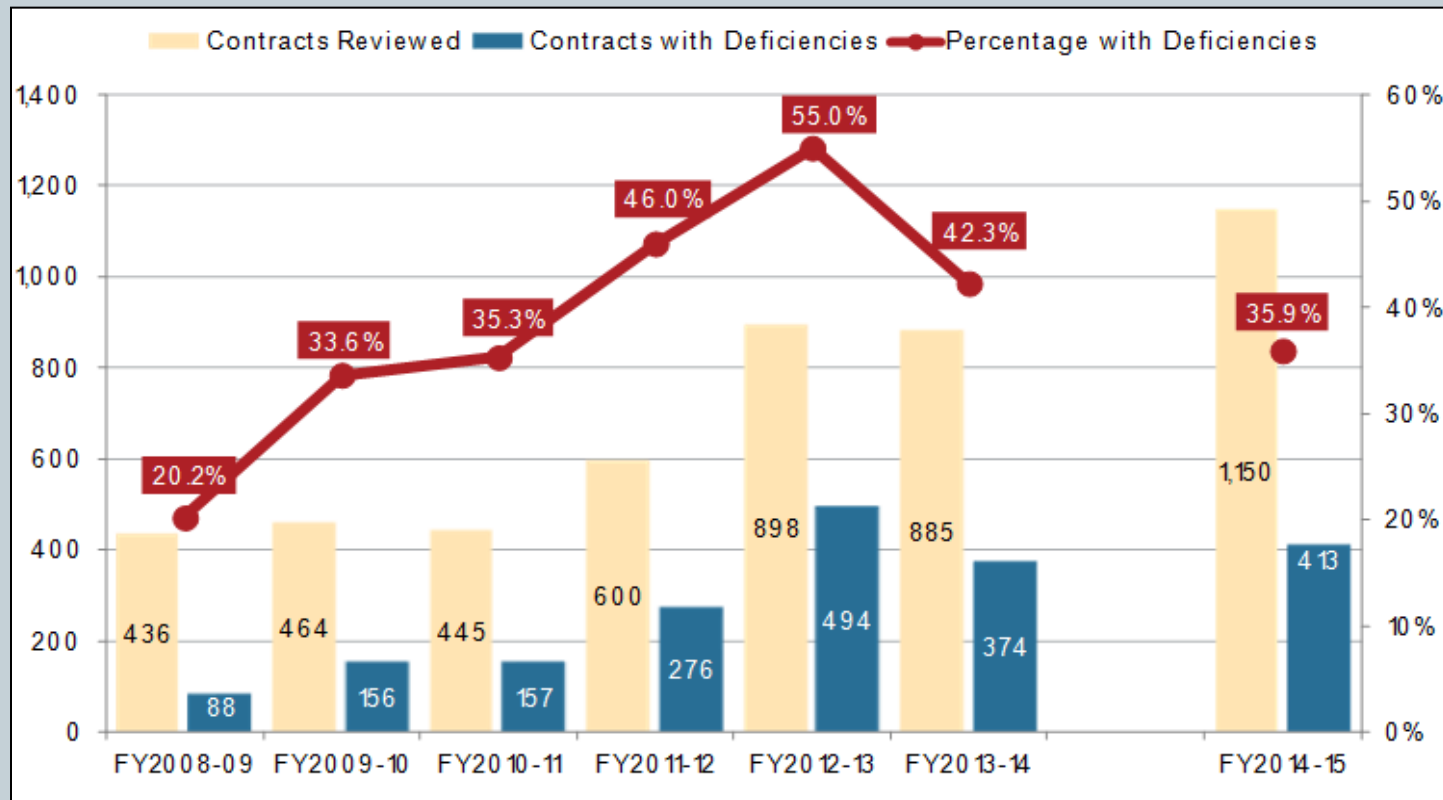
Vendor is
not aware

Assistance to Agencies



- Agency Demand for DFS' Assistance has dramatically increased since 2013.
 - In FY14/15, more than 510 hours were dedicated to helping agency staff with the drafting or amending of contracts.
 - Meetings include DFS and Agency staff
- Florida Certified Contract Manager (FCCM) Training:
 - 2,600 estimated for training, trained 854 since Jan 1

Audits of Agency Contracts



DFS' Auditors are reviewing more contracts than ever, and the percentage of deficient contracts continues to decrease. DFS' efforts are working.