

STATEWIDE ACCOUNTS RECEIVABLE MANAGEMENT

The Buzz



SWARM Team News

As reported in the last edition of *The Buzz*, Stacey Chase accepted the Senior Financial Reporting and Policy Analyst position within the Department of Administrative Services (DAS) Statewide Accounting and Reporting Services section. Stacey’s departure left a void in the Statewide Accounts Receivable Management (SWARM) program, but that void has now been filled.

On June 17th Theresa Gahagan joined DAS as the new SWARM Coordinator. Theresa comes to SWARM from the Board of Accountancy where she worked as an investigator and was also responsible for the agency’s accounts receivable management reporting. Welcome to SWARM Theresa!

Upcoming A/R Honor Roll Deadlines

1. Training on LFO reporting of liquidated and delinquent debts is scheduled for **August 28th** from 9:00 AM-11:00 AM at the Employment Auditorium. (Watch for additional information via the Accounts Receivable NewsList).
2. The target date for LFO reporting of liquidated and delinquent debts is **September 20**, and the final deadline is **October 1**.
3. ARPM reports (see page 3) are due **October 1**.
4. Agencies must submit the write-off, abated and canceled debt [certification forms](#) to DAS by **October 1** (OAM 35.60.10 paragraph 104).

Each of these items are required for Accounts Receivable (A/R) [Honor Roll eligibility](#).

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SWARM Trainings

SWARM provides training to agencies on a variety of accounts receivable related topics. Some of those trainings are held in a classroom setting while others are online only. Most trainings are recorded and made available online for access at your convenience at:

www.oregon.gov/das/Financial/Acctng/Pages/Training.aspx

Click on the Accounts Receivable training and workshops link to access training topics such as Bankruptcy 101, Centralization, Accounts Receivable 101, ARPM, Offers in Compromise, and the Servicemember Civil Relief Act.

These trainings are available for current staff to refresh their knowledge and understanding of a particular topic and also to provide a resource for new employees when learning about government receivables policies and processes.

If there is a topic related to accounts receivable that you would like to see SWARM provide training on, please submit your suggestions via email to SWARM@oregon.gov.

Department of Justice

The Oregon Department of Justice serves as the state's law firm. Currently DOJ has ten legal and 13 child support offices throughout the state. In addition to providing legal representation to state government, DOJ advocates for and protects all Oregonians. DOJ is tasked with running programs related to child support, charitable activities, district attorney assistance, crime victim compensation, and consumer protection. DOJ is funded by federal funds, other funds, and general funds.

The Financial Services Section within DOJ is responsible for compiling charges from the different legal divisions into invoices which are sent out monthly to state agencies, commissions and District Attorneys. Invoices are based on attorney time, other legal staff time, and expenses related to the client matter.

OAM policy 35.70.10 allows 15 days from month end to distribute interagency invoices, but DOJ's goal is to email the monthly Legal Services invoices by the 10th of each month. When an agency is behind on their payments, then DOJ reaches out to the agency. Typically an invoice wasn't paid due to an oversight, which can be quickly remedied with DOJ sending another copy.

Timely review of the invoices and payment by the client agencies is important. The OAM policy 35.70.10 addresses Interagency Receivables and requires "State agencies must make payment within 30 days of the invoice...unless the paying agency disputes all or a portion of the invoice". If there is an issue related to an invoice, an inquiry is submitted to our billing inquiry coordinator, who then takes the issue back to the legal division for analysis. The DOJ Legal Invoices have a unique challenge as an inquiry resulting in a change or correction can affect other agencies.

If it is found during the inquiry process that the original charge belongs to a different matter or agency, then that charge is credited and recharged to the correct matter or agency. When that new matter belongs to the original agency, the charges are moved without a new invoice being generated. If the corrected matter belongs to a different agency, then they will see the correction on their next invoice. Therefore, when an agency is delayed in reviewing their invoice, any corrections required are also delayed.

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Department of Justice (continued)

In addition to legal invoice collections, Financial Services also tracks receivables owed from judgments originating in Civil Enforcement. Payments received from these judgments could be used to reimburse DOJ for attorney fees, restitution, or civil penalties, and may be applied to the principal, interest, or fees portion of the debt. Many of these judgments are considered long term receivables to DOJ, as payment plans are established for many of these debts, and collections occur over many years. Accounts are referred over to DOR-OAA for collections when debtors do not make payments to DOJ and enforcement actions are unsuccessful.

For more information, about DOJ accounts receivable processes please contact Sheila Banke (sheila.banke@doj.state.or.us), or Sue Nunley (sue.nunley@doj.state.or.us).

Legislative Highlights

Throughout the legislative session, SWARM has been tracking a variety of bills (see the latest [ARCC minutes](#) for a full list), here are just a few bills that have already passed the legislature and been signed by the Governor:

SB 72- Sections 14-21 updates the definition of state agency as it is used in specific sections of ORS 293. This bill is intended to establish a more consistent definition for the purposes of identifying which agencies are subject to statutes related to accounts receivable reporting and DAS policies. *This bill becomes effective Jan 1, 2020.*

SB 519- Increases the wage exemption (ORS 182.385) for garnishments from \$218 per week to \$254. This statute was last updated in 2011. This change means that individuals subject to wage garnishments will see an increase in their paycheck and less money will be transferred to a garnishor from a wage garnishment. *The effective date of this bill is Jan 1, 2020.*

HB 2094- Permits state contracting agency to consider whether a bidder or proposer owes a debt to the state when awarding a contract. This bill updates the public contracting statutes with language that was part of Executive Order 17-09. *This bill becomes effective 91 days following sine die.*

ARPM Reporting

The accounts receivable performance measure (ARPM) reports for the quarter ending June 30 along with the FY 2019 annual measures are due to SWARM by **October 1**.

All Executive Branch agencies as well as agencies subject to the OAM are required to submit quarterly ARPM reports that include:

- Total receivable collections/ L&D collections
- Receivables over 90 days past due as a percentage of total A/R

The annual ARPM reporting is required for agencies subject to the OAM and includes data associated with:

- Days to assign
- Days to collect
- Write-offs

The ARPM [reporting template](#) includes tabs for all quarterly and annual ARPMs and should be submitted via email to: SWARM@oregon.gov.



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Special thanks to:

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Revenue Other Agency Accounts

Sue Nunley, Department of
Justice

Sheila Banke, Department of
Justice

Dept. of Revenue: Other Agency Accounts

The Department of Revenue Other Agency Accounts (DOR-OAA) Unit would like to take this opportunity to cover the timelines of the stages for debts assigned to DOR-OAA by Executive Branch agencies.

After a debt is assigned to DOR-OAA as provided in ORS 293.250, DOR-OAA has six months from the date of assignment to collect a payment, and if unsuccessful, the debt will be assigned to a private collection firm (PCF). In addition, due to available resources, if DOR-OAA believes they would not be able to work the debt timely they may assign the debt to a PCF as soon as one month (after all of the required notices have been issued).

Once assigned to a PCF the debt will remain at the PCF for up to 12 months without payment. The status column on the monthly Aging Report will display “At PCF” when the debt has been assigned. If the Agency wishes to know which PCF the debt is assigned to, this information is available through Revenue on Line. After 12 months of non-payment the debt will be automatically reassigned to a second PCF who will also have 12 months to work the debt. When the debt moves from one PCF to another PCF, the assigning agency will not be made aware of this exchange.

After 24 months at being at two PCF’s without payment, OAA will recall the debt from the PCF and will continue in-house collection efforts. At this time the monthly Aging Report will display “recommend for write-off” in the status column. There is no expectation by OAA that the assigning agency recall the debt from collections at this point. OAA will continue to pursue collections through refund offset and will be monitored by utilizing our advanced debt scoring, and if there is a positive change to the debt score the debt will be evaluated for collection opportunities by a revenue agent or other automated features.

If you have any questions about the timeline of account processing at DOR-OAA, please contact Todd Evans, DOR-OAA’s Operations Manager, at (503)945-8101 or todd.evans@oregon.gov.