

# Minutes

## Accounts Receivable Core Committee (ARCC)



**Meeting Date:** January 16, 2019 2:00pm-3:00pm

**Location:** Executive Building, Conference Room B

**Attendees:** Andria Abrahamson (Aviation), Heidi Baker (DHS/OHA), Sheila Banke (DOJ), Bradford Batchelor (PUC), Stephen Berrios (OED), Kim Courtright (ODA), Todd Evans (DOR-OAA), Gerold Floyd (DAS-SWARM), Kimberly Hall (WRD), Rob Hamilton (DAS), Steven Ito (DOR), Tracy Jones (DOR), Craig Kiernan (OHCS), Rebecca Level (ODE), Katya Medvedeva (DAS), Jesse Moore (HECC), Sue Nunley (DOJ), Dora Olivan (DCBS), Matt Powell (DPSST), Elizabeth Skinner (DHS/OHA), Cindy Stockstill (OPRD), Star Thompson (DSL), Katie Titus (OSP), Karla Willmschen (SOS)

**Attendees by phone:** Susan Cha (OCB), Kim Gladwill-Rowley (LCB), Anita Hilpibre (OLCC), Jennifer Hodgdon (OSL), Caty Karayel (REA)

ITEM	ACTION, DISCUSSION
Welcome and introductions	
ARPM reminder- reports due 1/31/19	<p>Just a reminder to everyone that 2<sup>nd</sup> quarter (October –December 2018) ARPM reports are due to <a href="mailto:SWARM@oregon.gov">SWARM@oregon.gov</a> by 1/31/19.</p> <p><a href="#">OAM 75.35.12</a> has been updated with new cell comments to assist agencies with what information should be entered in the report (no changes were made to what data is reported). Feel free to download and use.</p>
Legislative tracking	<p>Gerold shared a list of bills that SWARM is observing during the legislative session (see attached list).</p> <p>If your agency has any other bills that could impact A/R, even if only for your agency please email <a href="mailto:SWARM@oregon.gov">SWARM@oregon.gov</a> with the bill number so we can monitor as well.</p>
Account assignments- LFO follow up	<p>During the December ARCC meeting, SWARM reminded agencies that tax season was right around the corner and encouraged agencies to get liquidated and delinquent accounts assigned soon to take advantage of the offset season.</p> <p>As a follow up to that and based on information contained in the LFO data there are still a number of agencies that have unassigned, non-exempt accounts. SWARM would like to remind all agencies that both the statute and the Executive order require assignment of accounts that are liquidated and delinquent, do not meet an exemption criteria and have not had a payment for more than 90 days. It is our intention to work with all agencies one on one that reported FY2018 accounts as</p>

	<p>unassigned, non-exempt in the hope that FY 2019 will reflect \$0 accounts that are unassigned, non-exempt.</p>
OAA update	<p>Todd Evans from DOR-OAA shared work that has been done as part of the Phase 2 implementation under SB1067. <i>Phase 1 was focused primarily on the mandatory changes required directly through the changes in statute, while phase 2 was focused on more operational changes which were determined a priority as a result of the centralization efforts.</i></p> <p>Liens- established configuration for DOR-OAA to record liens for accounts that are able to have a warrant issued. Worked with DOJ to review letters. Initial efforts will be to contact Executive Branch agencies directly to initiate this process, later this spring the service will be opened for other agencies to opt in to the service.</p> <p>Bankruptcy unit- 12 agencies have been selected for a pilot program for DOR-OAA to provide services related to accounts where the debtor has filed bankruptcy. The pilot will assist DOR in better understanding the different types of debts and how they are impacted in bankruptcy. Once the pilot project concludes the service will be opened to other agencies to opt in.</p> <p>Reports- The aging report was modified in Phase 1 to show when an account was referred to a PCF. The phase 2 change now reflects the “status” of all accounts as “at OAA”, “at PCF1”, “at PCF2”, or “Bankruptcy”. The daily response report was also updated to reflect the date in the title of the report, for example “Daily Response Report January 17, 2019”.</p> <p>Deceased debtors- Agencies now have the ability to opt in to this service where accounts would not “auto return” upon a notice of the debtors death. Those accounts would then be worked by specific revenue agents that are trained to work deceased accounts. This is only available for accounts that are already assigned to DOR-OAA, if the debtor is deceased prior to assignment, the debt will be rejected and not added.</p> <p>Garnishment fees paid to the PCF were updated to align with the terms of the state price agreement when the contractor identifies a garnishable source and then asks DOR to issue the garnishment. This results in a 9-10% reduction in the commission fee.</p> <p>License Reinstatement Program- This is a program administered for the Judicial Department, the changes allowed for the identification of accounts within GenTax that are subject to license reinstatement without having to search the court system separately.</p>

OAM updates	<p>OAM 35.30.30 which provides the definition of liquidated and delinquent was recently updated and once signed by the CFO will be posted to the OAM website.</p> <p>SWARM has also been working on three new OAMs which will be posted later this month on the OAM site for agency comments. Those policies are:</p> <ul style="list-style-type: none"> <li>• collection and use of the Social Security Number for debt collection purposes</li> <li>• Servicemember Civil Relief Act</li> <li>• Bankruptcy</li> </ul> <p>These are being included in the OAM to assist agencies that search Chapter 35 for a topic related to debt collection and provide a general instruction on how to handle those situation. These are not intended to supersede federal laws and should not be considered legal advice but rather a best practice.</p>
Revenue refunds- fraud tools webinar	<p>Recently there was a webinar regarding new tools for identifying and preventing fraud related to revenue refunds. If your agency processes revenue refunds and are interested in these tools, please contact your SWARM analyst for more information.</p> <p>There is new formatting within the ACH files that are designed to assist the financial institutions in identifying possible fraudulent transactions through a more standardized naming convention.</p>
Agency A/R challenges and opportunities- where can SWARM be of assistance?	<p>SWARM wants to hear from agencies that are facing specific challenges or have identified opportunities to improve their A/R management. This will help SWARM in planning activities for 2019 and beyond.</p> <p>Some topics discussed were: Queries for SFMA aging reports, assistance needed for ARPM reporting.</p> <p>The need for a manual for small to mid size agencies regarding A/R management. Need help developing procedures.</p> <p>Agencies with different programs, some unique challenges exist like debts that are civil penalties but those penalties result in additional penalties if not paid within specific periods of time. Those penalties can compound multiple times, so how does the agency manage the assignment with so many different dates and changing balances?</p> <p>If you have additional challenges or opportunities that you would like to share, please email us at <a href="mailto:SWARM@oregon.gov">SWARM@oregon.gov</a>.</p>
Roundtable	Due to time, there was no roundtable discussion this month.

**Next meeting:**

February 20, 2019

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>

**2019 Legislative Session****Bills with A/R impacts**

Bill#	Summary	Status as of 1/15
SB6	Increases minimum wage exemption for purposes of garnishment and execution.	Introduced
SB72	Clarifies definition of "state agency" in sections of ORS 293.	Introduced
SB 79	Provides that Department of Revenue may assist public bodies, public universities and Oregon Health and Science University in collecting delinquent accounts.	Introduced
SB384	Directs State Court Administrator to study options for deprivatizing collection of court fees and fines	Introduced
SB454	Transfers administration of Uniform Disposition of Unclaimed Property Act, unclaimed estates and escheating funds from Department of State Lands to State Treasurer.	Introduced
SB519	Increases minimum wage exemption for purposes of garnishment and execution.	Introduced
SB523	Authorizes Department of Revenue to make publicly available by posting online information about delinquent tax debtors.	Introduced
HB2094	Permits contracting agency to consider at any time before executing public contract with bidder or proposer whether bidder or proposer owes debt to state.	Introduced
HB2517	Prohibits state agencies from suspending or revoking license required to pursue commercial activity, trade, occupation or profession because licensee is delinquent in paying student loan debt.	Introduced