

Admin: WH Expenses
bill collection

PHOTOCOPY
PRESERVATION

Flowchart #1 (Current Organization)

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Social Office Begins Planning an Event:

- Task Sheet is started
 - Funding Source is Identified by Social Office
 - Residence Lets Contracts (rentals) and Prepares for Event
 - Printed Items are *Ordered by Calligraphers on WH Account*
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Event Occurs:

- Printed Items Arrive
 - Services Provided by Residence
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If Reimbursable:

- Residence Collects Bills Related to the Event
 - Includes Bills for Items Printed Specifically for the Event and a Cost for Stock Stationery
 - Residence Bills the Event Sponsor
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If Non-Reimbursable (official events):

- Residence Pays for all Non-Printed Materials Ordered for the Event
 - White House Office Pays for all Printed Items Ordered for the Event
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Once Payments are Received:

- Residence Pays their Vendors
 - Residence Reimburses WHO for Printed Items
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Problems with this system:

- WHO relies on the Residence to collect reimbursements -- if the Residence is slow collecting reimbursements, payments to the WHO are delayed
 - Even if sponsors are required to pay in a timely manner, the WHO is still at the mercy of the Residence under the current system -- the WHO must rely on the Residence to tell them when they've received reimbursement on an event
- This problem is magnified at the end of the fiscal year -- if the Residence does not have funds to reimburse the WHO by September 30, the WHO can not spend the funds on other items
 - In years past, the Residence has claimed that they have reimbursed the WHO even in cases when they have not received payment so that the WHO could be made whole
 - Because of issues raised by the GAO, the Residence has said that this year they will only be able to pay for items for which they've received reimbursement

Gary will Propose:

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- 1) Keeping the System as it is -- Because Congress is about to pass a law requiring event sponsors to pay within 90 days of the event (or of the billing???), he will say that now he has a system in place that is strong enough to compel sponsors to pay on time. With prompt payment from sponsors, he can reimburse his vendors and the WHO much more quickly.

Disadvantages:

- WHO is still at the mercy of the Residence as to when payments are received -- WHO continues to rely on the Residence to tell them when they've received reimbursement on an event
 - if the law is based on 90 days from when bills are sent, the delays will continue -- most vendors pay fairly promptly. Much of the delay comes from the Residence's delay in sending bills out
 - keeps the unnecessary and time-consuming step of the Residence having to reimburse the WHO in the process (see flowchart #2)
- 2) Having the WHO bill event sponsors directly for printed materials -- this bill would be in addition to the bill for other event costs that the Residence would send to the sponsor.

Disadvantages:

- event sponsor would receive two bills -- sending two bills would make us look disorganized.
- WHO Admin has no part in the event planning -- this would add an unnecessary and difficult responsibility to WHO Admin's list of responsibilities (it is difficult enough to track what we think the Residence should reimburse the WHO)

Flowchart #2 (Proposed)

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Social Office Begins Planning an Event:

- Task Sheet is started
 - Funding Source is Identified
 - Residence Plans Logistics (i.e., menus, tent rentals)
 - Printed Items are *Ordered on Residence's Account if Event is Reimbursable*; Printed Items for Official Events Ordered on WH Account
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Event Occurs:

- Printed Items Arrive
 - Services Provided by Residence
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If Reimbursable:

- Residence Collects Bills Related to the Event
 - Includes Bills for Items Printed Specifically for the Event and a Cost for Stock Stationery
 - Residence Bills the Event Sponsor
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If Non-Reimbursable (official events):

- Residence Pays for all Non-Printed Materials Ordered for the Event
 - White House Office Pays for all Printed Items Ordered for the Event
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Once Payments are Received:

- Residence Pays their Vendors including the Printer
 - Once a quarter, the Residence reimburses WHO for stock items
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Advantages:

- saves the WHO from having to monitor anticipated reimbursements
- WHO funds are available at the end of the fiscal year -- we are not reliant upon the Residence to pay us back for print jobs
- Gary will have a liability under either option -- in this case, he will owe the printer as opposed to owing the WHO