

# ACCOUNTS PAYABLE



## VALUE PROPOSITION

*I expect invoice payments to be processed in an accurate, timely and efficient manner.*

### KEEP IN MIND:

#### Influencing Factors

Influencing factors can create variances in comparison data from year-to-year and from municipality-to-municipality.



#### Organizational Form

*Centralized vs. decentralized functions*



#### Policy & Practices

*Differences in business processes impact invoice processing and payment times*



#### Processes & Systems

*Differences in system generated vs. manually processed invoices, records management practices and the nature of the payment approval process*

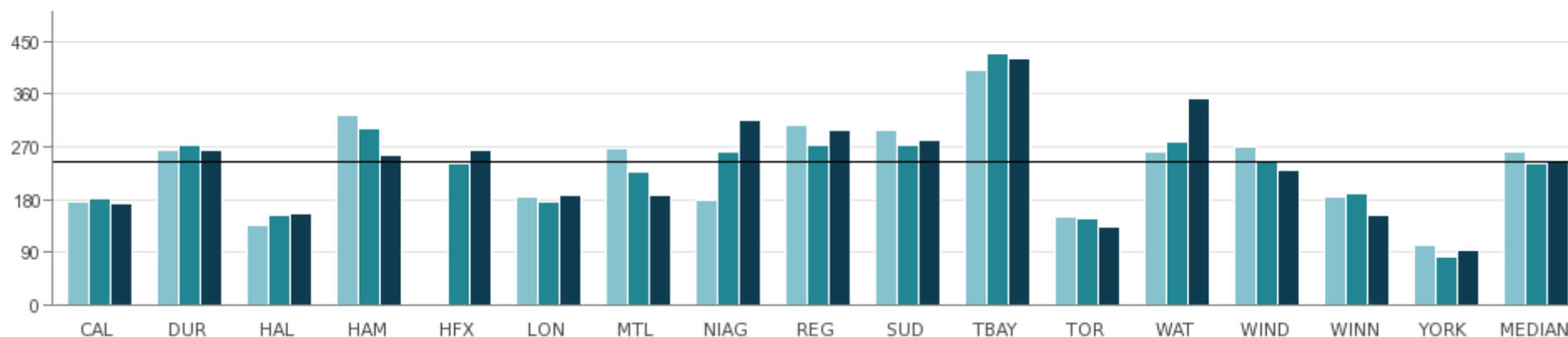


For a full description of influencing factors, please go to: [www.mbncanada.ca](http://www.mbncanada.ca)

## Accounts Payable

### Figure 1.1 Total Number of Invoices Processed per \$1,000,000 of Municipal Purchases (Operating and Capital) for Goods and Services

The measure represents how many invoices are processed by the Accounts Payable division in the reporting year per \$1,000,000 of municipal purchases. Invoices counted in this calculation include paper and electronic purchase orders, non-purchase orders, and P-card (purchasing or procurement) payments.



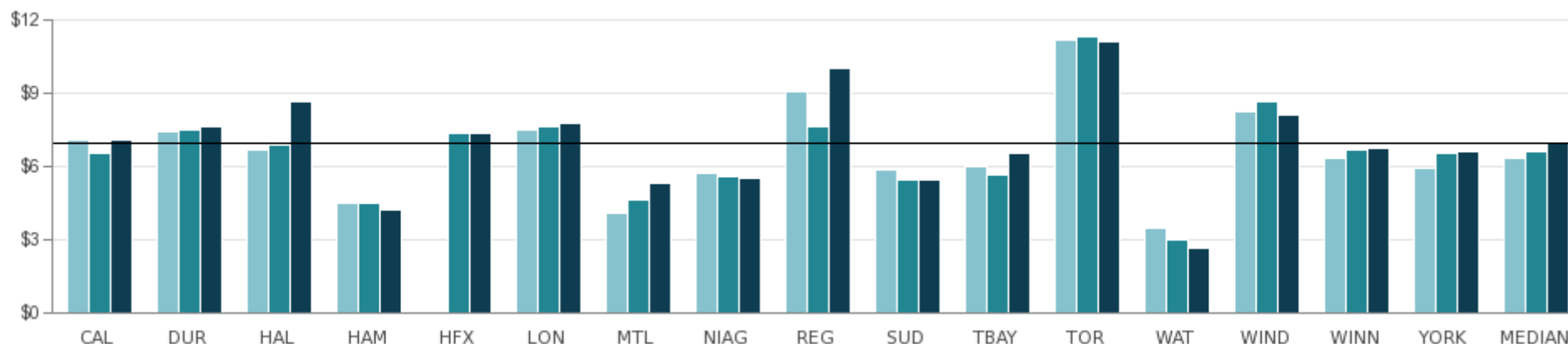
2016	177	264	137	325	N/A	184	266	180	306	297	401	150	261	271	185	102	261
2017	181	273	153	301	240	175	228	262	272	274	430	146	278	243	189	82	242
2018	173	265	156	257	265	186	187	316	298	280	421	133	352	230	153	94	244

Source: FINV230 (Service Level)

## Accounts Payable

### Figure 1.2 Accounts Payable Operating Cost per Invoice Processed

This measure represents the operating cost directly associated with the processing of accounts payable invoices. Invoices counted in this calculation include paper and electronic purchase orders, non-purchase orders, and P-card (purchasing or procurement) payments.



2016	\$7.08	\$7.46	\$6.66	\$4.51	N/A	\$7.50	\$4.09	\$5.75	\$9.09	\$5.85	\$6.02	\$11.20	\$3.46	\$8.25	\$6.32	\$5.91	\$6.32
2017	\$6.56	\$7.52	\$6.87	\$4.50	\$7.37	\$7.63	\$4.62	\$5.58	\$7.65	\$5.43	\$5.66	\$11.32	\$2.96	\$8.66	\$6.68	\$6.56	\$6.62
2018	\$7.08	\$7.65	\$8.70	\$4.19	\$7.39	\$7.75	\$5.29	\$5.53	\$10.03	\$5.44	\$6.56	\$11.12	\$2.67	\$8.14	\$6.77	\$6.61	\$6.93

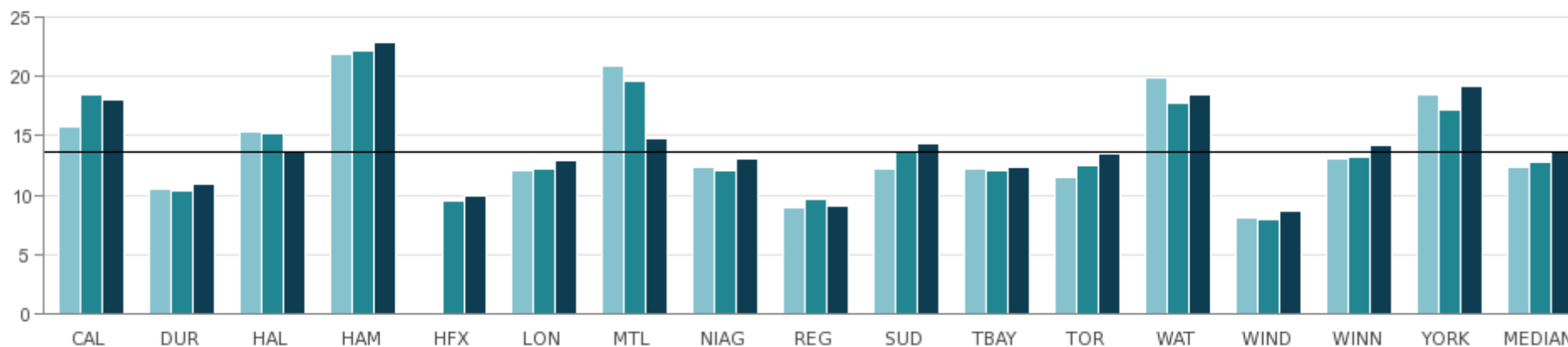
Source: FINV317 (Efficiency)

## Accounts Payable

**Figure 1.3 Number of Invoices Processed per Accounts Payable FTE**

The measure represents the number of invoices processed by each accounts payable staff member. The types of invoices included are paper and electronic purchase orders, non-purchase orders, and P-card (purchasing card or procurement) payments.

(In Thousands)



2016	15,808	10,474	15,311	21,871	N/A	12,003	20,934	12,367	8,968	12,217	12,196	11,533	19,962	8,102	13,107	18,476	12,367
2017	18,515	10,429	15,139	22,193	9,502	12,208	19,622	12,034	9,653	13,682	12,019	12,542	17,721	7,888	13,151	17,258	12,847
2018	18,059	10,961	13,718	22,950	9,923	12,872	14,753	13,018	9,146	14,366	12,297	13,509	18,413	8,654	14,236	19,267	13,614

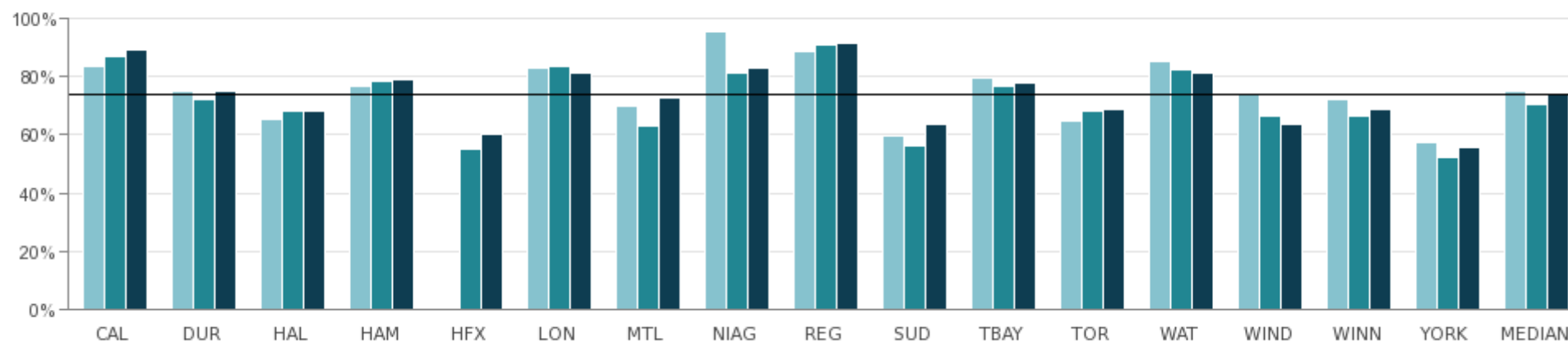
Source: FINV325 (Efficiency)

Montreal: Temporary positions have been created to make up for a significant delay in the billing period and to facilitate the transition to the new accounts payable system.

## Accounts Payable

### Figure 1.4 Percent of Invoices Paid Within 30 Days

This measure represents the proportion of invoices paid within 30 days after the invoice date.



2016	83.5%	75.3%	65.5%	76.7%	N/A	83.0%	69.8%	95.8%	88.9%	59.6%	79.7%	64.7%	85.4%	73.7%	72.1%	57.2%	75.3%
2017	87.3%	72.4%	68.2%	78.5%	55.0%	83.9%	63.2%	81.5%	91.2%	56.4%	77.0%	68.4%	82.5%	66.7%	66.3%	52.2%	70.4%
2018	89.3%	75.1%	68.0%	78.8%	60.4%	81.4%	72.7%	83.3%	91.8%	63.6%	77.8%	69.0%	81.4%	63.4%	68.8%	55.9%	73.9%

Source: FINV410 (Customer Service)

