

**Report on
Liquidated and Delinquent
Accounts Receivable
June 30, 2011**



**Legislative Fiscal Office
December 2011**

**STATE OF OREGON
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December 30, 2011

To the Members of the Seventy-Sixth 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 one summary for the Legislative Assembly. This is the twelfth report required under the statute.

Ken Rocco
Legislative Fiscal Officer

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Introduction and Background

Introduction

During the 1999 legislative session, House Bill 3509 was introduced to provide statutory guidance to state agencies on the collection of past due accounts. The bill amended Chapter 293, Oregon Revised Statutes, *Administration of Public Funds*. The statute 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 a year. Legislation passed during the 2003 session requires agencies to turn the accounts over for collection if no payment has been received within 90 days.

Further, the statute requires annual reporting of liquidated and delinquent accounts to the Legislative Fiscal Office. The Legislative Fiscal Office is required to compile the reports and issue one report to the Legislative Assembly. This is the twelfth report issued under the statute.

Reporting under the statute

Each state agency must submit to the Legislative Fiscal Office by October 1 of each fiscal 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)] Definitions used and instructions for reporting are included as Appendix 5 and Appendix 6, respectively.

This year, 6 agencies did not report; these agencies are identified in Appendix 3.

Implementation of the statute

The Department of Administrative Services, State Controllers Division took the lead to implement the statute. Until recently, it staffed the Statewide Accounts Receivable Management Program. Under that program, the Accounts Receivable Core Committee brings together state agencies to develop and maintain policies and procedures for collection of accounts receivable. Updated policies and procedures are incorporated in the Oregon Accounting Manual.

The Committee provides a forum for consensus building and communicating progress throughout state government. In addition, for several years the Committee developed an annual strategic plan to help address collection effectiveness and recommend actions to improve the collection of delinquent debt.

However, due to potential budget reductions, the program was suspended in the fall of 2010. The position supporting the program was ultimately eliminated in the 2011-13 budget, but the Division has been planning to realign resources and resume the program at 50% of its former capacity. The timing for program resumption is uncertain.

The reporting process has been affected by the lack of staff support from the Division. Historically that resource has provided Legislative Fiscal Office a direct link to agency reporters and has performed key data analysis; both communications and analysis were challenges during the reporting cycle.

Reporting system

Since 2005 the Department of Administrative Services (DAS) has hosted the web based application been used by agencies to report on delinquent and liquidated accounts. The application used a Microsoft Access database, which is no longer being supported by DAS. To address this problem, Legislative Administration (Information Services) rewrote the application and moved it to in-house support. The new application was used by agencies for the first time this reporting cycle.

The rewrite will allow for better data archiving and set the stage for future system improvements or enhancements. The new system has already provided users with some improved data review and reporting features. Transitioning data between the two systems did create the need for some manual adjustments during the report compilation process; these did not materially affect reporting and will be addressed in future cycles.

Acknowledgements

The Legislative Fiscal Office would like to acknowledge the following contributors to this year's effort:

- The Information Systems staff of Legislative Administration for rewriting/improving the application and providing a secure host for input of the required information.
- Personnel at state agencies who demonstrated patience and insight during the transition to the new reporting system.

Results of Reporting

Summary of reporting results

This report accounts for 130 state agencies; agencies were reminded of reporting requirements via a statewide email list (SCD-Mail) and the project website located at:

http://egov.oregon.gov/DAS/SCD/ASP/SWARM_main.shtm

The reporting instruction manual was updated and a training session was conducted.

Summary of Agency Reporting June 30, 2011		
Agencies reporting no accounts	53	40.8%
Exempt agencies not reporting	17	13.1%
Agencies reporting accounts	54	41.5%
Agencies that did not report	6	4.6%
Total	130	100.0%

Summary of liquidated and delinquent accounts receivable

Presented below is the summary of liquidated and delinquent accounts that agencies reported to the Legislative Fiscal Office. A list of the agencies that reported activity during the year on liquidated and delinquent accounts and their outstanding balances is included as Appendix 1 to this report. A number of agencies reported that they had no such accounts, a listing of which is included as Appendix 2.

(**Note:** Agencies report independently, and the beginning balances do not always agree with ending balances reported the prior year.)

Liquidated and Delinquent Accounts June 30, 2011		
	Number of Accounts	Dollar Value of Accounts
1. Beginning Balance	1,993,208	\$ 2,150,842,072
2. Additions	621,507	778,465,984
3. Collections		(352,271,297)
4. Accounts Closed	(501,357)	
5. Write-Offs	(33,448)	(93,517,499)
6. Adjustments		48,781,806
<i>LFO Adjustments</i>	(833)	(473,349)
7. Reversals	(29,256)	(75,002,927)
8. Ending Balance	2,049,821	\$ 2,456,824,790

Because collections and adjustments (lines 3 and 6) could have been made on accounts that are still open, closed, or subsequently written off, only the dollar amounts of collections and adjustments were reported. Similarly, only the number of accounts that were closed is reported on line 4. Reversals are accounts previously reported as delinquent and liquidated, but have now changed status. The instructions for reporting provided descriptions of information to be included on each reporting line. For additional information, please see the instructions provided in Appendix 6.

For 2011 reporting, “*LFO Adjustments*” has been added to reconcile data discrepancies arising in the transition from old to new reporting systems and to account for balances related to agencies failing to report.

A breakdown of the reported balances outstanding by fund type is presented below.

Liquidated and delinquent accounts receivable by fund type

Fund Type	Dollars	%
General Fund	\$ 644,975,942	26.3%
Lottery Funds	733,209	0.0%
Other Funds	1,180,400,504	48.0%
Other Funds Pass-Through	418,898,198	17.1%
Federal Funds	211,816,937	8.6%
Total	\$ 2,456,824,790	100.0%

Of the \$645 million General Fund balance, the Department of Revenue accounted for \$608 million. Balances for the Judicial Department, the Department of Justice, and the Department of Consumer and Business Services comprised more than 90% of the outstanding Other Funds. The Judicial Department and Department of Justice reported \$345 and \$74 million Other Funds Pass-Through, respectively. Most of the Federal Funds outstanding were accounted for by the Department of Justice and the Department of Human Services. Lottery Funds receivables are from the Lottery Commission and the Oregon Business Development Department.

Agencies that did not report

This year 6 agencies did not submit reports. A list of the agencies that did not report is included as Appendix 3.

The statute is silent about consequences of non-reporting, however, it is incumbent upon agencies to report and all agencies should be expected to report in the future.

Agencies exempt from reporting

Certain state agencies are exempt from ORS 293. The State Accident Insurance Fund Corporation is exempt from Chapter 293, 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 its 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 House Bill 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.

The Department of Administrative Services, State Controllers Division reviewed applicable statutes to determine whether agencies properly claimed statutory exemption from reporting. A list of agencies that did not report because they are exempt is included as Appendix 4 to this report.

Collections by 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.

	Number of Accounts	Dollar Value of Accounts
Beginning Balance	258,965	\$ 271,355,355
Additions		181,076,931
Collections		(33,196,037)
Returned		(89,062,277)
Accounts Outstanding	266,341	\$ 330,173,972

Departmental collection activities resulted in total collections of \$46 million

Agencies reported that \$33.2 million of liquidated and delinquent receivables were collected by the Department of Revenue. The Department of Revenue reports that its collection activities resulted in total collections of \$46 million for governmental agencies. This includes amounts collected for state agencies exempt from reporting, community colleges, and county corrections institutions.

The Department of Revenue has a Collections Unit that can be used by state agencies to assist in collection efforts. During the year, the Department of Revenue reports that it collected \$28.7 million using collection activities like those used by private collection agencies.

Additionally, the Department of Revenue may collect, on behalf of agencies, from “any refunds or sums due to the debtor from the Department of Revenue or any other state agency.” During the fiscal year ended June 30, 2011, the Department collected \$17.3 million by offsetting 73,022 different accounts.

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 here is a summary of accounts turned over to private collection agencies for the year that ended June 30, 2011.

	Number of Accounts	Dollar Value of Accounts
Beginning Balance	335,917	\$ 328,968,985
Additions		354,589,728
Collections		(7,943,428)
Returned		(57,199,364)
Accounts Outstanding	670,687	\$ 618,415,921

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(6)(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 (OAM), referenced as OAM 35.40.10.PO.114(j) through (r). Presented on the next page is summary information on accounts reported as statutorily or administratively exempt from transfer for collection.

**Accounts Reported as Exempt from Requirement to Turn Over for Collection
June 30, 2011**

	Number of Accounts	Dollar Value of Accounts
Statutorily prohibited or exempt		
Prohibited under ORS 293.231(5)	1,090	\$ 640,316
Exempt under ORS 293.231(6), sub		
a) consensual security interest	833	11,845,316
b) court ordered judgment	315	13,352,004
c) litigation, bankruptcy, mediation, etc.	4,578	22,447,011
d) student loan of a student attending school	0	0
e1) state agency receivables	121	380,569
e2) federal or local government receivables	285	939,481
f) hospitalized debtor	577	3,503,159
g) imprisoned debtor	154	379,303
h) account less than \$100	8,993	343,700
i) loss of federal or federal program funds	22,958	47,571,583
Subtotal statutorily prohibited or exempt	39,904	\$ 101,402,442
Administratively exempt		
Under OAM 35.30.20.PO.114, sub		
j) debtor hardship	735	\$ 2,019,515
k) non-consensual lien	520	13,360,867
l) secured by bond	47	258,218
m) payment on multiple accounts within 1 year	2,256	5,576,585
n) DAS petition approved exemptions	15,561	63,449,826
o) ORS Chs. 825, or 826 related to a motor carrier	13	28,450
p) wage garnishment or order prevents	394	1,583,264
q) spousal or child support	263,627	262,648,248
r) not income-producing and no assets	429	583,800
Subtotal administratively exempt	283,582	\$ 349,508,773
Total exemptions June 30, 2011	323,486	\$ 450,911,215

Of the more than \$2.4 billion in liquidated and delinquent accounts reported, 18% (\$451 million) were classified as exempt from the statutory requirement to be turned over for collection. Of the \$451 million exempt, \$350 million, or 78%, were reported as administratively exempt. Of those accounts administratively exempt, \$263 million, or 75%, are exempt because they are for spousal or child support payments which are governed by other federal rules and regulations.

Appendix 1

Agencies reporting accounts with activity

	Total Accounts	Total Dollars
Accountancy, State Board of	22	237,403
Administrative Services, Department of	1,756	1,114,998
Agriculture, Department of, & Commodity Comm.	76	281,570
Blueberry Commission, Oregon	1	169
Chiropractic Examiners, Board of	13	381,297
Community Colleges & Workforce Dev., Dept of	49	52,768
Construction Contractors Board	2,492	4,510,902
Consumer & Business Services, Dept. of	6,411	66,814,615
Corrections, Department of	1,908	1,647,615
Education, Department of	4	8,588
Employment Department	83,636	101,680,480
Energy, Department of	95	261,532
Environmental Quality, Department of	1,552	4,100,591
Fish and Wildlife, Dept. of	15	12,882
Forestry, Department of	1	40,738
Government Ethics Commission, Oregon	13	72,462
Health Licensing Agency	320	254,603
Housing & Community Services Dept.	429	1,905,276
Human Services, Department of	23,034	63,384,190
Judicial Department	1,337,038	1,150,756,705
Justice Department	395,038	351,150,102
Labor & Industries, Bureau of	28	1,371,319
Legislative Administration Committee	6	2,393
Library, Oregon State	1	665
Licensed Social Workers, Board of	3	7,986
Liquor Control Commission, Oregon	26	25,902
Lottery Commission, Oregon State	61	338,549
Marine Board	68	2,272
Medical Imaging, Board of	2	1,645

Military Department	9	21,545
Mortuary and Cemetery Board	9	118,581
Nursing, Board of	45	62,945
Orchardgrass Seed Commission, Oregon	1	3,295
Oregon Business Development Department	50	1,257,817
Oregon Medical Board	14	203,313
Oregon University System	26,511	52,269,037
Oregon Youth Authority	8	9,569
Parks & Recreation Department	3,246	205,300
Pharmacy, Board of	8	63,497
Police, Oregon State Department of	183	180,023
Prof. Counselors & Therapists, Board of	4	19,414
Public Employees Retirement System	789	2,500,219
Public Safety Standards & Training, Dept. of	8	64,329
Public Utility Commission	70	14,686
Real Estate Agency	36	1,484,932
Revenue, Department of	157,322	629,939,639
Ryegrass Growers Seed Commission, Oregon	3	26,450
Secretary of State	85	202,201
Student Assistance Commission	1	6,163
Tall Fescue Commission, Oregon	1	2,164
Tax Practitioners, State Board of	23	3,972,787
Transportation, Department of	7,122	11,179,599
Veterans' Affairs, Department of	65	2,482,007
Water Resources Department	110	115,061
Total	2,049,821	2,456,824,790

Appendix 2

Agencies reporting no accounts

Advocacy Commissions Office, Oregon
Alfalfa Seed Commission, Oregon
Blind, Commission for the
Clover Commission, Oregon
Court Procedures, Council on
Dairy Products Commission, Oregon
District Attorneys & their Deputies
Facilities Authority
Forest Resources Institute, Oregon
Grains Commission, Oregon
Hop Commission, Oregon
Land Conservation & Development
Legislative Assembly
Legislative Counsel Committee
Legislative Revenue Officer
Long-Term Care Ombudsman
Occupational Therapists, Board of
Oregon Watershed Enhancement Board
Potato Commission, Oregon
Psychiatric Security Review Board
Racing Commission
Salmon Commission, Oregon
Speech Lang. Path. And Audiologists, Board o
Strawberry Commission, Oregon
Teacher Standards and Practices Comm
Treasury, Oregon State
Wheat Commission, Oregon
Albacore Commission, Oregon
Beef Council, Oregon
Children & Families, Comm. on

Columbia River Gorge Commission
Criminal Justice Commission
Dentistry, Board of
Employment Relations Board
Fine Fescue Commission
Governor, Office of the
Hazelnut Commission, Oregon
Judicial Fitness, Commission on
Land Use Board of Appeals
Legislative Commission on Indian Services
Legislative Fiscal Office
Licensed Dieticians, Board of
Mint Commission, Oregon
Oregon Naturopathic Medicine, Board of
Parole & Post-Prison Supervision, Board of
Processed Vegetable Commission, Oregon
Public Defense Services Comm.
Raspberry & Blackberry Commission, Oregon
Sheep Commission, Oregon
State Lands, Department of
Sweet Cherry Commission, Oregon
Trawl Commission, Oregon
Veterinary Med. Examiners, Board of

Appendix 3 Agencies that did not report

Aviation, Department of
Dungeness Crab Commission, Oregon
Geology & Mineral Industries, Dept. of
Highland Bentgrass Commission, Oregon
Private Health Partnerships, Office of
Psychologist Examiners, State Board of

The failure of these agencies to comply with the reporting requirement is not expected to materially affect the statewide numbers compiled in this report. The Department of Aviation, the Dungeness Crab Commission, the Board of Psychologist Examiners, and the Highland Bentgrass Commission had very little or no information to report in prior fiscal years.

The Office of Private Health Partnerships had a fiscal year 2010 ending balance of 692 accounts and \$250,645. Future data for the Office of Private Health Partnerships will be incorporated into the Oregon Health Authority's reporting numbers starting with fiscal year 2012 (next reporting period).

Appendix 4

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 Ex 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
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)
Wine Board, Oregon	ORS 182.460

Appendix 5

Definitions used in the reporting process

State agency – ORS 293 defines a state agency as “any officer, board, commission, department, division or institution in the executive or administrative branch of state government.”

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 – a delinquent account is defined as a receivable account for which payment has not been received by the due date. 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 – are defined in the Oregon Accounting Manual (OAM). 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.

The definition provided in the Oregon Accounting Manual is included here.

For purposes of ORS 293.229 - .233 and ORS 293.250, a liquidated debt is one for which:

- a. An agency has determined an exact past due amount owing; and
- b. An agency has made a reasonable attempt to notify the debtor in writing of the amount owing and nature of the debt, and has requested payment; and
- c. The debt meets one of the following conditions: (See Note 1)
 1. Judgment has been entered on the debt.
 2. The debt is a tax debt for which a distraint warrant has been issued or the prerequisites of issuance have been met.
 3. Liability for, and the amount of, the debt have been established through an administrative proceeding.
 4. A non-complying employer’s debt for claim and administrative costs eligible for referral under criteria identified by the Department of Justice.
 5. (See Note 1) The debt arises from a promissory note.
 6. (See Note 2) The debt is an account stated under a preexisting written agreement between the agency and the debtor. A statement of account has been mailed or delivered to the debtor, and the debtor has not objected within a reasonable time, which should be specified by the agency. Example: A student signs a revolving

account agreement with the university, an invoice for a laboratory fee is mailed to the student and he or she does not object.

7. The debtor has, in writing, unconditionally acknowledged the debt, both as to liability and amount, or an agreement has been reached in writing between the agency and the debtor regarding the debt, both as to liability and amount. Once acknowledged, a debtor's claim of inability to pay does not, by itself, affect whether the debt is liquidated.
8. The amount due is derived by an arithmetical calculation of fees (including renewal fees), collection costs, charges, penalties, or the like, from a report or an application for a permit or license submitted by the debtor in accordance with a regulatory system administered by the agency, and the debtor has not disputed liability or the amount.
9. (See Note 2) Liability for a debt, but not its amount, has been established by an administrative or judicial proceeding, or by written acknowledgement of the debtor. The amount of the debt is determined by arithmetical calculation. The calculation has been mailed or delivered to the debtor in the manner of an account stated and the debtor has not objected within a reasonable time, which should be specified by the agency. Example: Balances due the Department of Consumer and Business Services for a non-complying employer as a result of an injury to a subject worker.

Note 1: For each delinquent account referred to the Collections Unit, the agency must specify which subsection .103 c. condition has been met. For c. 1-4 debts, the Collections Unit is authorized to utilize all potential collection tools, including warrants. For c. 5-9 debts, warrants cannot be issued. If warrant authority is necessary for effective collection, the debt must be returned to the agency for appropriate action to qualify the debt under subsections c. 1-4. In addition, if the debtor disputes whether a c. 5-9 debt is owing or liquidated, the debt will no longer be considered liquidated.

Note 2: Expiration of the time specified by an agency for objection to a billing, such as a c. 6 or 9 debt, does not necessarily extinguish the debtor's right to object. It means that the agency can act on the assumption the debtor does not dispute the debt. If the debtor thereafter disputes the debt, the debt will no longer be considered liquidated.

Appendix 6

Instructions for reporting

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.

8. Ending Balance

- 8A 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.
- 8B 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.