

# STATEWIDE ACCOUNTS RECEIVABLE MANAGEMENT

# The Buzz



## SWARM Team News

Trick or treat...or report? Don't be afraid, there are no monsters lurking in the hive. SWARM is celebrating liquidated and delinquent (L&D) account reporting season! Much like the rest of state accounts receivable professionals, Gerold and Stacey are working meticulously on annual L&D account reporting. The Legislative Fiscal Office (LFO) [Delinquent Account Reporting System](#) is now open for agencies to report annual L&D account activity. Don't delay, report today!

For more information about L&D account reporting, visit the [SWARM website](#).

## Debt Collection Centralization Enacted

The 2017 Legislative Assembly approved Senate Bill (SB) 1067 which included language proposed by the Department of Administrative Services to centralize state debt collections in Oregon. The operative date of the debt collection section of the bill is July 1, 2018. Gerold and Stacey are working closely with representatives from Department of Revenue (DOR) to develop a plan to implement centralized debt collection efforts by the operative date. Once the foundation is designed, the Centralization Workgroup will reconvene to discuss state agency assignment processes within a centralized debt collection environment. Additionally, the workgroup will establish a process for handling accounts that were assigned to private collection firms prior to the operative date of the bill. To assist in reducing the workload associated with the centralization transition, SWARM recommends state agencies assign accounts that become liquidated and delinquent during Fiscal Year 2018 to DOR first.

For more information about debt collection centralization, or to participate in the Centralization Workgroup, please send an email to [SWARM@oregon.gov](mailto:SWARM@oregon.gov).

## Featured Articles

SWARM Team News.....	1
Debt Collection Centralization Enacted.....	1
EO 17-09 Vendor Coordination Project.....	2
Department of Revenue Other Agency Accounts.....	2
Partner Focus: Transworld Systems Inc.....	3
Performance Measurement Reporting.....	4
Office of the Secretary of State.....	4

## Highlights

Tips and tricks.....	2
Clarification: 60 or 90 days?.....	3



## EO 17-09 Vendor Coordination Project

[Executive Order \(EO\) 17-09](#) requires the Department of Administrative Services (DAS) to establish policies requiring state agencies to recover liquidated and delinquent (L&D) debt from entities to which state agencies are making significant payments. Shortly following the issuance of EO 17-09, SWARM began working with partner agencies to identify a method for recouping L&D debts by reducing vendor payments. The recommended method of administrative hold and garnishment is being piloted through coordination between Department of Revenue (DOR) and Department of Transportation (ODOT). Following the completion of the DOR and ODOT pilot, DAS will publish a statewide policy.

For more information, please contact Stacey Chase at [Stacey.A.Chase@oregon.gov](mailto:Stacey.A.Chase@oregon.gov).



### Tips and tricks

Looking for resources to assist your agency's accounts receivable (A/R) management processes? Look no further! The A/R toolkit is a product of the Accounts Receivable Core Committee Tools and Process Improvement Subcommittee. The toolkit includes sample documents which state agencies may use to assist with internal A/R management. The toolkit also includes a general overview of the accounts receivable process; a tool that helps A/R professionals know what work is required, when it is required and who is required to complete the task. The A/R toolkit is available on the [SWARM website](#).

For more information, or to add a resource to the toolkit, send an email to [SWARM@oregon.gov](mailto:SWARM@oregon.gov).

## Dept. of Revenue: Other Agency Accounts

OAA provides Response reports for each day that transactions are submitted to OAA. These reports are distributed via Revenue Online web messages, where they are attached as CSV files that can be opened and viewed in Microsoft Excel.

The daily response report is a valuable way to determine how and if OAA processed your request. You'll know what was accepted, rejected, and an explanation will be included if it is being held for further review.

There are a few known issues with the report that will be fixed soon, they are:

- New debt assignments ("A" records) go through a two-step review process, and the report currently only informs you of the result of the first step.
- The report notifies you of the result of a record held for review after the initial notice. An enhancement being worked on will allow this type of update to show up on future reports.

OAA also plans on updating the web message subject line to provide the name of the program and the day of activity covered by the report, which will make it much easier to find the one you are looking for. For more information, please contact Todd Evans at [Todd.Evans@oregon.gov](mailto:Todd.Evans@oregon.gov).



## Partner Focus:



The Transworld Systems, Inc. (TSI) Government Services business unit is dedicated to collaborating with and meeting the needs of our public-sector clients. As one of the largest collectors of government receivables in the nation, TSI provides customized solutions to federal, state, and local government bodies. We recognize that government entities have high-performance standards based upon multiple factors: recovery rates, the mandate to protect debtor identity, information security, and professional interaction with the debtor at all times.

Government clients referred 1.8 million accounts totaling \$713.9 million to TSI for third-party collection services in 2016, to which we retrieved more than \$135 million. This volume attests to the confidence that our clients have in our ability to recover funds in a timely and efficient manner that complies with applicable regulations.

TSI's expertise is unmatched:

- Nationwide coverage among a network of regional operations offices across the United States that serve government clients.
- More than 40 years of collections experience with government contracts
- More than 40 years of utility collections experience
- 35 years of individual and business tax experience
- 27 years of court collections experience

TSI's success in this competitive market is based on a track record of delivering results and customized services based on the unique needs of our clients. TSI's depth and breadth of experience allows us to leverage advanced analytics, innovative solutions and best practices to cost effectively maximize performance results for our government clients – their success is our business. Please contact Phillip Prince at [Phillip.Prince@tsico.com](mailto:Phillip.Prince@tsico.com) or 480-628-9117 for additional information.

### Clarification: 60 or 90 days?

Oregon Revised Statute (ORS) 293.231 requires state agencies to assign liquidated and delinquent (L&D) accounts to either the Department of Revenue (DOR) or a private collection firm within 90 days. In May 2017, the Governor issued an Executive Order (EO) requiring Executive Branch agencies (and encouraging Legislative and Judicial branch agencies as well as Elected Officials) to assign accounts to DOR within 60 days from the date the debt was declared liquidated and delinquent. ORS 293.229 requires state agencies to report L&D account activity annually to the Legislative Fiscal Office (LFO); including the number and value of L&D accounts subject to assignment per ORS 293.231 (90 days) that were not exempt and not assigned. This reporting requirement is statutory and separate from the assignment requirement outlined in EO 17-09. Executive branch agencies should continue to assign accounts to DOR within 60 days and report to LFO all L&D accounts subject to assignment within 90 days that were not assigned.



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**Special thanks to:**

Todd Evans, Department of Revenue Other Agency Accounts

Karla Willmschen, Office of the Secretary of State

Phillip Prince, Transworld Systems Inc.



## Performance Measurement Reporting

Coming soon! SWARM will be posting a new Oregon Accounting Manual (OAM) policy for comment related to performance measurement reporting. The policy includes quarterly and annual reporting requirements. The quarterly and annual reporting requirements are applicable to all agencies subject to the OAM. The quarterly reporting requirements are applicable to all Executive branch agencies as directed in Section III of [Executive Order 17-09](#). For more information about performance measurement reporting, please contact Gerold Floyd at [Gerold.Floyd@oregon.gov](mailto:Gerold.Floyd@oregon.gov).

## Office of the Secretary of State

The Office of the Secretary of State manages a diverse group of accounts that are invoiced and collected. Interagency assessments, civil penalties, charges for services to the public, non-sufficient funds, and chargeback transactions, and mandatory filing fees make up the majority of accounts handled.

The agency has been working on process improvement and better use of resources to improve cash flow and reduce the volume of high risk accounts. One change was to require the public to make payment before receiving services instead of following a laborious process to later invoice, followed by a high probability of collection work. Offering more payment plan options and modifying the agreements to include stronger collection language have also helped. Debtors have been responsive to a proactive shift of having conversations on what the required collection processes look like and what the consequences are if they become delinquent; this gives the debtors a sense that we are trying to be understanding of their situation and work with them. Another effective change was to print language on invoices that credit cards are accepted over the phone, providing an added convenience for the customer and producing quicker turn-around of payments.

Customer service and stakeholder relations is a high priority for all agencies. However, we continue to balance that while creating and implementing ideas to increase cash flow, eliminate administrative workload, and reduce outstanding debts the public or other government entities may potentially leave unpaid.

For more information, contact Karla Willmschen at 503-986-2242 or [Karla.A.Willmschen@oregon.gov](mailto:Karla.A.Willmschen@oregon.gov).