

Minutes

Accounts Receivable Core Committee (ARCC)



Meeting Date: August 16, 2022
2:00 pm-3:00 pm

Location: Virtual meeting via Microsoft Teams

Attendees: Annievi Aquiningoc (OMB); Heidi Baker (DHS); Sheila Banke (DOJ); Brad Batchelor (PUC); Jill Blackford (DOC); Amy Brewer (OSP); Lana Bunker (DHS); Maria Bustamante (DAS); Andrea Cox (DAS); Kyle Davis (ODE); Chloe Dixon (OST); Diana Eells (DHS); Marie Elkins (PERS); Alyssa Engelson (ODOE); Jeff Fehl (DAS); Joe Flager (DSL); Connie Flowers (ODE); Gerold Floyd (DAS-SWARM); Olga Fokina (OMB); Kim Gladwill-Rowley (LCB); Daniel Goettsch (DCBS); Kimberly Hall (WRD); Shaumae Hall (DEQ); David Hawks (DOC); Chrisy Hennigan (BOP); Jennifer Hodgdon (Lottery); Darrick Holloway (OMD); Steven Ito (DOR); Caty Karayel (REA); Laura Kardokus (Tax); Todd Koesel (OMD); Pam Lara (DSL); Bill Lee (DAS); Preston Marchant (BOAT); Alejandra Martinez (DAS); Katya Medvedeva (DAS); Katy Moreland (DAS); Sue Nunley (DOJ); Melissa Phillips (OYA); Sheri Rabigo (OCB); Jill Reece (OYA); Lyubov Salov (DAS); Lisa Sardinha (ODAV); Cindy Stockstill (OPRD); Julie Strauss (DHS); Andrea Templeton (OSP); Carol Todd (Leg Counsel); Taylor Towers (DAS); Anna Unger (DOC); Susan Westin (SLO); Karen Williams (DAS-SWARM); one guest by phone

ITEM	TIME STAMP	ACTION, DISCUSSION
Welcome and introductions	0:00:30	
SWARM announcements- FY2023 A/R Honor Roll Key Dates are posted online	0:1:15	<p>The link for the FY23 Honor Roll Key Dates is: https://www.oregon.gov/das/Financial/Accounting/Documents/AR%20Honor%20Roll%20key%20dates%20FY2023.pdf</p> <p>No major changes, there are a few dates related to year end close that are not final at this time, we will update this document as those decisions are made.</p> <p>Note that the 2023 LFO submission date is October 1 while the remaining reports are due on October 2, this is because the LFO deadline is established in statute and DAS doesn't have the authority to change that date.</p>
Fiscal Year End Reporting- Reports due by October 1, 2022 <ul style="list-style-type: none"> ARPM reports for FY22 Quarter 4 and Annual measures. 	0:06:10	Gerold discussed the various reports that are due no later than October 1 and listed in the agenda.

<ul style="list-style-type: none"> • LFO reporting- Website is open, target date for completed entries is 9/16 to ensure time for SWARM review and/or agency corrections before deadline. • Agency Year End checklist • Write-off, abated and canceled debt certification • Optional/Recommended: LFO reporting worksheet <p>Agencies that report an L&D ending balance of \$50 million or more must submit a report to the legislature per ORS 293.229 (2) by December 31, 2022.</p>		<p>The target date to make the entries to the LFO website is September 16th, this is to allow time for SWARM to complete the review of the data and for the agency to make any necessary corrections that may be identified.</p> <p>The Year End Checklist link that was sent in the agenda was incorrect, we updated the filename (removing reference to 2021). The link has been corrected in these minutes.</p> <p>The write-off, abated and canceled debt certification has three items that are included, note that the third is related to canceled debt by DOR under ORS 305.155. <i>This is an income tax statute and ONLY DOR should be using this field.</i> If an agency has the authority to cancel a debt, that should be reported as abated.</p> <p>If your agency uses the recommended LFO reporting worksheet, SWARM asks that you send that with the required reports above. SWARM looks for possible number transpositions and such when reviewing the data in the LFO entries.</p> <p>If your agency reports a balance of \$50 million or more (all fund types combined), you will need to complete the additional reporting to the Legislature as required in ORS 293.229 (2). This is typically limited to a small number of agencies.</p>
<p>RWO status changes and A/R reporting</p>	<p>0:17:40</p>	<p>Accounts at DOR-OAA that are in RWO status is the indication for agencies to review those accounts against the write-off criteria in OAM 35.50.10. However, DOR-OAA does change that status from time to time based on new information, or if there is a payment received, this is due to the programming within the system that requires the account to be in an active status to take an action such as issuing a garnishment if employment is identified.</p> <p>If an agency has written off an account and the status later changes to active on the DOR-OAA inventory reports, this</p>

		<p>does NOT mean that the account should be reestablished on the agency's books simply because of the status change. However, if a written off account subsequently is determined to be collectible, such as when there is a payment on the account then the A/R should be reestablished (see OAM 35.50.10 paragraph 111), and the payment posted. At that point the agency should evaluate the type of payment (such as a tax offset) and whether that was a limited event or a change in collectability. This may require reaching out to DOR-OAA to learn more about the payment. The agency can then evaluate the balance of the account against the write-off criteria in OAM 35.50.10 and make the appropriate entries.</p> <p>When SWARM reviews agency LFO reporting, we do not expect the ending inventory to exactly match data that is received from DOR-OAA, there can be timing issues that impact those balances and especially if RWO accounts have fluctuated. SWARM does look to see that the balances reported are reasonable compared to the amounts that DOR-OAA provides, so if there is a large balance difference, please use the comment field to provide an explanation.</p>
<p>Reminder: Criminal Restitution accounts owed to a state agency should NOT be included in the LFO report. Civil judgments with restitution SHOULD be included in the agency LFO report.</p>	<p>0:30:35</p>	<p>Because criminal restitution is collected by Judicial (and then passed to the agency) that balance is included by Judicial in their report to LFO, so if the agency also reported that account it would double the receivable balance in the LFO report. These accounts should NOT be reported by the agency on their LFO report.</p> <p>However, if the judgment came as the result of a civil court case, then the agency DOES need to include those balances in their LFO report because those are not accounts tracked by Judicial.</p>
<p>DOR-OAA Update- New PCF (Integral Recoveries) has been onboarded for future assignments</p>	<p>0:32:35</p>	<p>DOR has brought on a new PCF and will begin making assignments this month.</p>

		<p>This is a replacement of a vendor that did not renew their contract with the state.</p> <p>Be aware that if a debtor receives a notice from the new vendor, you may receive a call from the debtor, so we wanted you to know that vendor does work with DOR.</p>
Upcoming Legislative session, if agencies have proposed bills that impact accounts receivable, please send copies of LCs or draft bills to SWARM for monitoring.	0:34:10	Since SWARM monitors legislation that impacts accounts receivable and collections, we ask agencies to provide us with LCs that have been proposed.
Roundtable	0:36:05	<p>Gerold is on vacation in October, the question was raised if there was a preference on changing the ARCC meeting date from even numbered months to odd months. There was no preference mentioned.</p> <p>The next question was whether the 3rd Tuesday was still the best day or if there was a better day of the week. Consensus was to keep the third Tuesday of the month.</p>
Adjournment	0:42:13	The meeting was adjourned at 2:42 pm

Next meeting:

Tuesday, November 15, 2022

2:00pm – 3:30pm via Teams ([meeting link](#))