



09 - 0765

July 24, 2009

To: Governor Tim Pawlenty
Members of the 2009 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 Minnesota Management and Budget 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 98 percent.

In fiscal year 2009, 98.75 percent of payments were made within 30 days, after adjustments for items contested or subject to audit prior to payment. This compares with 98.44 percent reported for fiscal year 2008.

The attached reports show individual agency comparisons for fiscal years 2008/2009 including interest paid on late payments to state vendors.

Minnesota Management and Budget remains committed to working with state agencies to maintain and improve individual agency compliance with the 98 percent statewide goal. The department monitors payment performance monthly and provides monthly performance reporting to all state agencies. Agencies not meeting targeted performance are required to provide written response on their performance. Department staff also provides 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 Deloris Staffanson, Systems Compliance Supervisor, 651-201-8198.

A handwritten signature in black ink that reads "Tom J. Hanson". The signature is written in a cursive, flowing style.

Tom J. Hanson
Commissioner of Finance

Prompt Payment Report

State Of Minnesota
Payment Record by State Agency (1)
Fiscal Year: 2009 - July 1, 2008 through June 30, 2009
As Of: June 30, 2009

| | <u>Fiscal Year 2008</u> | | | <u>Fiscal Year 2009</u> | | | FY 08-09 Variance |
|--------------------------------|-------------------------|--------------------|---------------------|-------------------------|--------------------|----------------------|----------------------|
| | Total Payments | Paid W/ 30 Days | %Paid W/ 30 Days | Total Payments | Paid W/ 30 Days | % Paid W/ 30 Days | |
| ACCOUNTANCY BOARD | 150 | 139 | 92.67% | 174 | 168 | 96.55% | 3.89% |
| ADMIN CAP PROJECT & RELOCATION | 79 | 69 | 87.34% | 50 | 48 | 96.00% | 8.66% |
| ADMINISTRATION DEPT | 22,110 | 21,749 | 98.37% | 20,058 | 19,701 | 98.22% | -0.15% |
| ADMINISTRATIVE HEARINGS | 658 | 586 | 89.06% | 707 | 659 | 93.21% | 4.15% |
| AGRICULTURE DEPT | 8,426 | 8,389 | 99.56% | 8,930 | 8,904 | 99.71% | 0.15% |
| AMATEUR SPORTS COMM | 17 | 16 | 94.12% | 2 | 2 | 100.00% | 5.88% |
| ANIMAL HEALTH BOARD | 2,048 | 2,048 | 100.00% | 1,042 | 1,034 | 99.23% | -0.77% |
| ARCHITECTURE, ENGINEERING BD | 235 | 222 | 94.47% | 214 | 199 | 92.99% | -1.48% |
| ARTS BOARD | 481 | 419 | 87.11% | 665 | 593 | 89.17% | 2.06% |
| ASIAN-PACIFIC COUNCIL | 162 | 153 | 94.44% | 106 | 106 | 100.00% | 5.56% |
| ATTORNEY GENERAL | 2,164 | 2,162 | 99.91% | 1,979 | 1,978 | 99.95% | 0.04% |
| BARBER/COSMETOLOGIST EXAMINERS | 214 | 213 | 99.53% | 238 | 233 | 97.90% | -1.63% |
| BEHAVIORAL HEALTH & THERAPY BD | 141 | 141 | 100.00% | 149 | 145 | 97.32% | -2.68% |
| BLACK MINNESOTANS COUNCIL | 369 | 365 | 98.92% | 358 | 355 | 99.16% | 0.25% |
| CAMPAIGN FINANCE BOARD | 156 | 155 | 99.36% | 195 | 195 | 100.00% | 0.64% |
| CAPITOL AREA ARCHITECT | 83 | 82 | 98.80% | 96 | 96 | 100.00% | 1.20% |
| CENTER FOR ARTS EDUCATION | 3,148 | 3,111 | 98.82% | 2,691 | 2,421 | 89.97% | -8.86% |
| CHICANO LATINO AFFAIRS COUNCIL | 189 | 185 | 97.88% | 185 | 174 | 94.05% | -3.83% |
| CHIROPRACTIC EXAMINERS BOARD | 172 | 171 | 99.42% | 161 | 160 | 99.38% | -0.04% |
| COMBATIVE SPORTS COMMISSION | 11 | 8 | 72.73% | 22 | 18 | 81.82% | 9.09% |
| COMMERCE DEPT | 4,183 | 4,139 | 98.95% | 4,153 | 4,112 | 99.01% | 0.06% |
| CORRECTIONS DEPT | 55,557 | 55,139 | 99.25% | 52,021 | 51,613 | 99.22% | -0.03% |
| COURT OF APPEALS | 518 | 513 | 99.03% | 487 | 481 | 98.77% | -0.27% |
| DENTISTRY BOARD | 403 | 400 | 99.26% | 390 | 385 | 98.72% | -0.54% |
| DIETETICS & NUTRITION PRACTICE | 93 | 92 | 98.92% | 95 | 94 | 98.95% | 0.02% |
| DISABILITY COUNCIL | 303 | 289 | 95.38% | 334 | 281 | 84.13% | -11.25% |
| EDUCATION DEPARTMENT | 6,450 | 6,330 | 98.14% | 5,342 | 5,256 | 98.39% | 0.25% |
| EMERGENCY MEDICAL SERVICES BD | 595 | 588 | 98.82% | 618 | 616 | 99.68% | 0.85% |
| EMPLOYEE RELATIONS DEPT | 1,803 | 1,653 | 91.68% | 102 | 101 | 99.02% | 7.34% |
| EMPLOYMENT & ECONOMIC DEVELPMT | 15,890 | 15,756 | 99.16% | 16,168 | 15,958 | 98.70% | -0.46% |
| EXPLORE MINNESOTA TOURISM | 1,450 | 1,444 | 99.59% | 1,538 | 1,521 | 98.89% | -0.69% |
| FARIBAULT ACADEMIES | 3,015 | 3,013 | 99.93% | 3,382 | 3,382 | 100.00% | 0.07% |
| FINANCE - DEBT SERVICE | 1 | 1 | 100.00% | 0 | 0 | 0.00% | 0.00% |
| FINANCE DEPT | 1,288 | 1,284 | 99.69% | 2,712 | 2,649 | 97.68% | -2.01% |
| FINANCE INTERGOVERNMENTAL AIDS | 340 | 340 | 100.00% | 799 | 791 | 99.00% | -1.00% |
| FINANCE NON-OPERATING | 133 | 133 | 100.00% | 475 | 475 | 100.00% | 0.00% |
| GAMBLING CONTROL BOARD | 264 | 264 | 100.00% | 208 | 203 | 97.60% | -2.40% |
| GOVERNORS OFFICE | 708 | 706 | 99.72% | 623 | 612 | 98.23% | -1.48% |
| HEALTH DEPT | 11,642 | 11,554 | 99.24% | 11,650 | 11,534 | 99.00% | -0.24% |
| HOUSING FINANCE AGENCY | 2,107 | 2,102 | 99.76% | 2,038 | 2,037 | 99.95% | 0.19% |
| HUMAN RIGHTS DEPT | 616 | 616 | 100.00% | 498 | 496 | 99.60% | -0.40% |

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| | <u>Fiscal Year 2008</u> | | | <u>Fiscal Year 2009</u> | | | <u>FY 08-09</u> <u>Variance</u> |
|---------------------------------|---------------------------------|----------------------------------|-----------------------------------|---------------------------------|----------------------------------|------------------------------------|------------------------------------|
| | <u>Total</u> <u>Payments</u> | <u>Paid W/ 30</u> <u>Days</u> | <u>%Paid W/</u> <u>30 Days</u> | <u>Total</u> <u>Payments</u> | <u>Paid W/ 30</u> <u>Days</u> | <u>% Paid W/</u> <u>30 Days</u> | |
| HUMAN SERVICES DEPT | 54,042 | 52,664 | 97.45% | 49,482 | 48,371 | 97.75% | 0.30% |
| INDIAN AFFAIRS COUNCIL | 193 | 184 | 95.34% | 235 | 218 | 92.77% | -2.57% |
| INVESTMENT BOARD | 353 | 349 | 98.87% | 397 | 395 | 99.50% | 0.63% |
| IRON RANGE RESOURCES | 3,088 | 3,080 | 99.74% | 3,031 | 3,019 | 99.60% | -0.14% |
| JUDICIAL STANDARDS BOARD | 122 | 122 | 100.00% | 131 | 131 | 100.00% | 0.00% |
| LABOR AND INDUSTRY DEPT | 6,622 | 6,558 | 99.03% | 6,844 | 6,694 | 97.81% | -1.23% |
| LEGISLATIVE AUDITOR | 438 | 430 | 98.17% | 497 | 488 | 98.19% | 0.02% |
| LEGISLATURE | 1,221 | 1,217 | 99.67% | 1,128 | 1,126 | 99.82% | 0.15% |
| LOTTERY | 1 | 1 | 100.00% | 5 | 5 | 100.00% | 0.00% |
| MARRIAGE & FAMILY THERAPY BD | 117 | 117 | 100.00% | 129 | 128 | 99.22% | -0.78% |
| MEDIATION SERVICES DEPT | 241 | 235 | 97.51% | 169 | 165 | 97.63% | 0.12% |
| MEDICAL PRACTICE BOARD | 772 | 772 | 100.00% | 815 | 813 | 99.75% | -0.25% |
| MILITARY AFFAIRS DEPT | 14,020 | 13,952 | 99.51% | 15,735 | 15,667 | 99.57% | 0.05% |
| MINN STATE RETIREMENT SYSTEM | 839 | 839 | 100.00% | 902 | 899 | 99.67% | -0.33% |
| NATURAL RESOURCES DEPT | 76,995 | 74,737 | 97.07% | 73,979 | 72,970 | 98.64% | 1.57% |
| NURSING BOARD | 573 | 573 | 100.00% | 563 | 558 | 99.11% | -0.89% |
| NURSING HOME ADMIN BOARD | 291 | 290 | 99.66% | 287 | 286 | 99.65% | 0.00% |
| OFFICE OF ENTERPRISE TECHNOLOGY | 10,756 | 10,646 | 98.98% | 10,277 | 10,157 | 98.83% | -0.14% |
| OFFICE OF HIGHER EDUCATION | 2,337 | 2,335 | 99.91% | 2,472 | 2,470 | 99.92% | 0.00% |
| OFFICE OF THE STATE AUDITOR | 914 | 913 | 99.89% | 829 | 827 | 99.76% | -0.13% |
| OMBUDSMAN MH/MR | 146 | 145 | 99.32% | 130 | 128 | 98.46% | -0.85% |
| OMBUDSPERSON FOR FAMILIES | 185 | 180 | 97.30% | 155 | 155 | 100.00% | 2.70% |
| OPTOMETRY BOARD | 98 | 97 | 98.98% | 111 | 110 | 99.10% | 0.12% |
| PEACE OFFICERS BOARD (POST) | 205 | 205 | 100.00% | 216 | 216 | 100.00% | 0.00% |
| PHARMACY BOARD | 236 | 236 | 100.00% | 196 | 193 | 98.47% | -1.53% |
| PHYSICAL THERAPY BOARD | 129 | 129 | 100.00% | 141 | 140 | 99.29% | -0.71% |
| PODIATRIC MEDICINE BOARD | 91 | 91 | 100.00% | 92 | 91 | 98.91% | -1.09% |
| POLLUTION CONTROL AGENCY | 11,708 | 11,215 | 95.79% | 10,750 | 10,571 | 98.33% | 2.55% |
| PRIVATE DETECTIVES BOARD | 74 | 74 | 100.00% | 71 | 69 | 97.18% | -2.82% |
| PSYCHOLOGY BOARD | 234 | 231 | 98.72% | 283 | 273 | 96.47% | -2.25% |
| PUBLIC DEFENSE BOARD | 5,936 | 5,641 | 95.03% | 4,945 | 4,885 | 98.79% | 3.76% |
| PUBLIC EMPLOYEES RETIRE ASSOC | 1,172 | 1,169 | 99.74% | 1,052 | 1,051 | 99.90% | 0.16% |
| PUBLIC SAFETY DEPT | 35,457 | 35,088 | 98.96% | 35,849 | 35,531 | 99.11% | 0.15% |
| PUBLIC UTILITIES COMM | 463 | 463 | 100.00% | 427 | 427 | 100.00% | 0.00% |
| RACING COMMISSION | 760 | 754 | 99.21% | 688 | 676 | 98.26% | -0.95% |
| REVENUE DEPT | 7,790 | 7,784 | 99.92% | 6,893 | 6,888 | 99.93% | 0.00% |
| REVENUE INTERGOVT PAYMENTS | 0 | 0 | 0.00% | 6 | 6 | 100.00% | 0.00% |
| SECRETARY OF STATE | 1,190 | 1,189 | 99.92% | 1,609 | 1,609 | 100.00% | 0.08% |
| SENTENCING GUIDELINES COMM | 130 | 129 | 99.23% | 125 | 125 | 100.00% | 0.77% |
| SOCIAL WORK BOARD | 273 | 273 | 100.00% | 235 | 232 | 98.72% | -1.28% |
| SUPREME COURT | 6,052 | 6,000 | 99.14% | 5,563 | 5,527 | 99.35% | 0.21% |

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| | <u>Fiscal Year 2008</u> | | | <u>Fiscal Year 2009</u> | | | <u>FY 08-09 Variance</u> |
|-------------------------------|---------------------------|-----------------------------|------------------------------|---------------------------|-----------------------------|-------------------------------|------------------------------|
| | <u>Total Payments</u> | <u>Paid W/I 30 Days</u> | <u>%Paid W/I 30 Days</u> | <u>Total Payments</u> | <u>Paid W/I 30 Days</u> | <u>% Paid W/I 30 Days</u> | |
| TAX COURT | 56 | 52 | 92.86% | 56 | 53 | 94.64% | 1.79% |
| TEACHERS RETIREMENT ASSOC | 647 | 645 | 99.69% | 625 | 625 | 100.00% | 0.31% |
| TRANSPORTATION DEPT | 103,996 | 103,401 | 99.43% | 112,689 | 112,293 | 99.65% | 0.22% |
| TREASURY - NON OPERATING | 7 | 7 | 100.00% | 7 | 7 | 100.00% | 0.00% |
| TRIAL COURTS | 48,986 | 47,643 | 97.26% | 46,992 | 45,511 | 96.85% | -0.41% |
| UNIFORM LAWS COMMISSION | 7 | 7 | 100.00% | 7 | 7 | 100.00% | 0.00% |
| UNIVERSITY OF MINNESOTA | 2 | 2 | 100.00% | 0 | 0 | 0.00% | 0.00% |
| VETERANS AFFAIRS DEPT | 1,427 | 1,418 | 99.37% | 15,640 | 15,550 | 99.42% | 0.06% |
| VETERANS HOME BOARD | 15,381 | 15,193 | 98.78% | 799 | 777 | 97.25% | -1.53% |
| VETERINARY MEDICINE BOARD | 113 | 113 | 100.00% | 100 | 99 | 99.00% | -1.00% |
| WATER & SOIL RESOURCES BOARD | 1,236 | 1,224 | 99.03% | 1,341 | 1,319 | 98.36% | -0.67% |
| WORKERS COMP COURT OF APPEALS | 145 | 144 | 99.31% | 148 | 148 | 100.00% | 0.69% |
| ZOOLOGICAL BOARD | 5,482 | 5,476 | 99.89% | 5,200 | 5,199 | 99.98% | 0.09% |
| TOTALS | 572,121 | 563,171 | 98.44% | 562,703 | 555,664 | 98.75% | 0.31% |

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

State Of Minnesota
Interest on Late Payments, Paid to Vendors by State
Fiscal Year: 2009 - July 1, 2008 through June 30, 2009
As Of: June 30, 2009

| | Fiscal Year 2008 | Fiscal Year 2009 |
|------------------------------|------------------|------------------|
| G02 ADMINISTRATION DEPT | 0 | 4 |
| P78 CORRECTIONS DEPT | 12 | 0 |
| G9Y DISABILITY COUNCIL | 0 | 8 |
| E37 EDUCATION DEPARTMENT | 201 | 0 |
| E44 FARIBAULT ACADEMIES | 10 | 0 |
| H12 HEALTH DEPT | 0 | 70 |
| H55 HUMAN SERVICES DEPT | 147 | 0 |
| B43 IRON RANGE RESOURCES | 0 | 221 |
| L49 LEGISLATIVE AUDITOR | 327 | 30 |
| R29 NATURAL RESOURCES DEPT | 47 | 0 |
| R32 POLLUTION CONTROL AGENCY | 9 | 0 |
| J65 SUPREME COURT | 0 | 193 |
| T79 TRANSPORTATION DEPT | 23 | 280 |
| J33 TRIAL COURTS | 76 | 44 |
| H75 VETERANS AFFAIRS DEPT | 0 | 48 |
| H76 VETERANS HOME BOARD | 325 | 0 |
| E77 ZOOLOGICAL BOARD | 0 | 226 |
| | <hr/> | <hr/> |
| Totals For The State | 1,175 | 1,124 |
| | <hr/> | <hr/> |