

Minutes

Accounts Receivable Core Committee (ARCC)



Meeting Date: October 17, 2018 2:00pm-3:00pm

Location: Executive Building, Conference Room A

Attendees: Andria Abrahamson (Aviation), Heidi Baker (DHS/OHA), Sheila Banke (DOJ), Bradford Batchelor (PUC), Steven Berrios (OED), Kim Courtright (ODA), Sharrie Cripe (OPRD), Todd Evans (DOR-OAA), Connie Flowers (ODE), Kim Hall (WRD), Craig Kiernan (OHCS), Ruth Kirksey (ODOT), Doug Kleeb (ODOT), Derrick McIntosh (DOR-OAA), Katya Medvedeva (DAS), Jesse Moore (HECC), Dora Olivan (DCBS), Michelle Short (ODOT), David Villani (OED), Karla Willmschen (SOS),

Attendees by phone: Sarah Anderson (OST), Mark Brown (DEQ), Dean Criscola (OED), Anita Hilpipre (OLCC), Jennifer Hodgdon (Lottery), Steven Ito (DOR), Juan Serratos (DOJ-DCS), Mary Smith (PERS), Jill Reece (OYA), Gail Stevens (OCB), Katie Titus (OSP)

ITEM	ACTION, DISCUSSION
Welcome and introductions	
SWARM Updates <ul style="list-style-type: none"> 2019 ARCC meeting notice 	SWARM will send an email notice with the 2019 ARCC meeting dates and locations. There will no longer be a calendar invite managed by SWARM due to the high frequency of staff turnover. Upcoming SWARM meetings are also available online at: https://www.oregon.gov/das/Financial/Acctng/Pages/AR.aspx
A/R reporting feedback/training <ul style="list-style-type: none"> ARPM (quarterly/annual) LFO Certification of write-off/abated/cancelled	<p>ARPM- request for a shortcut on targets. Not everyone had time to watch the video training at: https://www.oregon.gov/das/Financial/Acctng/Pages/Training.aspx</p> <p>Training was helpful, SWARM staff were helpful when contacted.</p> <p>Days to collect is difficult in Brio.</p> <p>OED commented that some measurements are more difficult depending on the complexity of the debt.</p> <p>DCBS commented that they have two different systems to extract information from and then merge together which has made the process more difficult.</p>
Nov 6, SFMA user group. A/R entry presentation	Reminder about the training opportunity provided through the SFMA user group .
OAA balances- fees passed to debtors assigned before 6/30/18, new OAA rates.	For agencies that have been passing the cost of collection to the debtor under ORS 293.231 any accounts assigned to DOR-OAA prior to June 30, 2018 would need to recalculate the amount of the fees due to the new collection rate beginning in July. This

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

	<p>recalculation is necessary to ensure ALL the collection fees are collected by DOR-OAA. A sample of different scenarios was discussed (see attached).</p> <p>The alternative to recalculation (for accounts that are not currently on a payment plan or receiving regular payments) is for the agency to recall the account and reassign to a new program code that will automatically calculate the collection fees. Agencies are encouraged to contact DOR-OAA to evaluate their current program codes and assigned accounts before recalling any accounts since any debts with an active garnishment would result in the garnishment being cancelled at the time of the recall.</p>
Quarter 1 ARPM reports/ A/R Honor Roll	Reminder that October 31 is the deadline for Quarter 1 ARPM reports to be submitted via email to SWARM@Oregon.gov . This is the first deadline for the A/R Honor Roll in fiscal year 2019.
Roundtable	Ruth Kirksey from ODOT is retiring, SWARM thanks her for her participation in ARCC meetings over the years and wishes her well in retirement.

Next meeting:

November 21, 2018

2:00pm-3:00pm

Executive Building, Room A

Upcoming events are listed on the SWARM website:

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

Example of debt assigned to OAA prior to June 30, 2018, with collection fees included

(these examples only calculate for the OAA fees, the rates would change again if the debt is assigned to a PCF)

Scenario #1						
No payments, no interest		Principal	Interest	Fee calculation	Fees	Total
Assigned	September 13, 2017	\$ 100.00	\$ -	$15\%/(100\%-15\%)=17.65\%$	\$ 17.65	\$ 117.65
Rate change	July 1, 2018	\$ 100.00	\$ -	$19.8\%/(100\%-19.8\%)= 24.69\%$	\$ 24.69	\$ 124.69
Agency notice of balance change to OAA				(Difference between two fees)	\$ 7.04	\$ 7.04

Scenario #2						
No payments, with interest		Principal	Interest	Fee calculation	Fees	Total
Assigned	September 13, 2017	\$ 100.00	\$ -	$15\%/(100\%-15\%)=17.65\%$	\$ 17.65	\$ 117.65
Interest through June 30, 2018			\$ 6.75			\$ 124.40
Rate change	July 1, 2018	\$ 100.00	\$ 6.75	$19.8\%/(100\%-19.8\%)= 24.69\%$	\$ 26.36	\$ 133.11
Note that the collection fees change each time interest posts.						
Agency notice of balance change to OAA				(Difference between two fees)	\$ 8.71	\$ 8.71

Scenario #3						
Payment made, no interest		Principal	Interest	Fee calculation	Fees	Total
Assigned	September 13, 2017	\$ 100.00	\$ -	$15\%/(100\%-15\%)=17.65\%$	\$ 17.65	\$ 117.65
Payment	20-Apr-18	\$ (21.25)	\$ -		\$ (3.75)	\$ (25.00)
Rate change	July 1, 2018	\$ 78.75	\$ -	$19.8\%/(100\%-19.8\%)= 24.69\%$	\$ 19.44	\$ 98.19
Agency notice of balance change to OAA					\$ 5.54	\$ 5.54
(Difference between new balance less original fee plus portion of payment applied to fees)						

Scenario #4						
Payment made, with interest		Principal	Interest	Fee calculation	Fees	Total
Assigned	September 13, 2017	\$ 100.00	\$ -	$15\%/(100\%-15\%)=17.65\%$	\$ 17.65	\$ 117.65
Interest through April 20, 2018			\$ 5.25			\$ 122.90
Payment	20-Apr-18	\$ (16.00)	\$ (5.25)		\$ (3.75)	\$ (25.00)
Interest from April 20-June 30			\$ 1.50			\$ 1.50
Rate change	July 1, 2018	\$ 84.00	\$ 1.50	$19.8\%/(100\%-19.8\%)= 24.69\%$	\$ 21.11	\$ 106.61
Note that the collection fees change each time interest posts.						
Agency notice of balance change to OAA					\$ 7.21	\$ 7.21
(Difference between new balance less original fee plus portion of payment applied to fees)						