

# Minutes Accounts Receivable Core Committee (ARCC)



**Meeting Date:** November 19, 2024

**Location:** Virtual meeting via Microsoft Teams

**Attendees:** Yesdica Aldaco (DCBS); Joy Andrews (DELC); Fitsum Aramde (DEQ); Heidi Baker (DHS/OHA); Sheila Banke (DOJ); Melissa Boaz (DHS/OHA); Angelique Bowers (ODE); Amy Brewer (OPRD); Rick Bruno (OEM); Maggie Carrasco (ODOE); Gerri Cheshire (ODAV); Shelly Coffey (OSBAE); Chloe Dixon (OST); Richard Dredge (DCBS); Jamie Duval (ODE); Trofimov Evgeni (DHS/OHA); Svetlana Fadden (DHS/OHA); Connie Flowers (ODE); Gerold Floyd (DAS-SWARM); Amy Fry (Lottery); James Garrett (WRD); Dan Goetsch (DCBS); Trisha Hage (WRD); Shaumae Hall (DEQ); Stephanie Helsley (OMD); Jordan Horrell (DHS/OHA); Caty Karayel (REA); Trena Landers (OLCC); Pam Lara (DSL); Wendy Lorimor (ODOE); Elizabeth Marshall (ODVA); Brian Martinez (OLCC); Katya Medvedeva (DAS); Doris Olivan (DCBS); Jesse Oliver (OED); Shelly Paddock (DCBS); Michelle Palmer (BOLI); Melissa Phillips (OYA); Matthew Powell (DPSST); Jill Reece (OYA); Sean Riesterer (CCB); Emily Rothweiler (DAS); Lisa Sardinha (ODAV); Michelle Scholl (ODOT); Ciji Shelton-Flores (BOP); Angelia Sousa (OHCS); Angela Teas (OBDD); James Terrusa (OED); Carol Todd (Leg); Melissa Tominaga (PERS); Anna Unger (DOC); Dawn Young (ODE)

ITEM	TIME STAMP	ACTION, DISCUSSION
Welcome and introductions	0:00:00	
SWARM announcements-Recording of Vendor Garnishment training from Oct 10 is now online	0:00:41	<p>Gerold shared that on October 10 he was one of three presenters for a training on vendor garnishments (aka vendor coordination). While not all participants in this forum will have payable responsibilities, SWARM wanted to share the link to the recorded training for those who do and as a resource to share with those in your agency who perform payables and might have missed the training. The recorded training, slides and an FAQ are available on the SFMS website  <a href="https://www.oregon.gov/das/Financial/AcctgSys/Pages/Supplemental-Training.aspx">https://www.oregon.gov/das/Financial/AcctgSys/Pages/Supplemental-Training.aspx</a>, under the link for vendor garnishments.</p> <p>Heidi at DHS/OHA asked if an overpayment refund would be subject to garnishment. Gerold shared that the answer depends on where the refund is being issued from, if it is coming from a sub-system where the original payment was made then likely there is not a “match” process currently, but if the refund was being issued from SFMA and the vendor is deactivated with the note to contact DOR then generally an overpayment refund would be subject to garnishment.</p>

FY 24 LFO and ARPM reporting summary	0:06:35	Gerold shared some highlights of data that will be included in the FY 2024 A/R Management Report and some comments/reminders regarding reporting (see attachment below). The A/R Management Report is scheduled to be published by February 1, 2025.
DOR assignment format discussion	0:27:20	<p>Agencies are encouraged to use the XML file format for assigning multiple accounts to DOR, this format is more secure and requires less suspense work by DOR staff to identify missing data elements that can occur with other file formats. Information on the xml format can be found on the DOR website:  <a href="https://www.oregon.gov/dor/programs/Collections/Pages/Debt-collection-services-for-state-and-local-government.aspx">https://www.oregon.gov/dor/programs/Collections/Pages/Debt-collection-services-for-state-and-local-government.aspx</a>  Scroll down to the link for the “XML data transfer guide”. For more information reach out to DOR via email at:  <a href="mailto:oa.technicalhelp@dor.oregon.gov">oa.technicalhelp@dor.oregon.gov</a></p> <p>Note this is for agencies that submit multiple records at a time, typically as an export from some other system, agencies that only have a few records to submit can always use the direct entry method in RevenueOnLine.</p>
Roundtable	0:34:25	No topics raised
Adjournment	0:35:20	The meeting was adjourned at 2:35 pm

**Next meeting:**

Tuesday, January 21, 2025

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

(upcoming meeting dates are available at: [State of Oregon: Accounting and reporting - Statewide Accounts Receivable Management](#), please add these to your calendar if you would like to attend)

ARPM Comparison

<b>Quarterly Performance Measure:</b>	<b>Fiscal Year 2024</b>	<b>Fiscal Year <u>2023</u></b>
Total accounts receivable collections	\$12.4 billion	\$9.7 billion
L&D account collections	\$474.6 million	\$422.4 million
Total outstanding accounts receivable	\$3.1 billion	\$2.6 billion
Accounts receivable over 90 days past due, as a percentage of total outstanding accounts receivable	72.1%	73.1%

PERS and ODOT identified as largest change in Total A/R Collections.

L&D collection increase came from DOR increased garnishment activity and refund offsets from the kicker.

<b>Annual Performance Measure:</b>	<b>Fiscal Year 2024</b>	<b>Fiscal Year <u>2023</u></b>
Average % of accounts paid in full within 60 days of the effective date	72.4%	72.6%
Average % of accounts assigned within 90 days of meeting the definition of L&D	64.6%	56.9%
Write-offs, as a percentage of all available accounts receivable	0.3%	0.3%

LFO Executive Branch Data Comparison

<b>Executive Branch Liquidated and Delinquent Accounts Receivable</b>			
<b>Fiscal Year Comparison</b>			
	<b>2024</b>	<b>2023</b>	<b>Net Increase/ (Decrease)</b>
Beginning Balance	\$1,848,951,849	\$1,640,843,057	\$ 208,108,792
Additions	1,333,031,426	928,161,476	404,869,950
Collections	(477,713,626)	(377,486,089)	100,227,537
Write-Offs	(43,520,085)	(36,652,805)	6,867,280
Adjustments	(408,092,426)	(235,259,519)	(172,832,907)
Reversals	(60,483,209)	(70,654,271)	(10,171,062)
<b>Ending Balance</b>	<b>\$2,192,173,929</b>	<b>\$1,848,951,849</b>	<b>343,222,080</b>

**Executive Branch Liquidated and Delinquent Accounts Receivable  
Fiscal Year Comparison**

**Assigned to Department of Revenue-Other Agency Accounts**

	<b>2024</b>	<b>2023</b>	<b>Net Increase/ (Decrease)</b>
Beginning Balance	\$ 194,658,687	\$ 149,910,638	\$ 44,748,049
Additions	101,162,220	92,455,048	8,707,172
Collections	(10,305,212)	(8,709,665)	1,595,547
Returned to Originating Agency	(109,685,704)	(38,997,334)	70,688,370
<b>DOR-OAA Ending Balance</b>	<b>\$ 175,829,991</b>	<b>\$ 194,658,687</b>	<b>(18,828,696)</b>

**Assigned to Private Collection Firms**

	<b>2024</b>	<b>2023</b>	<b>Net Increase/ (Decrease)</b>
Beginning Balance	\$236,586,207	\$207,691,722	\$ 28,894,485
Additions	266,599,129	160,470,041	106,129,088
Collections	(19,631,574)	(11,891,877)	7,739,697
Returned to Originating Agency	(149,572,476)	(119,683,679)	29,888,797
<b>PCF Ending Balance</b>	<b>\$333,981,286</b>	<b>\$236,586,207</b>	<b>97,395,079</b>
<b>DOR-OAA &amp; PCF Ending Balance</b>	<b>\$509,811,277</b>	<b>\$431,244,894</b>	<b>78,566,383</b>

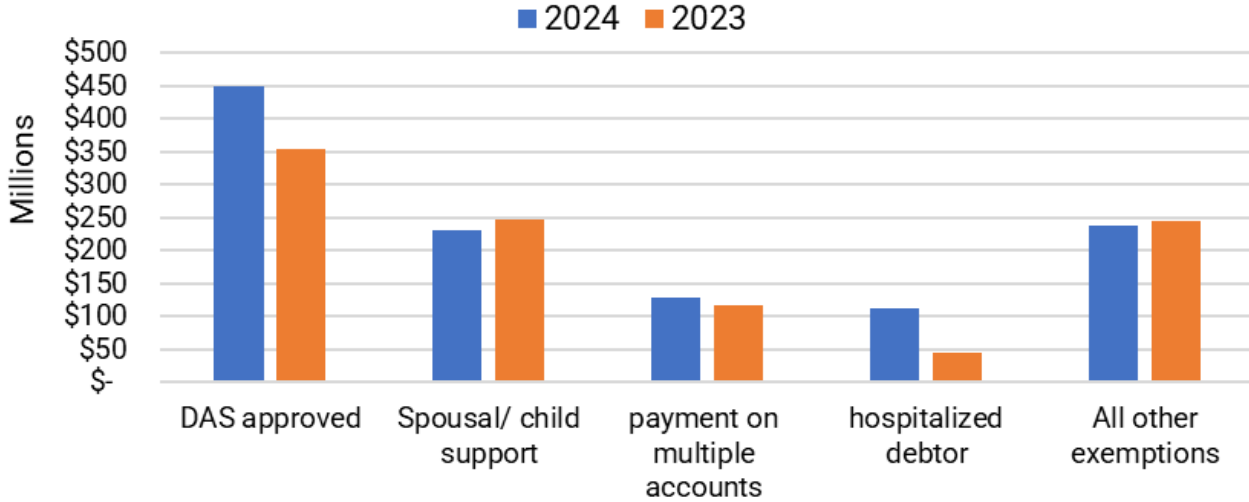
**Executive Branch Liquidated and Delinquent Accounts Receivable**

**Fiscal Year Comparison**

**Accounts Exempt from Assignment**

	<b>2024</b>	<b>2023</b>	<b>Net Increase/ (Decrease)</b>
Administrative Exemption	\$ 874,479,858	\$ 770,323,969	\$ 104,155,889
Statutory Exemption	283,699,855	237,856,977	45,842,878
<b>Total Exemptions</b>	<b>\$1,158,179,713</b>	<b>\$1,008,180,946</b>	<b>\$ 149,998,767</b>
<b>Total L&amp;D Ending Balance</b>	<b>\$2,192,173,929</b>	<b>\$1,848,951,849</b>	<b>\$ 343,222,080</b>
<b>Exemptions as a percentage of L&amp;D Ending Balance</b>	<b>52.8%</b>	<b>54.5%</b>	<b>(1.7%)</b>

## Executive Branch Exemptions by Category FY 2024 vs FY 2023



### LFO and ARPM reporting comments

- Reminder when establishing collection targets, if you enter the next quarter projected new A/R established then come back to the collections tab you can see what the % target will translate to based on that estimated new A/R. The % can then be adjusted until the calculated value is what the agency expects to collect in the next quarter.
- A/R Outstanding- SWARM performs a “reasonableness” check by calculating the beginning balance plus the new A/R established less the collections and compares that to the reported outstanding. Because there are entries that impact the outstanding amount that are not included in the ARPM the expectation is not that the calculated amount matches exactly but rather is just a means to determine if a question needs to be asked if there is a large variance.
- Days to Assign- Remember that **ONLY** if the agency made an assignment **during the fiscal year** to include that in the ARPM. The sum of row 10 (count) should generally be equal to the LFO count of additions in Section IIIa. The calculation of time begins at the MCAT eligibility date which is the latter of the following dates:
  - The date the account receivable became both liquidated and delinquent; or
  - The date the MCAT account exemption expires. Accounts on a payment plan are one reason why an account might be assigned after 90 days (ORS 293.231 does not require assignment if a payment has been received within 90 days). Otherwise, if the account is not exempt from assignment and is L&D it must be assigned within 90 days. If you report an assignment after 90 days you are out of compliance with ORS 293.
- Write-offs- Reminder that LFO and ARPM write-offs should only include accounts based on a write-off for uncollectibility according to OAM 35.50.10 and the debt is still a legally valid debt to collect. Any other adjustment, abatement or cancelation should not be included as a write-off, these would be reported as an adjustment in Section II of the LFO report.