

## Debt Management

■ **Federal Receivables** - In fiscal year 1996, GPO billed Federal agencies \$760.3 million for printing and binding services. Of this amount, \$437.9 million, or 57.6 percent, was collected using the Department of the Treasury's On-Line Payment and Collection (OPAC) system.

In fiscal year 1996, GPO's average monthly receivables more than 90 days overdue were \$9.2 million, or 25.8 percent of the monthly average of outstanding receivables. The Department of Defense's (DoD) account at GPO, with an average monthly balance more than 90 days overdue of \$8.3 million, or 91.1 percent of all of GPO's delinquent receivables, was by far GPO's largest delinquent account. At the end of fiscal year 1996, DoD owed GPO \$9.0 million that was between 31 and 60 days overdue, \$3.1 million that was between 61 and 90 days overdue, and \$8.4 million that was more than 90 days overdue.

The DoD's slow payment process results from procedures requiring that all GPO invoices pass through duplicate review processes before payment is initiated; also, DoD does not use Treasury Department's OPAC system. Defense Printing Service (DPS) bills its customers who review GPO's invoices prior to paying DPS. After DPS has been paid, GPO's invoices are sent to Defense Finance and Accounting Service where they are reviewed a second time before GPO is paid. This additional layer of DoD administration has had a sustained negative impact on GPO's ability to collect from DoD since the inception of DPS in October 1992.

GPO has been working with DoD management to resolve this problem, and a special task force has been established within DoD to research and pay GPO invoices. Another goal of the task force is to convert DoD's payment process from a manual to an electronic system. DoD had initially scheduled this conversion for fiscal year 1996, but later changed it to fiscal year 1997. GPO's goal for fiscal year 1997 is to improve the DoD receivables turnover while maintaining non-DoD collections at the current rate.