

Minutes

Accounts Receivable Core Committee (ARCC)



Meeting Date: May 21, 2024

Location: Virtual meeting via Microsoft Teams

Attendees: Joy Andrews (DELC); Fitsum Aramde (DEQ); Sheila Banke (DOJ); Brad Batchelor (PUC); Erica Baumann-Hilton (OHCS); Nikki Bennett (DOR-OAA); Melissa Boaz (DHS/OHA); Amy Brewer (OPRD); Heather Bryers (DOJ); Maggie Carrasco (ODOE); Michelle Cooper (DHS/OHA); Alissa Davalos (DOR); Megan Deardorff (OPSC); Chloe Dixon (OST); Marie Elkins (PERS); Todd Evans (DOR-OAA); Svetlana Fadden (DHS); Mini Fernandez (DAS); Joe Flager (DSL); Connie Flowers (ODE); Gerold Floyd (DAS-SWARM); Amy Fry (Lottery); Flor Garibay (HECC); James Garrett (WRD); Josh Gatchet (OST); Dan Goetsch (DCBS); Trisha Hage (WRD); Shaumae Hall (DEQ); Stephanie Hanigan (SOU); Irina Kay (DAS); Pam Lara (DSL); Wendy Lorimor (ODOE); Brian Martinez (OLCC); Katya Medvedeva (DAS); Nelson Okello (DHS/OHA); Doris Olivan (DCBS); Melissa Phillips (OYA); Ben Plant (DAS); Thomas Poon (DCBS); Jill Reece (OYA); Jeremy Reis (OCB); Emily Rothweiler (DAS); Lyubov Salov (DAS); Michelle Scholl (ODOT); Rubaiya Sharmin (CCB); Roxann Shepard (DOC); Angelia Sousa (OHCS); Josh Thomas (OUNC); Carol Todd (Leg); Taylor Towers (DAS); Daisy Tran (DAS); Evgeni Trofimov (DHS/OHA); Susan Westin (SLO); Sheleen Wilks (ODF); Elizabeth Williams (OHSU); Karla Willmschen (SOS); Jessica Zachary (HECC); Jake Zelenka (WRD)

ITEM	TIME STAMP	ACTION, DISCUSSION
Welcome and introductions	0:00:00	
SWARM announcements- FY 2024 Year End A/R Training	0:00:25	This year's training will be on August 20 th at 10:00 in Conference Room 260 at the Labor and Industries building (350 Winter St., Salem). We hope many of you will be able to make it in person, the meeting will be recorded for those who are unable to attend.
DOR-OAA assignments and lifecycle overview	0:01:25	Todd Evans shared an overview of the account assignment process and lifecycle of the collections at DOR-OAA. Each day as accounts are assigned to DOR-OAA a response report is created and available to the agency in the messages inbox of Revenue OnLine which shows the results of the assignments: Processed- Account data matched existing information about the debtor and account was loaded into GenTax. Under Review- Account passed system validation, meaning all required fields were completed but requires human review because either data did not match existing data in GenTax, or accounts without an SSN are reviewed to compare provided data against existing data to match the accounts manually. Once reviewed the system would update the next responses report reflecting the account as either processed or rejected.

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

	<p>Rejected- These accounts did not pass validation, either due to missing required fields or most commonly the debtor is either deceased or has an open bankruptcy. If the rejection was due to missing fields, the agency may reassign using the missing information. If the account is rejected due to a deceased debtor the agency should review the account for possible probate or executor of an estate to make a claim with. Accounts rejected for open bankruptcy should be reviewed to identify the bankruptcy trustee and status of the bankruptcy and if available, submit a proof of claim to the bankruptcy court.</p> <p>Agencies need to be sure to review the response reports timely to verify that all debts are in a processed status or can take appropriate action for rejected accounts!</p> <p>It is extremely important that agencies provide as much information as possible about the debtor to assist with the data matching process. Gerold reminded everyone that use of the SSN for debt collection is subject to the requirements of ORS 293.226 which states that an individual must have provided authorization for the agency to use the SSN for debt collection purposes. Also see OAR 122-085-0200 for more information about this process. Agencies may obtain an SSN through skip tracing (typically paid services) and use that for debt collection without obtaining the authorization in ORS 293.226 but be aware that the results of that process might not be 100% accurate.</p> <p>If an agency has not verified certain data elements, like a date of birth, it was mentioned that for those who enter accounts to Revenue OnLine that agencies can use the “additional information” field to let DOR know if certain data elements have not been verified.</p> <p>DOR-OAA lifecycle of collections- Once an account is processed a demand for payment is sent the next day. If the debt is eligible for a warrant, that is issued and sent 15 days later. Roughly 25 days after assignment the account will either be put into an OAA status (as viewed on the aging report) or PCF meaning the account was forwarded to a private collection firm.</p> <p>DOR’s system GenTax uses risk scoring based on available data related to the debtor, the higher the score the more likely they are going to or have ability to pay the debt, these are retained by DOR and worked by revenue agents for up to six month with no payments. Accounts with a risk score of zero can be forwarded to a PCF right away. Accounts for debtors that have other debts which are already at a PCF would also</p>
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		<p>result in the new account being “companionated” and also sent to the same PCF.</p> <p>Once assigned to a PCF, if there are no payments for six months the account is returned to OAA and then four months later if no payments come in, the account will be assigned to a second PCF. If no payments are received after six months, the account is returned to OAA and would then be updated to an RWO status.</p> <p>It should be noted that each of these six month periods are automatically reset if any payments are made by the debtor (for any accounts owed by that debtor).</p> <p>Once an account is in RWO status the agency can review the account for write-off criteria in OAM 35.50.10. However, agencies should be aware that if new data is received, such as employment information, or a new assignment for the same debtor an account may move out of RWO status for future collections to take place. This can complicate the process of reconciling the aging report to agency system balances. Refer to the “TranDte” in the aging report for the date the account was assigned to DOR as a guide for determining if the debt might be old enough that it was previously written-off by the agency. Just because an account moves out of RWO status does not mean the agency needs to make an accounting entry, only if a payment is received would the A/R need to be reestablished for posting the payment.</p> <p>Keep in mind that the lifecycle of collections at OAA is dependent on many factors and may be only a few months before being put into RWO status (another debt existed and was already being collected by the second PCF before being returned) or may be several years (debtor makes sporadic payments, restarting the six month “clock” many times before moving to the next step of the process).</p> <p>Agencies can find resources like the Client Agency Service Statement, Client Agency Technical guide and the Revenue Online client agency user guide at the DOR-OAA website: https://www.oregon.gov/dor/programs/Collections/Pages/Debt-collection-services-for-state-and-local-government.aspx.</p> <p>Questions may also be emailed to: oa.technicalhelp@dor.oregon.gov</p>
<p>Year-end preparation reminders</p> <ul style="list-style-type: none"> • Complete account assignments ASAP if necessary (non-exempt). 	<p>0:30:35</p>	<p>Unless an account meets an exemption criteria in OAM 35.40.10, agencies that are subject to ORS 293.231 must assign liquidated and delinquent accounts to DOR-OAA if no payments are received for 90 days. Agencies are required to report to the Legislative Fiscal Office accounts that are subject</p>

<ul style="list-style-type: none"> • Complete account write-offs based on DOR-OAA status of RWO. Be sure to follow OAM 35.50.10 for evaluation of accounts and MPCD coding. 		<p>to assignment but not assigned, this is an indication that the agency is not following the statutory requirements. Completing the assignment of accounts before June 30 will allow the agency to report compliance. Assignments should be occurring regularly throughout the year as the account gets close to 90 days with no payment.</p> <p>As a general rule of thumb, agencies should be evaluating accounts that are in the RWO status (DOR-OAA inventory report) and completing write-off entries for accounts that meet the write-off criteria in OAM 35.50.10. For agencies that make entries in SFMA, be sure to use the proper criteria code in the MPCD field to designate the reason the account is being written-off. Completing the write-offs before the fiscal year end will reduce the ending balance of liquidated and delinquent accounts in the LFO reporting.</p> <p>Note, that while an account remains at DOR while in RWO status, for purposes of reporting to LFO the account should be reported as returned to originating agency in Section IIIa only if the write-off has been completed. The corresponding write-off entry would be captured in Section II of the LFO report.</p>
Roundtable	0:36:35	<p>Melissa Boaz asked about the Bankruptcy training from the National Association of Attorneys General. Gerold stated that to his knowledge all who had requested access had been granted. Gerold asked anyone who did not receive an email from NAAG.org to send him an email and he will follow up.</p> <p>Jill Reece asked if there was any online training for submitting claims to DOR. Nikki Bennett stated there is no official training, but to contact her directly and she can schedule a Teams meeting to discuss the process and there are resources like the user guide on the DOR website (see the link provide above).</p> <p>Rubaiya asked when the LFO report is due, Gerold stated that statutorily the reporting must be completed by October 1 each year.</p>
Adjournment	0:40:50	The meeting was adjourned at 2:41 pm

Next meeting:

Tuesday, July 23, 2024

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)