

Memorandum



DATE January 21, 2021

CITY OF DALLAS

Honorable Members of the Government Performance and Financial Management
TO Committee: Cara Mendelsohn (Chair), Jennifer S. Gates (Vice Chair), Adam Bazaldua,
Adam McGough, Casey Thomas, II

SUBJECT **Accounts Payable Update**

This memorandum is an update to the November 6, 2020 memorandum to this committee regarding the backlog of outstanding invoices.

I am very pleased to report that the total number of outstanding invoices as of January 15, 2021 is approximately 2,800. This is a reduction of 3,600 invoices or 56 percent since November 6, 2020, and a reduction of over 7,200 invoices or 72 percent since June 2020. In addition, the total dollar amount of outstanding invoices decreased from \$35 million from November 6, 2020 to approximately \$20 million as of January 15, 2021.

To achieve these results, we partnered with our vendors to ensure that they are sending the invoices directly to Accounts Payable and including the correct information needed to pay the invoice such as the purchase order number, funding information, or other necessary elements on their invoices. We have also received outstanding support from all City departments to quickly resolve questions with invoices so that Accounts Payable can approve and pay invoices as quickly as possible.

The table below shows the current state of pending invoices and the aging of those invoices compared to the previously reported November 6, 2020 figures.

Current Status

Aging	Invoice Count	Open Amount
0-30 Days	1,446	17,374,951.00
31-60 Days	419	1,340,114.00
61-90 Days	154	564,629.00
Over 90 Days	763	580,423.00
Grand Total	2,782	\$ 19,860,117

Status @ 11/06/2020

Aging	Invoice Count	Open Amount
0-30 Days	4,337	30,932,958.00
31-60 Days	844	2,959,655.00
61-90 Days	352	457,367.00
Over 90 Days	870	680,272.00
Grand Total	6,403	\$ 35,030,252


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SUBJECT **Accounts Payable (AP) Update**

This table represents the quantity and amounts of invoices paid over the last year.

	Total \$ Paid	Total Invoices Paid
January 2020	113,474,160	14,883
February 2020	105,059,168	11,664
March 2020	127,208,921	14,306
April 2020	93,001,259	5,859
May 2020	73,880,429	5,880
June 2020	150,525,297	9,988
July 2020	128,287,389	12,100
August 2020	113,416,797	10,461
September 2020	117,514,661	12,240
October 2020	126,872,468	17,993
November 2020	118,631,414	12,783
December 2020	159,102,259	15,702
Sum:	1,426,974,222	143,859

I also want to continue to recognize the efforts of Ra-Keba Gordon, Assistant Director of Financial Compliance in the City Controller's Office, as she redeployed members of her team to assist with the backlog and has continued to lead the day-to-day management of AP invoice processing. ITS has expanded their assistance to us and is working with us weekly to implement tools to securely move vendors from payment by check to electronic payments. Finally, I want to commend City departments as they continue to remain diligent in quickly reviewing and approving delivery of products or services so that Accounts Payable can pay our vendors as quickly as possible. This achievement has been a team effort. We are not done yet. We will continue to work to improve our processes and reduce the backlog of past due invoices.

I appreciate your patience and support as AP worked through growing pains converting to an automated process and work from home cadence. Please let me know if you have any questions.


Sheri Kowalski
City Controller

c: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager

Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Dr. Eric A. Johnson, Chief of Economic Development and Neighborhood Services
M. Elizabeth Reich, Chief Financial Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors