

Quality and Productivity Commission
27th Annual Productivity and Quality Awards Program
"Saluting County Excellence"

2013 APPLICATION

Title of Project (Limited to 50 characters, including spaces, using Arial 12 point font):

NAME OF PROJECT: INVOICE PAYMENT STATUS INQUIRY (PAYMENT TO COUNTY)

DATE OF IMPLEMENTATION/ADOPTION: MAY 21, 2012
 (Must have been implemented at least one year - on or before June 30, 2012)

PROJECT STATUS: _____ Ongoing One-time only

HAS YOUR DEPARTMENT PREVIOUSLY SUBMITTED THIS PROJECT? _____ Yes No

EXECUTIVE SUMMARY: Describe the project in 15 lines or less using Arial 12 point font. Summarize the problem, solution, and benefits of the project in a clear and direct manner

1 The LA County Public Works Department's Customer Service Hotline received
 2 numerous phone calls from customers requesting copies of their invoices and/or
 3 payment status. It was a manual and time consuming effort to look up payment status
 4 and to research, copy, and mail invoices. In addition, Public Works spent a substantial
 5 amount of time following up on overdue invoices and collecting past due payments.
 6 Public Works developed and implemented a web-based application called the Invoice
 7 Payment Status Inquiry – Payment to County (IPSI) that provides customers the ability
 8 to view the status of their payments made to Public Works. Customers can use the
 9 website to check their payments, and view and save facsimiles of most invoices dated
 10 on or after August 25, 2011. The objectives of IPSI are to assist customers in managing
 11 their accounts, automate the payment status inquiry, thereby, increasing operational
 12 efficiency, and reducing paper consumption. Time and money are saved by cutting
 13 down research time and by providing customers the ability to perform inquiries
 14 independently. Paper usage was reduced since there is no more need to produce
 15 duplicate invoices to customers.

(1) ESTIMATED/ACTUAL ANNUAL COST AVOIDANCE	(2) ESTIMATED/ACTUAL ANNUAL COST SAVINGS	(3) ESTIMATED/ACTUAL ANNUAL REVENUE	(1) + (2) + (3) TOTAL ESTIMATED/ACTUAL BENEFIT	SERVICE ENHANCEMENT PROJECT
\$ 282.00	\$ 193,954.50	\$ 0	\$ 194,236.50	

SUBMITTING DEPARTMENT NAME AND COMPLETE ADDRESS Department of Public Works 900 S. Fremont Avenue Alhambra, CA 91803	TELEPHONE NUMBER (626) 458-4093
--	--

PROGRAM MANAGER'S NAME Mark Blank	TELEPHONE NUMBER (626) 458-6500 EMAIL mblank@dpw.lacounty.gov
--------------------------------------	--

PRODUCTIVITY MANAGER'S NAME AND SIGNATURE <small>(PLEASE CALL (213) 893-0322 IF YOU DO NOT KNOW YOUR PRODUCTIVITY MANAGER'S NAME)</small> Emma Ayala 	DATE 6/26/13	TELEPHONE NUMBER (626) 458-4093 EMAIL eayala@dpw.lacounty.gov
---	-----------------	--

DEPARTMENT HEAD'S NAME AND SIGNATURE Gail Farber 	DATE 6/27/13	TELEPHONE NUMBER 626-458-4002
--	-----------------	----------------------------------

Quality and Productivity Commission
27th Annual Productivity and Quality Awards Program
“Saluting County Excellence”

2013 APPLICATION

Title of Project (Limited to 50 characters, including spaces, using Arial 12 point font):

NAME OF PROJECT: INVOICE PAYMENT STATUS INQUIRY (PAYMENT TO COUNTY)

Challenge: LA County Public Works has over 11,700 accounts receivable customers and over \$10 million outstanding receivables in any given time. Our Customer Service Hotline constantly received phone calls requesting copies of their invoices and/or questioning about their payment status. It was a manual process and took strenuous effort to look up the payment status, perform the research, and copy and mail invoices to our customers. In the meantime, our staff spent a substantial amount of time following up on overdue invoices and collecting past due payments.

Solution: A team from Fiscal, Budget, Information Technology, and Programs Development Divisions saw the opportunity to address our customers' needs and become more efficient by taking advantage of web-based analytical tools to automate the process of obtaining payment status. This program was initiated in September 2011, when the Public Works team members brainstormed for ideas on improving invoice archiving, payment status inquiries, and customer outreach/marketing options. The team met weekly to create and develop this application with our in-house resources. The objectives of IPSI are to assist our customers in managing their accounts, automate the payment status inquiry, thereby increasing operational efficiency, and reducing paper consumption. We provide services to the public and other governmental agencies. In order to ensure that IPSI met the needs of our existing clientele, as well as departmental staff who work directly with our customers, during the testing phase, we invited two cities (the City of Lawndale and the City of Santa Clarita) to test IPSI and provide feedback. Based on their responses, we modified the program and updated the application by adding a Frequently Asked Questions page. We completed development of IPSI and implemented it online on May 21, 2012. The website address is <http://dpw.lacounty.gov/financial/invstat/Default.aspx>.

IPSI is a custom-developed software, programmed in-house by staff from Public Works' Information Technology Division. The invoice information comes from the Los Angeles County's electronic Countywide Accounting and Purchasing System (eCAPS) Reporting System Data Warehouse (DeRS). DeRS is a custom, in-house developed data warehouse of Public Works' financial and human resource information with detail and balances from July 2008 to the current fiscal year. The data warehouse is refreshed nightly, Monday through Saturday, following the completion of nightly financial batch processing. Updates to the data warehouse are usually finished before the start of each business day.

The technical architecture of IPSI is hosted on a relational data warehouse that resides on an IBM Power 770 Enterprise server using an AIX 7.1 operating system. Oracle 11gR2 is used as Relational Database Management system. For storage, EMC Symmetrix DMX3-950 RAID Disk Array is used. As of May 8, 2013, the database contained 1.3 terabytes of information. Data Extract Transform and Load (ETL) into Oracle database is performed by in-house developed Oracle Stored Procedures.

Quality and Productivity Commission
27th Annual Productivity and Quality Awards Program
“Saluting County Excellence”

2013 APPLICATION

Title of Project (Limited to 50 characters, including spaces, using Arial 12 point font):

NAME OF PROJECT: INVOICE PAYMENT STATUS INQUIRY (PAYMENT TO COUNTY)

The user interface runs in a standard web browser and consists of a data dictionary, a collection of common gateway interface programs implemented using combination of .Net programming language, and JavaScript enabled Hypertext Markup Language (HTML) pages. The entire process is controlled by the contents of the data dictionary, which is used to format Structured Query Language results, set up HTML links for data drill-down, and provide on-line help. Data may be downloaded immediately into Microsoft Excel worksheet or another analysis tool on an internal user's workstation.

Benefits: Because customers have direct access to IPSI, they can track their payment status, download invoices independently, and perform inquiries 24 hours/7 days a week. The IPSI application includes a Frequently Asked Questions page, a step-by-step Reference Guide, and the ability for customers to submit an inquiry or question to Public Works team members. Customers have used IPSI to track their invoice status, which has resulted in faster payment processing. IPSI has enabled customers to view facsimiles of their invoices online and save them in electronic form, which has reduced paper use and money spent on reproducing and mailing copies of invoices. IPSI has automated the response for payment status and has saved Public Works 337.5 staff hours per month. Public Works customer service employees are now more productive in responding to other inquiries.

IPSI has automated a service that we were providing to County residents and governmental agencies. It has facilitated sharing information on payment status and invoices and enhanced the understanding of the payment process. Customers have provided positive feedback about IPSI. This is a new application, and our customers have commented that it has improved their ability to track their payments. The following are testimonials received reflecting customers' satisfaction:

- Gail of Southern California Edison said, “This is a valuable tool for me so that I can see what items have posted to your site and which have not. This helps me to better track invoices and their status on this end.”
- Sarah of Southern California Gas Company stated, “It is a wonderful resource, and it has already been extremely helpful.”
- Karen of AT&T commented, “This is great. No more phone calls for invoice payment.”
- Loretta of the City of Santa Clarita declared, “The new site is great. It was easy to use and I like the drop-down menu of options. This will be a good tool for reference. Two-thumbs up.”

Quality and Productivity Commission
27th Annual Productivity and Quality Awards Program
“Saluting County Excellence”

2013 APPLICATION

Title of Project (Limited to 50 characters, including spaces, using Arial 12 point font):

NAME OF PROJECT: INVOICE PAYMENT STATUS INQUIRY (PAYMENT TO COUNTY)

Public Works' IPSI application is a valuable tool for customers and has created savings, improved processes, and demonstrates a valuable collaboration with Fiscal, Budget, Information Technology, and Programs Development Division.

LINKAGE TO THE COUNTY STRATEGIC PLAN (DETAIL IS REQUIRED FOR COUNTY DEPARTMENTS):

The implementation of IPSI is consistent with the County's Strategic Plan Goals of Operational Effectiveness, Fiscal Sustainability, and Integrated Services Delivery:

- Operational Effectiveness – IPSI has provided a mechanism for customers to independently inquire on their payment status. IPSI has improved the process by automating this service and by providing information in a very timely and efficient manner. Customers can perform inquiries 24 hours/7 days a week, maximizing the availability of information to the public. Because of IPSI, Public Works has improved its operations and increased the effectiveness of its receivable and collection process.
- Fiscal Sustainability – IPSI was designed, in part, by Fiscal staff who ensured that all fiscal policies and procedures were adhered to during its development. IPSI has strengthened the Department's ability to provide customer service and has generated cost savings by freeing up staff's time to perform other responsibilities. IPSI has saved us over 330 hours per month, or a saving of \$194,000 per year. We have been able to utilize our time for other inquiries, while being prudent and good stewards of the County's time and finances.
- Integrated Services Delivery – IPSI has enhanced our services to County residents and other governmental agencies by providing an advanced technology tool to assist our customers in managing their accounts more efficiently. We place a high priority on meeting our customers' needs with accessible, responsive, and informative payment status data.

Quality and Productivity Commission
27th Annual Productivity and Quality Awards Program
"Saluting County Excellence"

2013 APPLICATION

Title of Project (Limited to 50 characters, including spaces, using Arial 12 point font):

NAME OF PROJECT: INVOICE PAYMENT STATUS INQUIRY (PAYMENT TO COUNTY)

COST AVOIDANCE, COST SAVINGS, AND REVENUE GENERATED (ESTIMATED BENEFIT): If you are claiming cost benefits, include a calculation on this page. You must include an explanation of the County cost savings, cost avoidance or new revenue that matches the numbers in the box. Remember to keep your supporting documentation.

Cost Avoidance: Costs that are eliminated or not incurred as a result of program outcomes.

Cost Savings: A reduction or lessening of expenditures as a result of program outcomes.

Revenue: Increases in existing revenue streams or new revenue sources to the County as a result of program outcomes.

(1) ACTUAL/ESTIMATED ANNUAL COST AVOIDANCE	(2) ACTUAL/ESTIMATED ANNUAL COST SAVINGS	(3) ACTUAL/ESTIMATED ANNUAL REVENUE	(1) + (2) + (3) TOTAL ANNUAL ACTUAL/ESTIMATED BENEFIT	SERVICE ENHANCEMENT PROJECT
\$ 282.00	\$193,954.50	\$ 0	\$ 194,236.50	

ANNUAL= 12 MONTHS ONLY

Since its implementation in May 2012, IPSI has had 2,470 users log on and submit at least one inquiry. Customer payment status inquiries are estimated at an average of 450 inquiries per month that would have taken 45 minutes to research and gather the requested information.

Cost Savings - IPSI has saved 337.5 hours per month of our staff's time. The Public Works Customer Service Hotline is staffed with Accountant II's, whose loaded hourly rate is \$47.89. IPSI has saved \$193,954.50 per year. Public Works customer service representatives now have more time to respond to other inquiries. IPSI has made operations more efficient and has also helped reduce paper consumption.

Cost Avoidance - Every customer inquiry may not result in a request for a duplicate invoice. We estimate an average of 50 requests per month for a duplicate invoice. On average, each invoice is two pages. Given the cost of reproduction is \$0.03 and postage is \$0.44, the estimated, annual cost avoidance cost is \$282.

Cost Savings:	337.5 hours/month x 12 months	4,050 hours
	\$47.89/hour loaded labor rate	X \$47.89
	Total Cost Savings	\$193,954.50
Cost Avoidance:	Invoice cost = (\$0.03 for two pages and \$0.44 for postage)	\$.47
	50 requests/month X 12 months	X 600
	Total Cost Avoided	\$282.00
	Total Savings	\$194,236.50