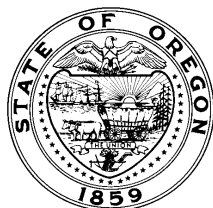


**Report on
Liquidated and Delinquent
Accounts Receivable
June 30, 2015**



**Legislative Fiscal Office
December 2015**

**State of Oregon
Legislative Fiscal Office**

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December 31, 2015

To the Members of the Oregon Legislative Assembly:

Enclosed is a compilation of the reports on liquidated and delinquent accounts receivable that were submitted to the Legislative Fiscal Office in accordance with ORS 293.229. The statute requires state agencies to report on the status of their liquidated and delinquent accounts each fiscal year. The same statute requires our office to compile these reports into a summary for the Legislative Assembly. This is the sixteenth report issued under the statute.

Ken Rocco
Legislative Fiscal Officer

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INTRODUCTION

This Legislative Fiscal Office (LFO) report on liquidated and delinquent accounts is a statutorily required report made annually at the end of December to inform the Legislative Assembly of the aggregate status of certain accounts receivable held by state agencies. The terms “delinquent” and “liquidated” are defined in the Oregon Accounting Manual (OAM) and, in general, refer to those accounts that are past due; the past due amount known by both the agency and the debtor, and where full payment has not been made within a reasonable or specified period of time. This is the fourteenth report issued by LFO under the statute.

HB 3509 (1999 legislative session) and SB 70 (2001 legislative session) provide statutory guidance to state agencies on the collection of past due accounts. HB 3509 amended Oregon Revised Statutes (ORS) chapter 293 relating to the administration of public funds, requiring state agencies (with certain exceptions) to turn over those liquidated and delinquent accounts for which no payment had been received within one year to a private collection firm or the Department of Revenue for collection. Subsequently, in the 2003 legislative session, ORS 293 was again amended so that the time period before being turned over for collection is now 90 days. SB 70 (2001) provides similar guidance for the Judicial Branch.

Legal changes to the Oregon University System

For decades, the Oregon University System (OUS) was the state agency for the state’s public universities and colleges; the State Board of Higher Education being its single governing body. OUS provided central administration, support services, and public services for Oregon’s seven post-secondary institutions, excluding Community Colleges. Public Universities consist of the University of Oregon (UO), Oregon State University (OSU), Portland State University (PSU), the three regional universities (Eastern [EOU], Western [WOU], and Southern Oregon Universities [SOU]), and the Oregon Institute of Technology (OIT). This organizational structure and its relationship to the state began to change during the 2011 legislative session with passage of SB 242 and changed more significantly for the purpose of this report during the 2013 session with the passage of SB 270.

SB 242 redefined OUS as a non-state agency for the purpose of certain state statutes, but did not provide an exemption to the reporting of liquidated and delinquent accounts as required under ORS 293. Section 16 of SB 270 provided an exemption to reporting under ORS 293 for those public universities that establish independent governing boards. The measure explicitly established governing boards for the University of Oregon and Portland State University and provisionally established governing boards for the remaining five public universities, pending conformity with statute enabling them to do so. These provisions had an effective date of July 1, 2014, or the first day of state fiscal year 2015, therefore impacting this 2015 report. The University of Oregon, Oregon State, and Portland State all established governing boards prior to the effective date and were exempted from inclusion in the reporting. Portland State provided the information voluntarily. The accounts and amounts from the remaining public universities, EOU, WOU, SOU, and OIT, are included in this report under the Oregon University System. Compared to the all funds ending balance reported by the Oregon University System in the 2014 report, the totals reported by the combined remaining OUS entities and PSU are lower by 20,034 accounts and \$32,152,520 in this 2015 report. This amount represents 33.4% of the decrease in the total liquidated and delinquent accounts receivable from the prior report. The reduced amounts may serve as a proxy for the amounts not

reported by the University of Oregon and Oregon State University, but that assumption could be significantly inaccurate since there is not individual entity information available.

SB 55, passed during the 2015 regular session, significantly expanded the number of entities required to report. These included all of the public universities. The applicable provisions of the measure take effect beginning in fiscal year 2016; therefore, the public universities will be required to report as individual entities beginning with the next report.

Oregon Health Licensing Agency

The Oregon Health Licensing Agency (OHLA) was incorporated into the Oregon Health Authority (OHA) as a result of HB 2074 (2013). The OHA report includes the addition of 628 accounts totaling \$684,414 attributable to OHLA.

Reporting under the statute

Prior to October 1st of each year, a state agency must submit to the Legislative Fiscal Office, “a report that describes the status of that agency’s liquidated and delinquent accounts and efforts made by that agency to collect liquidated and delinquent accounts during the previous fiscal year.” Definitions used and instructions for reporting are included in Appendix 4.

Reporting system

To facilitate agency reporting requirements, the Legislative Fiscal Office (through Legislative Administration’s Information Services) has created, and electronically hosts, a network database application for the purpose of capturing and reporting agency data. Agency accounts receivable coordinators are sent reporting instructions and a link to the reporting system each year at the beginning of August. The reporting system is opened to agencies for data entry beginning September 1st and ending October 1st of each year. Agencies are responsible for the accuracy and validity of the data they report. LFO does not verify or validate agency reported data. Adjustments to reported data are noted in this report and are typically only used to reconcile current year reporting data with prior year data.

RESULTS OF REPORTING

This report accounts for 133 state agencies. Agencies were provided with reporting instructions and access to the electronic reporting database; no training session was conducted this year. The following table summarizes the reporting status of these agencies.

| Summary of Agency Reporting | | |
|------------------------------------|---------------|-------------|
| June 30, 2015 | | |
| | Number | % |
| Agencies reporting no accounts | 57 | 43% |
| Agencies reporting active accounts | 55 | 41% |
| Exempt agencies not reporting | 21 | 16% |
| Agencies that did not report | 0 | 0% |
| Total | 133 | 100% |

Summary of liquidated and delinquent accounts receivable

The following table illustrates the aggregate number and dollar value of liquidated and delinquent accounts that agencies reported to LFO. A list of the individual agencies that reported activity during the year, along with the number and dollar amount of the agency's accounts, is included in Appendix 1. A list of the individual agencies that reported no such accounts is included in Appendix 2.

| Liquidated and Delinquent Accounts | | |
|------------------------------------|------------------|-------------------------|
| June 30, 2015 | | |
| | Accounts* | Value |
| 1. Beginning Balance | 2,533,860 | \$ 3,191,576,187 |
| 2. Additions: | 648,661 | 805,849,038 |
| 3. Collections: | 0 | (431,621,133) |
| 4. Accounts Closed: | (379,887) | - |
| 5. Write-Off's: | (75,542) | (131,239,175) |
| 6. Adjustments: | 0 | (206,658,460) |
| 7. Reversals: | (404,550) | (131,782,425) |
| 8. Ending Balance | 2,322,542 | \$ 3,096,124,032 |

Because changes in the balance resulting from collections and adjustments (lines 3 and 6) are made on accounts that are still open, closed, or subsequently written off, only the dollar amounts of collections and adjustments are reported. Similarly, only the number of accounts that were closed is reported on line 4. Reversals are accounts previously reported as liquidated and delinquent, but have now changed status. This is most common when a previously liquidated account becomes active again due to a regular payment plan being established. Reporting instructions provide descriptions of information to be included on each reporting line. The instructions are provided in Appendix 4.

Both the number and aggregate value of liquidated and delinquent accounts have decreased since the previous reporting period. The total number of accounts decreased by 211,318, or -8.34%. The total aggregate value of accounts decreased by \$95,452,155, or -2.99%. As noted in the introduction section, this year's report does not include information from the University of Oregon and Oregon State University and, therefore, a portion of this decrease is attributable to that change. The majority of the change is due to the re-characterization of \$92 million in Corporate and Tobacco tax debts away from liquidated and delinquent status due to those amounts being under appeal. The decrease is in contrast to the increases reported in prior years; 12.64% in 2013 and 6.03% in 2014. The compound annual growth rate of reported liquidated and delinquent accounts receivable for the period from 2012 through 2015 is 5.03%.

The ending balance line in the table shows an average account balance at the end of 2015 of \$1,333.08, which is an increase of \$73.50 per account, or 5.84%, from last year's average.

The following table lists the ten agencies with the highest average account values:

| Top Ten Agencies by Average Account Value | | | |
|--|----------|-------------------|-----------------|
| Agency | Accounts | Total Outstanding | Average Account |
| Tax Practitioners, State Board of | 33 | \$3,913,437 | \$118,589 |
| Labor & Industries, Bureau of | 40 | \$4,010,250 | \$100,256 |
| Oregon Business Development Department | 47 | \$2,442,619 | \$51,971 |
| Veterans' Affairs, Department of | 62 | \$2,869,964 | \$46,290 |
| Chiropractic Examiners, Board of | 8 | \$367,240 | \$45,905 |
| Education, Department of | 11 | \$329,095 | \$29,918 |
| Oregon Medical Board | 14 | \$291,995 | \$20,857 |
| Accountancy, State Board of | 39 | \$647,076 | \$16,592 |
| Mortuary and Cemetary Board | 11 | \$157,437 | \$14,312 |
| Real Estate Agency | 9 | \$121,766 | \$13,530 |

Six of the ten agencies with high average account values are professional licensing boards. These agencies hold a relatively small number of accounts with high balances that are typically a result of civil penalties and fines assessed against licensees. In some cases, collection on these accounts can be particularly difficult, especially if a licensee is no longer living or practicing in the state. The same issues are also found at the Bureau of Labor and Industries where civil penalties and fines have been levied on businesses that may no longer exist or may no longer be doing business in Oregon. The Oregon Department Veterans' Affairs (ODVA) and the Oregon Business Development Department liquidated and delinquent accounts tend to have high average account values because they often represent loan delinquencies or defaults.

The following table lists the ten agencies with the highest total amount due:

| Top Ten Agencies by Total Receivables Outstanding | | | |
|--|-----------|-------------------|-----------------|
| Agency | Accounts | Total Outstanding | Average Account |
| Judicial Department | 1,465,202 | \$1,585,628,299 | \$1,082 |
| Revenue, Department of | 121,674 | \$646,947,559 | \$5,317 |
| Justice Department | 597,622 | \$404,361,704 | \$677 |
| Employment Department | 54,768 | \$156,888,843 | \$2,865 |
| Public Employees Retirement System | 24,296 | \$114,072,406 | \$4,695 |
| Consumer & Business Services, Dept. of | 4,295 | \$53,246,232 | \$12,397 |
| Human Services, Department of | 14,267 | \$33,854,519 | \$2,373 |
| Oregon University System | 11,183 | \$24,347,547 | \$2,177 |
| Oregon Health Authority | 4,932 | \$17,843,203 | \$3,618 |
| Portland State University | 8,851 | \$14,489,077 | \$1,637 |

The top agencies in terms of total liquidated and delinquent account values outstanding tend to be those that provide services to a large percentage of the public. The first two agencies, the Judicial Department and the Department of Revenue, account for \$2.23 billion of the \$3.1 billion total outstanding, or 72%, of the total value of accounts reported. These top ten agencies combined account for \$3.05 billion, or 98.6%, of the \$3.1 billion total.

The Oregon Judicial Department (OJD) accounts for 51.2% of the total dollar amount of liquidated and delinquent accounts reported. None of these debts are payable to the General Fund. OJD collects filing fees and is responsible for the collection of fines, assessments, and restitution associated with cases in the 36 trial courts, the Tax Court, the Court of Appeals, and the state Supreme Court. A debt is established with OJD when a final judgment is unable to be paid in full. These debts are carried on the books far longer than most other debts. Monetary judgments for criminal cases expire after 20 years (50 years if restitution is ordered), civil judgments expire after 10 years, but in some cases can be extended for an additional 10 years. OJD provided the following statement regarding its collections program in addition to the required report:

Collections of court ordered fines, fees and restitution is an integral component of the justice process. Enforcement of court orders holds defendants accountable and enhances the integrity of the judicial system. The OJD has established policies, processes, and tools to ensure active collection occurs on each case owing money. This includes a progressive collection system involving delinquency notices, license suspensions, show cause hearings, warrants, probation violations, and referrals to collection agencies for non-voluntary payment actions. The OJD is continually improving the collection process to hold defendants accountable. We work closely with private collection firms, the Other Agency Accounts (OAA) unit of the Oregon Department of Revenue (DOR), and other court partners. Additionally, the OJD utilizes the Department of Revenue to intercept tax refunds and rebates from tax filers that have outstanding court debt.

In response to a detailed study to improve debt and collections management the OJD has centralized most of our delinquent debt management. This centralized approach provides automatic referral of debt within 45 days of delinquency, and continually cycles the debt through the Department of Revenue and private collection agencies under contract. Receivables with valid judgment remedies that had previously been inactivated after being returned from outside collections have been re-activated and re-referred to collection agencies using an automated process.”

Liquidated and delinquent accounts receivable by fund type

A listing of the reported balances outstanding by fund type is presented below:

| Fund Type | Dollars | % |
|----------------------------|-------------------------|----------------|
| General Fund | \$ 664,647,843 | 21.47% |
| Lottery Funds | 501,407 | 0.02% |
| Federal Funds | 211,826,980 | 6.84% |
| Other Funds | 1,668,481,313 | 53.89% |
| Other Funds - Pass Through | 550,666,489 | 17.79% |
| Grand Total | <u>\$ 3,096,124,032</u> | <u>100.00%</u> |

General Fund debts reported in 2015 are \$117.3 million (15%) less than the General Fund debts reported by agencies in 2014. As noted below, a small portion of this reduction may be due to the reporting exemptions granted to UO and OSU. The majority of the reduction is due to the \$110.7 million decrease in amounts owed to the Department of Revenue. Supplemental information was provided by the Department of Revenue stating that due to the migration of core accounting systems to the GenTax platform, approximately \$92 million of previously identified liquidated and delinquent debts for Corporation and Tobacco programs are no longer included in the liquidated and delinquent debt due to those balances being under appeal. Of the \$665 million General Fund balance, the Department of Revenue accounted for \$629 million, or 94.6%, of the total. This amount is almost entirely comprised of taxes owed to the state.

A significant increase in the number and total value of General Fund debts owed to the Department of Human Services was included in this year's report. The reason for this change is due to a re-allocation of debts and associated funds at the joint OHA/DHS Office of Payment Accuracy and Recovery. According to the agency reported information, in the 2013 reporting period the Accounts Receivable split was changed to 100% OHA, 95% attributable to Other Funds and 5% General Fund. This continued through the 2014 reporting period, but this year the agencies report that a change in the calculation to 85% DHS and 15% OHA with fund splits of 50% General Fund / 50% Federal Funds for DHS and 35% General Fund / 65% Federal Funds for OHA more accurately reflected the debts that were held. The agency did not provide a reasoning for the 2013 change, but the General Fund amounts reported by DHS for 2015 compare with amounts reported in 2012.

In the 2014 reporting period, the Oregon University System accounted for \$27.9 million, or 3.6%, of the \$782 million total. With the absence of the University of Oregon and Oregon State University, the remaining public universities, including Portland State University, account for \$11.9 million, or 1.8%, of the 2015 General Fund total. Each of the other agencies reporting General Fund accounts comprised less than 1% of the total. As shown in the table below, the top 10 agencies carrying General Fund owed debts account for 99.99% of all the General Fund accounts reported.

Top Ten Agencies by General Fund Debts Owed

| Agency | Accounts | Total Outstanding | Percent of Total |
|--|----------------|--------------------|------------------|
| Revenue, Department of | 116,110 | \$628,503,688 | 94.56% |
| Human Services, Department of | 7,110 | \$11,464,545 | 1.72% |
| Portland State University | 4,921 | \$6,720,854 | 1.01% |
| Oregon University System | 3,781 | \$5,214,665 | 0.78% |
| Labor & Industries, Bureau of | 33 | \$3,917,735 | 0.59% |
| Consumer & Business Services, Dept. of | 71 | \$2,693,920 | 0.41% |
| Justice Department | 1,247 | \$2,485,660 | 0.37% |
| Oregon Health Authority | 2,091 | \$1,636,626 | 0.25% |
| Environmental Quality, Department of | 138 | \$1,493,563 | 0.22% |
| Student Access and Completion, Office of | 16 | \$204,866 | 0.03% |
| Total | 135,518 | 664,336,122 | 99.95% |

Roughly 94% of the Other Funds outstanding balances are accounted for by five agencies: the Judicial Department (66.5%), Employment Department (9.4%), Department of Justice (8.3%), the Public Employees Retirement System (6.8%), and the Department of Consumer and Business Services (3.0%). Other Funds Pass-Through balances are comprised almost entirely by the Department of Justice and the Judicial Department. Nearly all of the Federal Funds balances (96.73%) are held by Department of Justice, the Department of Human Services, and the Oregon Health Authority. Lottery Funds balances are from the Oregon Business Development Department and the Lottery Commission.

Agencies exempt from reporting

Certain state agencies are exempt from ORS 293. The State Accident Insurance Fund Corporation is exempt, except for ORS 293.240 which establishes the process for writing off uncollectible accounts. The Oregon Health and Science University Public Corporation is exempt, as enabling legislation states that the university “shall not be considered...a state agency for purposes of state statutes.”

Many commissions and boards also claim exemption from the reporting requirement because of the placement of HB 3509 (1999) in the Oregon Revised Statutes. Since the reporting requirement was codified in ORS 293.229, any state agency whose enabling legislation exempted it from a range of sections of ORS 293 that included ORS 293.229 would be exempted from reporting their liquidated and delinquent accounts receivable. A list of agencies that did not report because they are exempt is included in Appendix 3.

Collections by the Department of Revenue

ORS 293.231 requires that accounts be turned over to the Department of Revenue or private collection agencies for collection. Presented here is summary information on accounts turned over to the Department of Revenue by agencies that reported.

Collections by Department of Revenue

| | Accounts | | Value |
|-----------------------------|-----------------|-----------|--------------------|
| Beginning Balance | 181,480 | \$ | 258,653,195 |
| Additions | | | 161,650,018 |
| Collections | | | (24,058,494) |
| Returned | | | (125,619,281) |
| Accounts Outstanding | 190,205 | \$ | 270,625,438 |

The Department of Revenue, Business Special Programs Section, operates the state’s captive collection agency known as Other Agency Accounts (OAA). OAA was formed during the 1971 legislative session and is codified under ORS 293.250. OAA collects delinquent debt for state agencies, boards and commissions, circuit and district courts, and educational and regulatory agencies. OAA uses collection activities like those used by private collection agencies as well as collection through tax refund offsets.

The total amount collected by the Department of Revenue (DOR) as reported by agencies during the 2015 reporting year was \$1,909,268 less than the prior year on an 18.8% (\$66.5 million) increase in account balances available for collection. Expressed as a percentage of the balance available for collection (beginning balance plus additions), this year’s collection rate of 5.72% represents a 1.62% decrease from the collection rate of the previous year. The 2014 collection rate by DOR was 7.34%.

Collections by private collection agencies

Prior to the statutory change on liquidated and delinquent accounts, the use of private collection agencies was allowed, but not mandatory. Now agencies must turn over liquidated and delinquent accounts to the Department of Revenue or to private collection agencies for collection. The statute also requires agencies to report on the accounts turned over to private collection agencies. Presented below is a summary of accounts turned over to private collection agencies during the reporting year.

Collections by Private Collection Agencies

| | Accounts | | Value |
|-----------------------------|-----------------|-----------|----------------------|
| Beginning Balance | 946,855 | \$ | 1,070,731,646 |
| Additions | | | 221,031,829 |
| Collections | | | (15,552,321) |
| Returned | | | (272,712,406) |
| Accounts Outstanding | 794,153 | \$ | 1,003,498,748 |

Total collections by private collection agencies increased by \$853,411 or 5.8%, from the prior year on a 4.4% (\$59.5 million) decrease in account value balances available for collection. Expressed as a percentage of the balance available for collection (beginning balance plus additions), this year’s

collection rate of 1.2% represents a 0.11% increase in the collections rate over the previous year. The 2014 rate of collections by the private collection agencies was 1.09%

Exempt accounts

Not all accounts can be transferred to the Department of Revenue or to private collection agencies. There may be federal or state statutory or regulatory prohibitions that would cause them to be exempt from transfer. Specific exemptions are codified in ORS 293.231(9)(a) through (i). If other state or federal laws exempt agencies from turning over accounts for collections, ORS 293.231(5) applies.

ORS 293.233 allows exemptions to be established administratively by the Department of Administrative Services. These are set forth in the Oregon Accounting Manual, referenced as OAM 35.40.114(j) through (r). The table on the following page contains summary information on accounts reported as statutorily or administratively exempt from transfer for collection.

Of the more than \$3.09 billion in liquidated and delinquent accounts reported, 18.3% (\$567.4 million) were classified as exempt from the statutory requirement to be turned over for collection. This is a decrease of \$334.2 million (37.1%) from the prior year. Of the total exempt amount, \$389.2 million, or 68.6%, was reported as administratively exempt. Of those accounts administratively exempt, \$364.3 million, or 94%, are exempt because they are for spousal or child support payments which are governed by other state or federal rules and regulations. An additional 2.6% (\$10.1 million) are Department of Administrative Services approved exemptions under ORS 293.233(1). This is an exceptional change from the previous reporting period wherein \$319.2 million was reported as DAS approved exemptions; a 96.8% percent decrease in balances being reported as exempted from collection by the Department of Administrative Services.

Statutorily prohibited or exempt

| | | | |
|--|---------------|-----------|--------------------|
| Prohibited by Law - ORS 293.231(5) | 787 | \$ | 955,423 |
| Exempt under ORS 293.231(9) | | | |
| a-consensual security interest | 612 | | 11,390,411 |
| b-court ordered judgment | 272 | | 5,656,797 |
| c-litigation, bankruptcy, mediation, etc. | 19,343 | | 87,021,767 |
| d-student loan of a student attending school | 0 | | - |
| e1-state agency receivables | 117 | | 265,241 |
| e2-federal or local government receivables | 132 | | 800,347 |
| f-hospitalized debtor | 8,858 | | 41,450,354 |
| g-imprisoned debtor | 192 | | 2,101,659 |
| h-account less than \$100.00 | 13,406 | | 527,054 |
| i-loss of federal funds or federal program funds | 13,094 | | 27,998,384 |
| Subtotal statutorily prohibited or exempt | 56,813 | \$ | 178,167,437 |

Administratively Exempt

| | | | |
|---|----------------|-----------|--------------------|
| Under OAM 35.40.114 | | | |
| j-debtor hardship | 305 | \$ | 889,827 |
| k-non-consensual lien | 178 | | 1,808,521 |
| l-secured by bond | 14 | | 110,113 |
| m-payment on multiple accounts within 1 year | 2,054 | | 9,890,495 |
| n-DAS approved exemptions (ORS 293.233(1)) | 4,931 | | 10,131,708 |
| o-ORS Chs. 825, or 826 related to a motor carrier | 2 | | 2,164 |
| p-wage garnishment or order prevents | 416 | | 1,753,853 |
| q-spousal or child support | 586,263 | | 364,284,901 |
| r-not income-producing and no assets | 31 | | 328,878 |
| Subtotal administratively exempt | 594,194 | \$ | 389,200,460 |

| | | | |
|-------------------------|----------------|-----------|--------------------|
| Total Exemptions | 651,007 | \$ | 567,367,897 |
|-------------------------|----------------|-----------|--------------------|

APPENDIX 1

ENDING NUMBER OF ACCOUNTS AND BALANCES BY AGENCY

| Agency | Accounts | Balance |
|---|-----------------|-----------------|
| Accountancy, State Board of | 39 | \$647,076 |
| Administrative Services, Department of | 225 | \$480,001 |
| Agriculture, Department of, & Commodity Com | 94 | \$153,277 |
| Aviation, Department of | 16 | \$11,952 |
| Chiropractic Examiners, Board of | 8 | \$367,240 |
| Construction Contractors Board | 2,544 | \$6,068,431 |
| Consumer & Business Services, Dept. of | 4,295 | \$53,246,232 |
| Corrections, Department of | 2,043 | \$2,187,904 |
| Dungeness Crab Commission, Oregon | 93 | \$21,085 |
| Education, Department of | 11 | \$329,095 |
| Employment Department | 54,768 | \$156,888,843 |
| Energy, Department of | 12 | \$133,772 |
| Environmental Quality, Department of | 1,965 | \$4,921,848 |
| Fish and Wildlife, Dept. of | 11 | \$5,899 |
| Forestry, Department of | 11 | \$48,793 |
| Government Ethics Commission, Oregon | 8 | \$5,630 |
| Housing & Community Services Dept. | 248 | \$2,896,873 |
| Human Services, Department of | 14,267 | \$33,854,519 |
| Judicial Department | 1,465,202 | \$1,585,628,299 |
| Justice Department | 597,622 | \$404,361,704 |
| Labor & Industries, Bureau of | 40 | \$4,010,250 |
| Legislative Administration Committee | 10 | \$618 |
| Library, Oregon State | 2 | \$180 |
| Licensed Social Workers, Board of | 3 | \$1,320 |
| Liquor Control Commission, Oregon | 17 | \$14,130 |
| Lottery Commission, Oregon State | 20 | \$106,217 |
| Marine Board | 83 | \$3,631 |
| Medical Imaging, Board of | 2 | \$1,635 |
| Military Department | 29 | \$38,090 |
| Mortuary and Cemetary Board | 11 | \$157,437 |

| Agency | Accounts | Balance |
|--|------------------|------------------------|
| Nursing, Board of | 16 | \$26,657 |
| Oregon Business Development Department | 47 | \$2,442,619 |
| Oregon Health Authority | 4,932 | \$17,843,203 |
| Oregon Medical Board | 14 | \$291,995 |
| Oregon Naturopathic Medicine, Board of | 1 | \$5,000 |
| Oregon University System | 11,183 | \$24,347,547 |
| Oregon Youth Authority | 6 | \$18,269 |
| Parks & Recreation Department | 2,791 | \$164,940 |
| Pharmacy, Board of | 13 | \$97,432 |
| Police, Oregon State Department of | 120 | \$134,132 |
| Portland State University | 8,851 | \$14,489,077 |
| Prof. Counselors & Therapists, Board of | 19 | \$73,907 |
| Psychologist Examiners, State Board of | 11 | \$49,758 |
| Public Employees Retirement System | 24,296 | \$114,072,406 |
| Public Safety Standards & Training, Dept. of | 4 | \$8,323 |
| Public Utility Commission | 50 | \$11,605 |
| Real Estate Agency | 9 | \$121,766 |
| Revenue, Department of | 121,674 | \$646,947,559 |
| Secretary of State | 46 | \$149,988 |
| State Lands, Department of | 3 | \$15,491 |
| Student Assistance Commission | 17 | \$206,206 |
| Tax Practitioners, State Board of | 33 | \$3,913,437 |
| Transportation, Department of | 4,631 | \$11,227,848 |
| Veterans' Affairs, Department of | 62 | \$2,869,964 |
| Water Resources Department | 14 | \$2,922 |
| Grand Total | 2,322,542 | \$3,096,124,032 |

APPENDIX 2

AGENCIES WITH NO ACCOUNTS TO REPORT

| | |
|---|--|
| Advocacy Commissions Office, Oregon | Legislative Revenue Officer |
| Albacore Commission, Oregon | Library, Oregon State |
| Alfalfa Seed Commission, Oregon | Long-Term Care Ombudsman |
| Beef Council, Oregon | Mint Commission, Oregon |
| Blind, Commission for the | Occupational Therapists, Board of |
| Blueberry Commission, Oregon | Orchardgrass Seed Producers Commission, Oregon |
| Clover Commission, Oregon | Oregon Education Investment Board |
| Columbia River Gorge Commission | Oregon Naturopathic Medicine, Board of |
| Community Colleges and Workforce Development, Department of | Oregon Watershed Enhancement Board |
| Court Procedures, Council on | Parole & Post-Prison Supervision, Board of |
| Criminal Justice Commission | Potato Commission, Oregon |
| Dairy Products Commission, Oregon | Processed Vegetable Commission, Oregon |
| Dentistry, Board of | Psychiatric Security Review Board |
| District Attorneys & their Deputies | Public Defense Services Comm. |
| Employment Relations Board | Racing Commission |
| Fine Fescue Commission | Raspberry & Blackberry Commission, Oregon |
| Forest Resources Institute, Oregon | Rygrass Growers Seed Commission, Oregon |
| Geology & Mineral Industries, Dept. of | Salmon Commission, Oregon |
| Governor, Office of the | Sheep Commission, Oregon |
| Hazelnut Commission, Oregon | Speech Lang. Path. And Audiologists, Board of |
| Higher Education Coordinating Commission | Strawberry Commission, Oregon |
| Hop Commission, Oregon | Sweet Cherry Commission, Oregon |
| Judicial Fitness, Commission on | Tall Fescue Commission, Oregon |
| Land Conservation & Development | Teacher Standards and Practices Comm |
| Land Use Board of Appeals | Trawl Commission, Oregon |
| Legislative Assembly | Treasury, Oregon State |
| Legislative Commission on Indian Services | Veterinary Med. Examiners, Board of |
| Legislative Counsel Committee | Wheat Commission, Oregon |
| Legislative Fiscal Office | |

APPENDIX 3

AGENCIES EXEMPT FROM REPORTING

| Agency | Exempting Statute |
|--|--------------------------|
| Appraiser Certification and Licensure Board | ORS 674.305 |
| Architect Examiners, Board of | ORS 182.460 |
| Children's Trust Fund of Oregon Foundation | ORS 182.460 |
| Corrections Enterprises, Oregon | ORS 421.352 |
| Engineering and Land Surveying, Board of Examiners for | ORS 182.460 |
| Film and Video Office, Oregon | ORS 284.375 |
| Geologist Examiners, Board of | ORS 182.460 |
| Landscape Architects Board | ORS 182.460 |
| Landscape Contractors Board | ORS 182.460 |
| Massage Technicians, Board of | ORS 182.460 |
| Optometry, Board of | ORS 182.460 |
| Oregon Health and Science University | ORS 353.100 |
| Oregon State University | ORS 352.138 |
| Patient Safety Commission, Oregon | ORS 182.460 |
| Physical Therapists Licensing Board | ORS 182.451 |
| State Accident Insurance Fund | ORS 656.753 |
| Tourism Commission, Oregon | ORS 284.118 |
| Travel Information council | ORS 377.836 |
| Utility Notification Center, Oregon | ORS 757.552(3) |
| University of Oregon | ORS 352.138 |
| Wine Board, Oregon | ORS 182.460 |

APPENDIX 4

REPORTING DEFINITIONS AND INSTRUCTIONS

BACKGROUND AND INTRODUCTION

The Secretary of State Audits Division issued Report No. 97-77, *Opportunities to Improve Delinquent Debt Collection by State Agencies*, in October 1997. In response to the Audits Division report, a Debt Collection group was formed to begin developing a statewide approach to improving collection of delinquent account balances. During the 1997-99 interim, the Senate Budget Committee conducted an extensive survey to provide the Legislature with better information about outstanding balances owed the state and efforts to collect those debts. There was legislative concern that past due amounts were not aggressively pursued and that all avenues of collection had not been exhausted prior to accounts being written off.

During the 1999 legislative session, HB 3509 was introduced to provide statutory guidance to state agencies on the collection of past due accounts. The bill became law and amended Oregon Revised Statutes (ORS) 293, *Administration of Public Funds*. During the 2001 session, SB 70 was passed which provides similar guidance to the Judicial Department. The statute now requires state agencies (with some identified exceptions) to turn over to the Department of Revenue, or to private collection agencies, liquidated and delinquent accounts for which no payment had been received within 90 days [ORS 293.231(1)(a)]. The statute also requires annual reporting of liquidated and delinquent accounts to the Legislative Fiscal Office; LFO is required to compile the reports and issue one report to the Legislative Assembly [ORS 293.229(2)].

Each state agency must submit to LFO by October 1 of each year “...a report that describes the status of that agency’s liquidated and delinquent accounts and efforts made by that agency to collect liquidated and delinquent accounts during the previous fiscal year.” [ORS 293.229 (1)] The reporting is an annual requirement. All agencies must submit reports “...for the fiscal year ending June 30, 2001, and for every fiscal year thereafter.”

To meet the October 1st submission date and December 31st report date for 2015 (fiscal year ending June 30, 2015), the following timeline has been adopted:

- | | |
|--|-------------------------|
| • Review of reporting manual with agency personnel | August – September 2015 |
| • Begin agency submission of required information | August – September 2015 |
| • Agency report to LFO if not subject to reporting statute | September 2015 |
| • Last day for input of information | October 1, 2015 |
| • Draft report | November 30, 2015 |
| • Report to the Legislature | December 31, 2015 |

What to report

The statute requires each state agency to report to the Legislative Fiscal Office, no later than October 1 of each fiscal year, information on its accounts that are **both** liquidated and delinquent. The reporting requirements include all types of debts, not just client or taxpayer accounts. For instance:

- Overpayments of state employee's wages would be included.
- Payments due from vendors or other states agencies would be included as well.
- Penalties, fines, civil penalties, etc.
- Delinquent accounts of state, federal, or local governments would be included.

Included in the reporting requirements is information on the numbers and dollar amounts of accounts that are exempt from being turned over to collection agencies. Certain data elements have been added to the submission to LFO to help give a clear picture of the status of collections within state government.

Who needs to report

All state agencies with liquidated and delinquent accounts must report. A state agency that does not have any accounts that are liquidated and delinquent needs to report that condition. Additionally, some state agencies may be exempt because of specific statutory exclusions from sections of ORS 293. Agencies that consider themselves statutorily exempt from reporting should notify LFO, including citation of the applicable sections of ORS. You may email this information to Matt Stayner at LFO (matt.stayner@state.or.us).

DEFINITIONS

Account – The debt relationship between a state agency and an individual or entity. Agencies may define “account” differently in their systems. For the purposes of this reporting requirement, a legal entity may have multiple debts with that agency. If treated in the agency's system as the same account, it should be reported as one account in this report. If an agency treats each debt as a separate account and collects them separately, they may report them as separate accounts.

Delinquent – Defined as a receivable account for which payment has not been received by the due date (OAM 35.30.30). Most receivables have a specific due date. If any part of that debt is not paid by the due date, the account needs to be reported. Some debts do not have an obvious due date, such as overpayments. The due date for this debt may be determined by the agency. For example, the date on which the agency may start assessing interest or enforcing collection may be the best date to use. Accounts that are not yet due are not included in the report.

Liquidated accounts – Defined in the Oregon Accounting Manual (OAM 35.30.30). In general, a liquidated account is one where the exact past due amount is known, proper notification of the debt has been made to the debtor, and there has been a judgment, or a distraint warrant for taxes, or an administrative proceeding has established the debt, etc. As this is a complicated definition, agencies should read the OAM to see exactly how the agency's accounts fit with the definition. Delinquent accounts that are not liquidated are not included in the report.

State agency – “...any officer, board, commission, department, division or institution in the executive or administrative branch of state government” (ORS 293). Some state agencies are exempted from reporting in statute. A listing of these agencies is included in OAM 01.05.00.

REPORTING INSTRUCTIONS

General instructions

Agencies are required to submit their information annually by October 1st. You may make corrections to your information any time until the system is closed. After that date if you wish to amend or submit any further information, you must do so in writing to LFO.

The reporting website address is: <https://apps.leg.state.or.us/DelinquentAccounts>

Upon accessing the website, the screen below will be visible. Select your agency name from the dropdown list, enter your agency’s password, and click the “Log On” button. If your agency name is missing, please select the “Email your Questions and Comments” link at the bottom of the page and use the provided email pop-up to let LFO know what the agency is missing. If you do not know your agency’s password, please click on the “Request Password” link, complete the pop-up email template, and send to LFO. (A response will be sent to you via email.) Please note that both of these email pop-ups are set to populate with LFO staff email addresses; currently Matt Stayner and June Starkey.

One password is assigned for each agency and the same password may be used each year. **You may find it useful to keep this password with your input file/data, etc.**

The screenshot shows the login interface for the Delinquent Account Reporting System. At the top right, there is a "[Log On]" link. The header includes the system name "Delinquent Account Reporting System | LFO" and navigation buttons for "Home" and "Previous Reports". The main heading is "Log On please - Fiscal Year 2013". Below this, a prompt says "Please select your agency and enter your password." The form area is titled "Account Information" and contains an "Agency" dropdown menu with the text "Please select an agency", a "Password" text input field, and a "Log On" button. A "Request Password" link is located at the bottom right of the form area. At the very bottom of the page, there is a copyright notice: "© Copyright 2013 Legislative Administration | Email your Questions and Comments".

If you entered an incorrect password, you will receive the following message above the Account Information:

Login was unsuccessful. Please correct the errors and try again.

- **The user name or password provided is incorrect.**

The screen will allow you to reenter your password and try again.

The tabs on the top of the log-in screen allow you to enter your current reporting year information under the “Home” tab or you can view or print prior reports under the “Previous Reports” tab. This may be helpful for you see how prior reports are completed if it your first time reporting.

Note: The report is divided into various sections. The sections are purely for organizational purposes. Each section contains somewhat discrete information that may include subsets of information contained in other sections, and while related, do not sum or balance to one another.

SECTION I

After logging into the system you will be brought to the System Entry screen, where you will begin reporting for your agency:

Welcome **Alfalfa Seed Commission, Oregon!** [[Log Off](#)]

Delinquent Account Reporting System | LFO

[Home](#)

Section I

System Entry - *Fiscal Year 20XX*

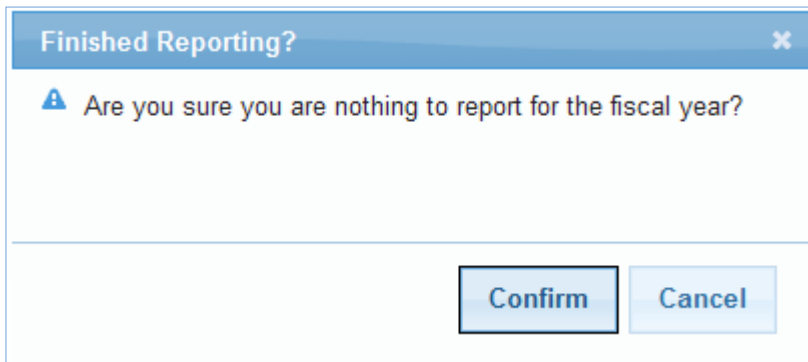
Agency Name: Alfalfa Seed Commission, Oregon

Please select a Fund

© Copyright 2011 Legislative Administration | [Email your Questions and Comments](#)

Agencies without data to report

Click the “Nothing to Report” button; you will receive the following prompt:



Click the “Confirm” button. You will see the following note that you can print for your records.



You will still be able to access the system during the reporting period if you later discover you have do have reportable information for your agency.

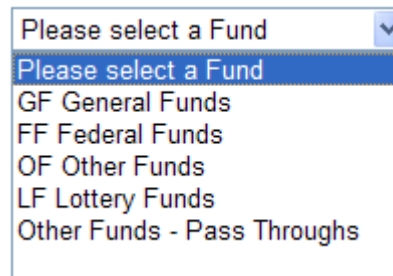
Agencies with data to report

A separate report must be made for each fund type for which the agency has data.

Select the fund type you wish to report on; there are five fund categories – General Fund, Other Funds, Other Funds - Pass Through, Federal Funds, and Lottery Funds.



Click on and select from the drop down list:



Note: The fund category “Other Funds – Pass Through” is for segregating, to the extent possible, those liquidated and delinquent accounts that are Other Funds that you must then turn around and distribute to others. Restitution and Child Support payments are two such pass throughs. Please do not count them twice (as Other Funds and then again as Other Funds – Pass Through).

Once you have selected the fund type for your report, the “Create Fund Report” link will appear next to the fund type selection box. Click on “Create Fund Report” link to begin your report:



SECTION II

This is where you will report the number and total dollar values of your agency's accounts that are both liquidated and delinquent. Amounts that are not both liquidated and delinquent are not reported. The beginning and ending number of accounts and balances are required fields for all

reporting agencies; beginning balances from the prior year are automatically populated. If these numbers appear to be incorrect or you need to make an adjustment, please send LFO an email with an explanation. The program will compute the ending number of accounts and account balances. Check the totals computed against your totals to ensure that data was entered correctly.

Note: Enter whole dollars only. Do not enter dollar signs, commas, or periods within numbers (e.g., \$1,234 should be entered as 1234).

Create Fund Report

Fund Report for OF Other Funds - Fiscal Year 20XX

Save

Section II (Refer to instructions for section II)

Note: Use Whole Dollars. Do not use Dollar signs, commas or periods between the numbers(eg. \$1,234 should be entered as 1234)

| Liquidated and Delinquent Accounts | [A] Number Of Accounts | [B] Dollar Value(\$) |
|------------------------------------|----------------------------------|------------------------------------|
| Beginning Balance 07/01/2010 | <input type="text" value="4"/> | <input type="text" value="33215"/> |
| 2. Additions: | <input type="text" value="0"/> | <input type="text" value="0"/> |
| 3. Collections: | | <input type="text" value="(0)"/> |
| 4. Accounts Closed: | <input type="text" value="(0)"/> | |
| 5. Write-Off's: | <input type="text" value="(0)"/> | <input type="text" value="(0)"/> |
| 6. Adjustments: | | <input type="text" value="0"/> |
| 7. Reversals: | <input type="text" value="(0)"/> | <input type="text" value="(0)"/> |
| Ending Balance 6/30/20XX | <input type="text" value="4"/> | <input type="text" value="33215"/> |

As you complete the report for each fund type, please refer to the following data descriptions for each entry made in Section II of the report.

1. Beginning Balance

- 1A This entry should be the total number of liquidated and delinquent accounts as of July 1 of the reporting fiscal year. This number should equal the ending number of accounts (8A) from the previous year. **System Generated**
- 1B This entry should be the dollar value of liquidated and delinquent accounts as of July 1 of the accounts reported in 1A. This number should equal the ending balance dollar value (8B) from the previous year. **System Generated**

2. Additions

2A Enter the total number of accounts that became liquidated and delinquent since July 1 of the reporting fiscal year. Only include accounts that had not been included as liquidated and delinquent in the beginning balance. If an account became liquidated and delinquent after July 1 and the amount was also collected prior to June 30 of the fiscal year, **include that account.**

2B Enter the total dollar value of liquidated and delinquent amounts added during the fiscal year.

Note: The total number of accounts may not increase but the dollar value may. For example, a small agency may have 50 liquidated and delinquent accounts valued at \$5,000 at the beginning of the year. They may not add any new accounts. However, an account may incur additional debt, such as interest, which would increase the total dollar value.

3. Collections

3B Enter any amounts collected on any of the accounts included in the beginning balance or the additions during the fiscal year. Include amounts that were collected on accounts that became liquidated and delinquent (additions) during the period. (Do not use a minus sign or brackets; collections defaults to a negative number.)

4. Accounts Closed

4A Enter the number of accounts from the beginning balance or additions that were collected or resolved in some manner. Include only accounts that no longer have a liquidated and delinquent balance. This would include accounts that became liquidated and delinquent during the period and then were closed because they were fully collected. They would also include accounts that were closed because a portion was collected and a portion was compromised or adjusted. The amount written off or adjusted would be included in 5B or 6B below. (Do not use a minus sign or brackets; accounts closed defaults to a negative number.)

5. Write-Offs

5A Enter the number of accounts that had been liquidated and delinquent and then were written off during the fiscal year to close the accounts. (Do not use a minus sign or brackets; the number of accounts defaults to a negative number.)

5B Enter the dollar value of liquidated and delinquent accounts that were written off during the fiscal year. (Do not use a minus sign or brackets; the amount of write-offs defaults to a negative number.)

6. Adjustments

6B Adjustments can either increase or decrease debt. Enter any amounts that had been designated liquidated and delinquent that were later adjusted. Adjustments include accounts or amounts that were set up in error, found uncollectible due to bankruptcy, compromised or abated (were determined not to be owed). **You must enter a minus sign if adjustments reduce the amount of liquidated and delinquent account balances.**

7. Reversals

7A Enter the number of accounts reported as liquidated and delinquent on a prior report that need to be removed from liquidated and delinquent status. These can be accounts that were erroneously reported or that for some reason are again open for appeal. These also can be loans that have been renegotiated and no longer are delinquent. (Do not use a minus sign or brackets; the number of accounts defaults to a negative number.)

Note: You should never have an entry in this field if this is the first report being made for this type of account. Accounts reversed can be accounts in the beginning balance or that were added and reported as additions in the current year.

7B Enter the dollar value of the accounts being removed from liquidated and delinquent status. (Do not use a minus sign or brackets; the amount of reversals defaults to a negative number.)

Note: You should never have an entry in this field if this is the first report being made for this type of account. Accounts reversed can be accounts in the beginning balance or that were added and reported as additions in the current year.

Ending Balance

- A No entry is required because this number is computed. Use this as a check against your total to ensure all data has been entered properly.
- B No entry is required because this number is computed. Use this as a check against your total to ensure all data has been entered properly.

SECTION III

This section is where you will report the number and total dollar value of your agency's accounts which are assigned to, and being actively collected by, the Department of Revenue or private collection firms.

You will also use this section to report the value of new accounts sent out to those entities, the dollars collected by them, and the dollar value of accounts returned uncollected. Only count accounts you've sent them for **unrestricted** collection activity. For example, don't include in the Department of Revenue figures the accounts you are collecting that were registered with the Department only for tax refund offset.

Keep in mind that this section of the report provides additional detail to the gross amounts you already provided in Section II. That is, the detailed amounts you provide for the Department of Revenue and private collection firms should be included in the amounts that make up the totals for the agency you report in Section II.

Section III (Refer to instructions for section III)

Note: Use Whole Dollars. Do not use Dollar signs, commas or periods between the numbers(eg. \$1,234 should be entered as 1234)

| Dept. of Revenue Collection (ORS 293.231)(Unrestricted Accounts) | [A] Number Of Accounts | [B] Dollar Value(\$) |
|--|------------------------------|-------------------------|
| Beginning Balance | 304 | 290931 |
| 2. Addition: | | 0 |
| 3. Collections: | | 0 |
| 4. Returned: | | 0 |
| Accounts Outstanding | 304 | 290931 |
| Private Collection (ORS 293.231) | [A] Number Of Accounts | [B] Dollar Value(\$) |
| Beginning Balance | 631 | 1302958 |
| 7. Addition: | | 0 |
| 8. Collections: | | 0 |
| 9. Returned: | | 0 |
| Accounts Outstanding | 631 | 1302958 |

As you complete the report, please refer to the following data descriptions for each entry made in Section III of the report.

Department of Revenue Collection (ORS 293.231) (Unrestricted Accounts)

1. Beginning Balance

- 1A Enter the total number of accounts assigned to the Department of Revenue for **unrestricted collection** on July 1 of the reporting year. This figure should be the same as the ending number of accounts reported (5A) on the previous year's report.
- 1B Enter the dollar value of the accounts assigned to the Department of Revenue for **unrestricted collection** on July 1 of the reporting year. This figure should be the same as the ending balance reported (5B) on the previous year's report.

2. Addition

- 2B Enter the dollar value of new accounts you transferred to the Department of Revenue for unrestricted collection during the reporting year. For accounts transferred to the department and returned during the same year, use the value (before reduction for payments obtained by Revenue) on the date of return. For accounts transferred and not returned during the year, use the value of the account at year's end (before reduction for payments obtained by Revenue). Remember, these dollar values should be part (or all) of the amounts you included in Section II, item 2B.

3. Collections

3B Enter the total dollar value collected by the Department of Revenue on your accounts during the reporting year. Don't net fees retained or paid out of the collections by the Department. (Do not use a minus sign or brackets; the amount of collections by the Department of Revenue defaults to a negative number.)

4. Returned

4B Enter the dollar value on the date of the return of accounts returned to you uncollected by the Department of Revenue during the reporting year.

5. Accounts Outstanding

5A Enter the total number of accounts assigned to the Department of Revenue for unrestricted collection on the last day of the reporting year.

5B No entry is required because this number is computed. Use this as a check against your total to ensure all data has been entered properly.

Private Collection (ORS 293.231)

6. Beginning Balance

6A Enter the total number of accounts assigned to private collection firm(s) for collection on July 1 of the reporting year. This figure should be the same as the ending number of accounts (10A) on the previous year's report.

6B Enter the dollar value of the accounts assigned to the private collection firm(s) on July 1 of the reporting year. This figure should be the same as the ending balance (10B) on the previous year's report.

7. Addition

7B Enter the dollar value of new accounts you transferred to private collection firm(s) for collection during the reporting year. For accounts transferred to the private collection firm(s) and returned during the same year, use the value (before reduction for payments obtained by the firm(s) on the date of return. For accounts transferred and not returned during the year, use the value of the account at year's end, before reduction for payments obtained by the firm(s).

8. Collections

8B Enter the total dollar value collected by the private collection firm(s) on your accounts during the reporting year. Don't net fees retained or paid out of the collections by the firm(s). (Do not use a minus sign or brackets; the amount of collections reported defaults to a negative number.)

9. Returned

9B Enter the dollar value on the date of the return of accounts returned to you uncollected by the private collection firm(s) during the reporting year.

10. Accounts Outstanding

- 10A Enter the total number of accounts assigned to the private collection firm(s) for collection on the last day of the reporting year.
- 10B No entry is required because this number is computed. Use this as a check against your total to ensure all data has been entered properly.

SECTION IV

This section is where you will report the number and total dollar value of your agency's delinquent accounts which are due from current and former employees. This section is new and is included to help understand the extent of amounts due from employees and former employees. The number and dollar value of accounts should be included in your totals included in the other sections.

| Section IV (Refer to instructions for section IV) | | |
|--|------------------------------|-------------------------|
| Note: Use Whole Dollars. Do not use Dollar signs, commas or periods between the numbers(eg. \$1,234 should be entered as 1234) | | |
| Account due from current and former Employees | [A] Number Of Accounts | [B] Dollar Value(\$) |
| 1. Delinquent Amount due: | 0 | 0 |

SECTION V

In this section you will report the accounts that were exempt from being assigned to a private collection firm. **Note: Liquidated and delinquent accounts are not exempt from the reporting requirement – only exempt from being sent out for collection.** Except for those accounts owed to the Department of Revenue or the Employment Department, if an account has not had a payment within 90 days from the last payment, or the date the debt was liquidated, it must be submitted to the Department of Revenue, Other Agency Accounts (OAA) or a private collection firm for collection action.

Include, in this section only, accounts with no payment for 90 days. Once again, this is additional detail of information included in liquidated and delinquent accounts that were reported on in the Liquidated and Delinquent Accounts (Section II) of these instructions.

An account may be exempt from being assigned to a private collection firm by statute, ORS 293.231, and by rule, OAM 35.40.10. An account may fall under more than one reason for exemption. Only count it once, under the category you feel best describes the overriding reason for the account's exemption.

Section V (Refer to instructions for section V)

Note: Use Whole Dollars. Do not use Dollar signs, commas or periods between the numbers(eg. \$1,234 should be entered as 1234

| Exempt Accounts | [A] Number Of Accounts | [B] Dollar Value(\$) |
|---|------------------------------|-------------------------|
| 1. a-consensual security interest | 0 | 0 |
| 2. b-court ordered judgement | 0 | 0 |
| 3. c-litigation, bankruptcy, mediation, etc. | 0 | 0 |
| 4. d-student loan of a student attending school | 0 | 0 |
| 5. e1-state agency receivables | 0 | 0 |
| 6. e2-federal or local government receivables | 0 | 0 |
| 7. f-hospitalized debtor | 0 | 0 |
| 8. g-imprisoned debtor | 0 | 0 |
| 9. h-account less than \$100.00 | 0 | 0 |
| 10. i-loss of federal funds or federal program funds | 0 | 0 |
| 11. j-debtor hardship | 0 | 0 |
| 12. k-non-consensual lien | 0 | 0 |
| 13. l-secured by bond | 0 | 0 |
| 14. m-payment on multiple accounts within 1 year n-(DAS approved exemptions - see below) | 0 | 0 |
| 15. o-ORS Chs. 825, or 826 related to a motor carrier | 0 | 0 |
| 16. p-wage garnishment or order prevents | 0 | 0 |
| 17. q-spousal or child support | 0 | 0 |
| 18. r-not income-producing and no assets (see the statute/OAM for full context of exemptions.) | 0 | 0 |
| 20. Exempted by Law - ORS 293.231(5) Accounts prohibited by law from assignment or collection. DAS petition Approved Exemptions - | 0 | 0 |
| 21. ORS 293.233(1) | 0 | 0 |
| Total exemptions for fiscal year 20XX | 0 | 0 |

Note:

As you complete the exemptions section, please refer to the following data descriptions for each entry made in Section V of the report.

Exemptions by Rule (ORS 293.233) or as Delineated by Statute (ORS 293.231[6])

1. consensual security interest

- 1A Enter the total number of accounts that were exempt because there was a consensual security interest in real or personal property. A consensual security interest is an enforceable interest in real or personal property voluntarily created by a debtor to secure an obligation to pay a debt, i.e. a mortgage, a trust deed, a security agreement, or pledge securities.
- 1B Enter the dollar amount of the accounts with consensual security interests.

2. court ordered judgement

- 2A Enter the total number of accounts that were exempt because there was a court ordered judgement that includes restitution or a payment to the Department of Justice Crime Victims’ Assistance Section.
- 2B Enter the dollar amount of the accounts with court ordered judgments.

3. litigation, bankruptcy, mediation, etc.

- 3A Enter the total number of accounts that were exempt because they were under litigation. Litigation includes accounts in dispute when it has been referred to the Department of Justice, it is in the administrative appeal or hearing process, or it is in arbitration, mediation, or in the state or federal court system, including bankruptcy.
- 3B Enter the dollar amount of the accounts under litigation.

4. student loan of a student attending school

- 4A Enter the total number of accounts that were exempt because they were student loans owed by a student who is attending school.
- 4B Enter the dollar amount of the accounts that were owed by students attending school.

5. state agency receivables

- 5A Enter the total number of accounts that were exempt because they were owed by a state agency.
- 5B Enter the dollar amount of accounts that were owed by a state agency.

6. federal or local government receivables

- 6A Enter the total number of accounts that were exempt because they were owed by a federal or local government.
- 6B Enter the dollar amount of accounts that were owed by a federal or local government.

7. hospitalized debtor

- 7A Enter the total number of accounts that were exempt because the debtor was hospitalized in a state hospital as defined in ORS 162.135 or the debtor was on public assistance.
- 7B Enter the dollar amount of accounts where the debtor was hospitalized in a state hospital as defined in ORS 162.135 or the debtor was on public assistance.

8. imprisoned debtor

- 8A Enter the total number of accounts that were exempt because the debtor was imprisoned.
- 8B Enter the dollar amount of accounts where the debtor was imprisoned.

9. account less than \$100

- 9A Enter the total number of accounts that were exempt because the total amount due was less than \$100. This includes any penalties or interest due.
- 9B Enter the dollar amount of accounts where the total amount due was less than \$100.

10. loss of federal funds or federal program funds

- 10A Enter the total number of accounts that were exempt because assigning the debt would result in a loss of federal funding or a loss of funding under a federal program.
- 10B Enter the dollar amount of accounts where assigning the debt would result in a loss of federal funding or a loss of funding under a federal program.

11. debtor hardship

- 11A Enter the total number of accounts that were exempt because assigning the debt would constitute a hardship and assignment would be inconsistent with an agency goal.

11B Enter the dollar amount of accounts that were exempt because assigning the debt would constitute a hardship and assignment would be inconsistent with an agency goal.

12. non-consensual lien

12A Enter the total number of accounts that were exempt because they were secured by a non-consensual lien against specific real or personal property identified by the agency.

12B Enter the dollar amount of accounts that were secured by a non-consensual lien against specific real or personal property identified by the agency.

13. secured by bond

13A Enter the total number of accounts that were exempt because they were secured by a bond.

13B Enter the dollar amount of accounts that were secured by a bond.

14. payment on multiple accounts within 1 year

14A Enter the total number of accounts that were exempt because they were one of multiple accounts owed to the agency by the same debtor, any one of which accounts has received a payment within the preceding period for which the applicable rule applies, including accounts created and paid at the same time. (Note for certain accounts the rule may require payment within 90 days, for others, six months or some other period).

14B Enter the dollar amount of accounts that were one of multiple accounts owed to the agency by the same debtor.

15. ORS Chs. 825, or 826 related to a motor carrier

15A Enter the total number of accounts that were exempt because they would result in the referral of a monetary penalty, fee, or tax under ORS Chapters 825 or 826.

15B Enter the dollar amount of accounts that were exempt relating to ORS Chapters 825 or 826.

16. wage garnishment or order prevents

16A Enter the total number of accounts that were exempt because a wage garnishment prevents any funds from being applied to the agency debt.

16B Enter the dollar amount of accounts that were exempt because of wage garnishments.

17. spousal or child support

17A Enter the total number of accounts that were exempt because they are for amounts owed as spousal or child support.

17B Enter the dollar amount of accounts that were exempt because they are for spousal or child support.

18. not income-producing and no assets

18A Enter the total number of accounts that were exempt because they are from corporations that will not be engaged in any income-producing activity and there are no assets from which the debt could be collected.

18B Enter the dollar amount of accounts of corporations with no assets or income producing activities.

19. Sub-Totals

- 19A No entry is required because this number is computed. Use this as a check against your total to ensure all data has been entered properly.
- 19B No entry is required because this number is computed. Use this as a check against your total to ensure all data has been entered properly.

20. Exempted by Law - ORS 293.231(5)

- 20A Enter the total number of accounts that were exempt because the accounts are prohibited by state or federal law or regulation from assignment or collection.
- 20B Enter the dollar amount of accounts prohibited by state or federal law or regulation from assignment or collection.

21. DAS petition Approved Exemptions - ORS 293.233(1)

- 21A Enter the total number of accounts that were exempt by request to DAS for agency-specific exemption. See OAM 35.40.10.107.
- 21B Enter the dollar amount of accounts exempted by DAS agency-specific exemption.

22. Total exemptions for this fiscal year

- 22A No entry is required because this number is computed. Use this as a check against your total to ensure all data has been entered properly.
- 22B No entry is required because this number is computed. Use this as a check against your total to ensure all data has been entered properly.

Notes

This area is for additional information you wish to submit. It can provide additional explanation about the nature of the accounts. This information will be reviewed by the Legislative Fiscal Office. Submission of additional notes does not mean the information will be included in the final report to the Legislative Assembly.

Saving, Editing, Printing, and General Navigation

- Once you have completed your entries, click on the save button (at either the top of bottom left hand side of the reporting screen).
- The screen will take you to the top of the page and an action confirmation message will flash across the top of the report.
- Options to edit and print the report are on the upper right hand side of the reporting area. You will see the edit and print options after you have initially saved the report.
- The “Home” button on the upper right side of the screen just above the reporting window will return you to the System Entry screen at any time.
- When finished reporting for all fund types, return to the System Entry screen and click the “Finished Reporting” button.
- Please use the “Log Off” button or link to end your database session.