



Welcome

Welcome to The Buzz, a quarterly newsletter dedicated to providing resources to state agency accounts receivable professionals, partners and stakeholders.

The Buzz includes articles from the state agencies, partners and stakeholders committed to improving the state of debt collections.

SWARM

During the 2015 legislative session, DAS was directed to monitor state agency debt collection functions and assist state agencies in efforts to improve the collection of delinquent debts. To meet the requirements, DAS created the Statewide Accounts Receivable Management (SWARM) team to provide training on processing and managing accounts receivable; offer technical assistance in resolving accounts receivable challenges; and develop performance standards for state debt collection.

SWARM representatives, Gerold Floyd and Stacey Chase, work closely with state agency accounts receivable professionals to discuss statutory requirements, review internal policies and procedures and to make recommendations to streamline agency processes in an effort to improve collections.

For more information, visit the SWARM webpage at: <http://www.oregon.gov/das/Financial/Acctng/Pages/AR.aspx>

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Accounts Receivable Core Committee (ARCC)

The ARCC comprises accounts receivable representatives from state agencies who meet monthly to discuss current collection practices and assist SWARM in developing strategies to improve statewide accounts receivable management.

The ARCC also serves as a forum for state agency accounts receivable professionals to collaborate with peers from other state agencies and to discuss successful collection strategies, lessons learned and best practices.

All state agency accounts receivable representatives are encouraged to attend ARCC meetings.

To participate, send an email to: SWARM@oregon.gov.

“The ARCC also serves as a forum for state agency accounts receivable professionals to collaborate with peers from other state agencies to discuss successful collection strategies...”

Tips and tricks

State agencies with statutory authority to issue civil penalties or distraint warrants have unique options available for collecting liquidated and delinquent debts.

Civil penalty final orders and distraint warrants may be recorded in a county lien register to enable the respective documents to have the effect of a judgment. By doing so, a state agency may record a lien against a debtor’s real property and may issue garnishments against a debtor’s bank account and wages.

To learn more about tools available for collecting debts associated with civil penalty orders and distraint warrants, contact SWARM at: SWARM@oregon.gov.

Dept. of Revenue: Other Agency Accounts

Since 1971 Department of Revenue Other Agency Accounts (OAA) has served as the state’s designated collection agency. OAA collects delinquent debt for more than 290 state agencies, boards, and commissions including circuit courts plus a wide variety of educational and regulatory agencies as stated in ORS 293.250.

OAA accepts debt assignments under two collection programs:

- 1) Restricted liabilities are collected through refund offsets only OAA does not maintain the balances on these liabilities. The assigning agencies submit credit or debit updates, as needed.
- 2) Unrestricted liabilities are submitted for full collection services that also include refund offsets. These liabilities are aggressively collected through demand and billing notices, payment plans, phone calls and garnishments.

For more information, visit the OAA website at: <http://www.oregon.gov/DOR/programs/gov-research/Pages/oa.aspx>.



Partner Focus:



A short drive down I-5 takes one to Professional Credit Service in Springfield, OR – a trusted debt collection agency commonly used by Oregon state agencies. Professional has been on the state contract since 1996 and is one of the few agencies actually located in Oregon. What sets Professional apart is the use of data analytics and Behavioral Science to derive high liquidity with below average complaints. Additionally, Professional has attained almost every industry certification available, including PPMS certification from ACA International. Only 7% of collection agencies in the nation obtain this distinction that assures state agencies that their electronic files are secure and the collections process is handled competently.

Professional is known for providing quality training to Oregon agencies. Training topics include leadership, customer service, collection techniques and team building, to name a few. Visit [Hawes Group - Speakers](#) for the full list of speakers and topics. Of course Professional is always willing to collaborate with state agencies and develop content specific to the agency's needs.

Professional invites any agency to tour its facilities and experience first-hand Professional's respectful interactions with the citizens of Oregon. Professional's collectors use a consultative approach to collect at the highest level for each state agency. For more information, to schedule a visit, or to learn where to begin when collecting state agency debts, please contact Rob Nestell, Senior Account Executive, at 541-335-2204 or rob@hawes.group.

State agency statutory assignment requirements

ORS [293.231](#) requires state agencies to assign liquidated and delinquent accounts to the Department of Revenue or a private collection agency “...not later than: 1) ninety days from the date the account was liquidated if no payment has been received on the account within the 90-day period; or 2) ninety days from the date of receipt of the most recent payment on the account.” Furthermore, if a state agency assigns a liquidated and delinquent account to the Department of Revenue as provided in [ORS 293.250](#), “...the department shall have six months from the date of assignment to collect a payment. If the department does not collect a payment within that six-month period or if six months have elapsed since the date of receipt of the most recent payment on the account, the department shall notify the state agency. The state agency shall then immediately offer for assignment the debt to a private collection agency.” A state agency may choose not to offer for assignment to a private collection agency accounts that meet a statutory or administrative assignment exemption. For more information about account assignment exemptions or to request an agency exemption from the 90-day assignment requirement, refer to Oregon Accounting Manual policy number [35.40.10](#).



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Special thanks to:

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Josette Green, Professional
Credit Service



Accounts receivable resources

Looking for accounts receivable resources? Look no further! SWARM developed a website to provide a central location for accounts receivable management resources. The website provides a list of SWARM upcoming events, statutory references associated with state agency collections, minutes from the monthly ARCC meetings, a list of vendors with current state contracts (private collection), training resources and much, much more!

Visit the SWARM website at:

<http://www.oregon.gov/das/Financial/Acctng/Pages/AR.aspx>

Future of state debt collections

In January 2016, CGI published an issue paper titled *The Case for Centralized Collections*. It stated:

“Consolidating the collection functions can reduce redundancy, significantly increase collections, and streamline and standardize the collections process at a vastly superior level of efficiency and effectiveness.”

The centralization of debt collection functions would allow Oregon to implement or expand effective debt collection strategies to ensure consistent processes were followed to collect delinquent debts.

The DOR-OAA conversion to the GenTax system further expands its ability to automate the creation of collection letters and collection correspondence such as distraint warrants, lien documents and garnishments; this includes the automation of the subsequent assignment to a private collection agency.

SWARM proposed a 2017 Legislative Concept (LC 775) that would centralize the collection of state debts through the DOR-OAA once the accounts become liquidated and delinquent. The proposal keeps the agency requirement to provide notice to the debtor and liquidate the account, but after 90 days the agency would assign the accounts to DOR-OAA.

For more information regarding LC 775, send an email to: SWARM@oregon.gov.