

DEPARTMENT OF FINANCIAL SERVICES

2023 Debt Collection Workshop

Presented by:

Department of Financial Services
Division of Accounting and Auditing
Bureau of Financial Reporting

CFO JIMMY PATRONIS

Housekeeping Announcements

- Phones
- Recording
- Timekeeping
- Break / Restrooms
- Online questions
- Handouts
- Survey

Introductions / Presenters

- Susan Sloan - Financial Administrator
- John Herrington – Government Analyst II
- Gabriel Franklin – Professional Accountant Specialist

Agenda

- Where Are We Now
- Guidance and References
- Accounts Receivables Placements
- Accounts Receivables Monitoring
- Accounts Receivables Write Off and Property Adjustment Process
- F.S. 17.20 Annual Claims for Collection Report
- Contact Information

Question & Answers



SECTION NOTES:

DEPARTMENT OF FINANCIAL SERVICES

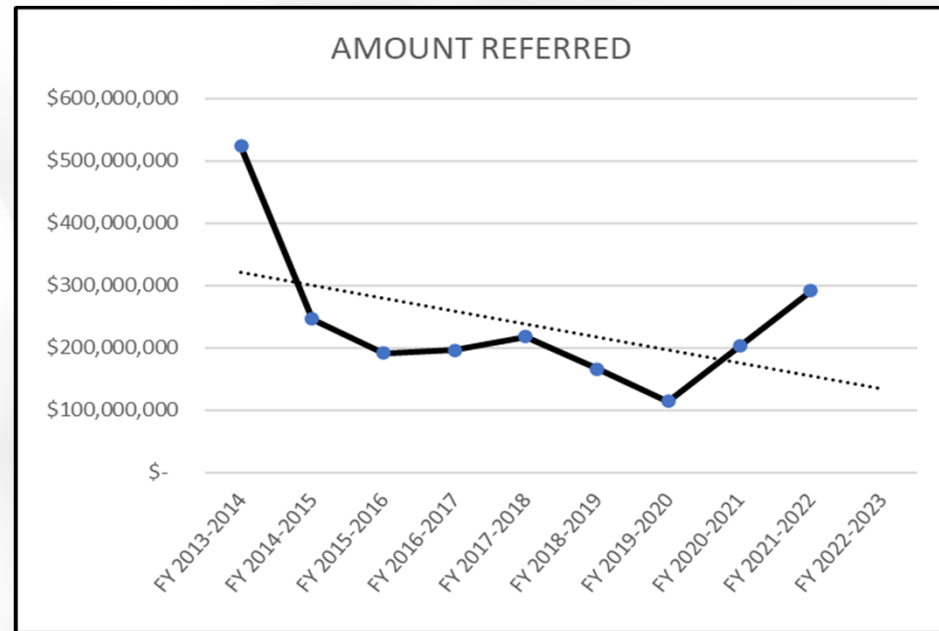
Where Are We Now

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Where Are We Now: AR Referrals

- AR - Amounts Referred by fiscal year to Collection

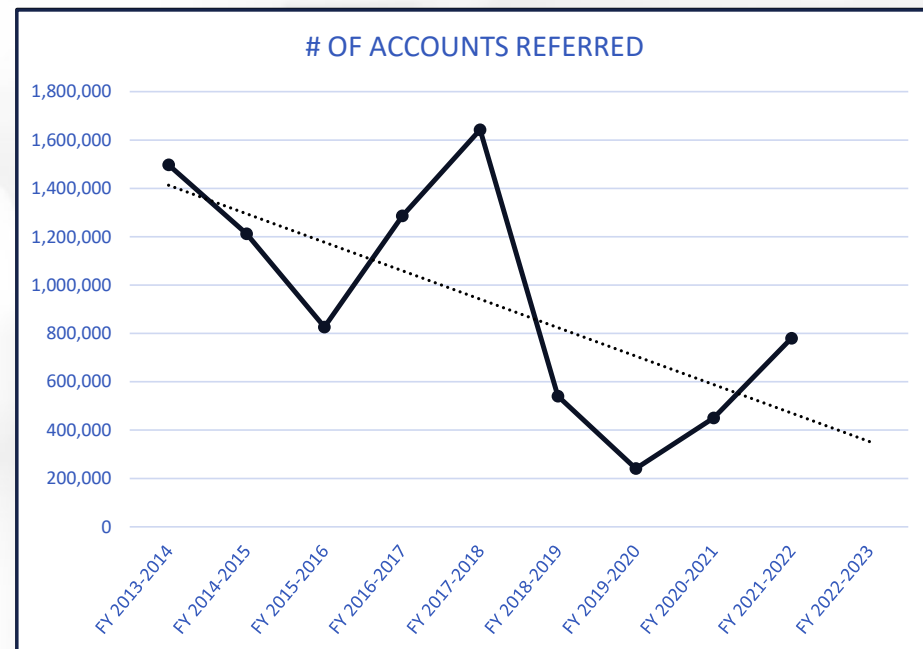
FISCAL YEAR	AMOUNT REFERRED
FY 2013-2014	\$ 523,711,632
FY 2014-2015	\$ 246,259,376
FY 2015-2016	\$ 191,579,845
FY 2016-2017	\$ 196,404,477
FY 2017-2018	\$ 217,971,065
FY 2018-2019	\$ 165,755,554
FY 2019-2020	\$ 114,134,641
FY 2020-2021	\$ 202,695,534
FY 2021-2022	\$ 291,939,175
FY 2022-2023	
TOTAL	\$ 2,150,451,299



Where Are We Now: AR Referrals

- AR - Number of Accounts referred by fiscal year

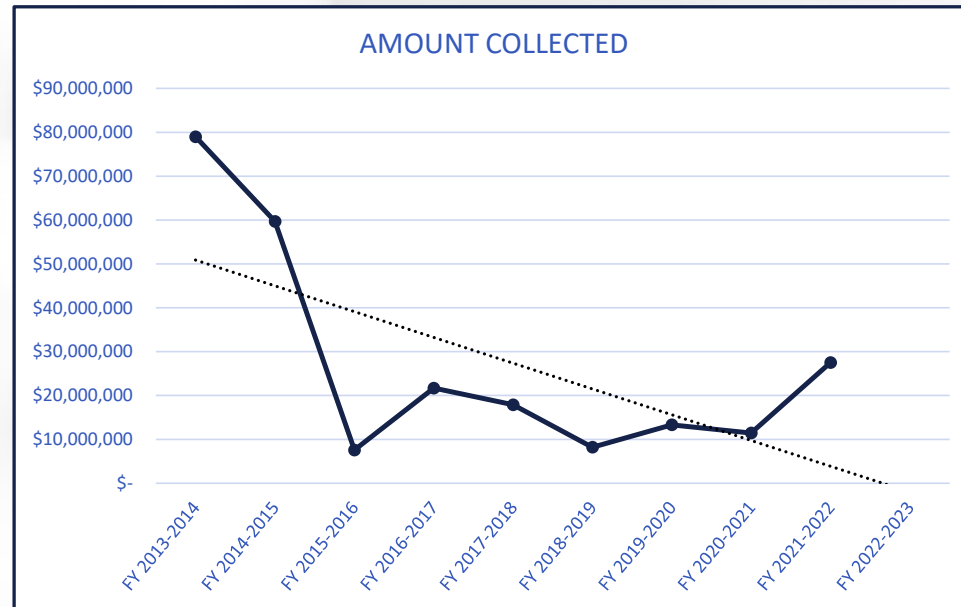
FISCAL YEAR	# OF ACCOUNTS REFERRED
FY 2013-2014	1,497,039
FY 2014-2015	1,212,054
FY 2015-2016	826,300
FY 2016-2017	1,285,930
FY 2017-2018	1,642,486
FY 2018-2019	540,061
FY 2019-2020	240,964
FY 2020-2021	449,924
FY 2021-2022	780,004
TOTAL	8,474,762



Where Are We Now: AR Recovery

- Amount Collection by fiscal year

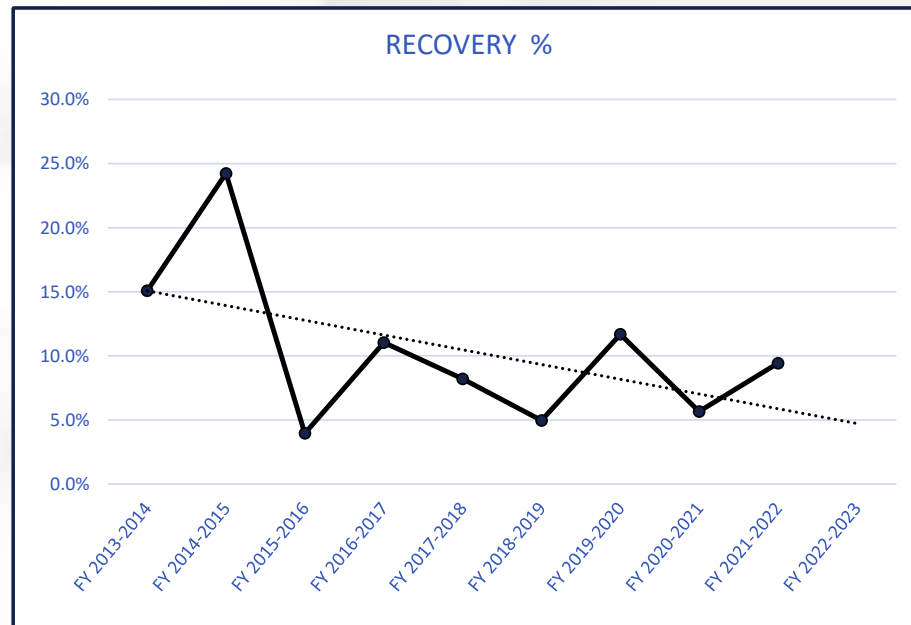
FISCAL YEAR	AMOUNT COLLECTED
FY 2013-2014	\$ 78,976,791
FY 2014-2015	\$ 59,685,755
FY 2015-2016	\$ 7,584,333
FY 2016-2017	\$ 21,691,658
FY 2017-2018	\$ 17,887,657
FY 2018-2019	\$ 8,224,130
FY 2019-2020	\$ 13,332,968
FY 2020-2021	\$ 11,470,083
FY 2021-2022	\$ 27,524,318
TOTAL	\$ 246,377,693



Where Are We Now: AR Recovery

- AR Statewide recovery percentages

FISCAL YEAR	RECOVERY %
FY 2013-2014	15.1%
FY 2014-2015	24.2%
FY 2015-2016	4.0%
FY 2016-2017	11.0%
FY 2017-2018	8.2%
FY 2018-2019	5.0%
FY 2019-2020	11.7%
FY 2020-2021	5.7%
FY 2021-2022	9.4%
FY 2022-2023	
AVERAGE	10.5%





Question & Answers

SECTION NOTES:

DEPARTMENT OF FINANCIAL SERVICES

Guidance & References

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Guidance & References

- Statutes, Rules, United States Code, Memorandums & Guides
 - [Florida Statute 17.04](#) – To audit and adjust accounts of officers and those indebted to the state.
 - Primary Authority for all DC accounts. “Authority to audit, settle, examine, and adjust accts”
 - [Florida Statute 17.20](#) – Assignment of claims for collection.
 - States that a State Agency (SA) must exercise due diligence in securing full payment of all accounts receivables
 - Stipulates that the debt be placed, no later than day 120 days after the date on which the account receivable became delinquent, with a Debt Collection Agent (DCA)
 - Excludes any SA that has their own independent statutory authority to collect delinquent accounts
 - Allows the CFO to review a request from a SA for exemption from parts of this
 - The SA places the delinquent debt with a DCA
 - At or before day 120 of delinquency
 - After day 120 the SA is out of compliance with F.S. 17.20

Guidance & References

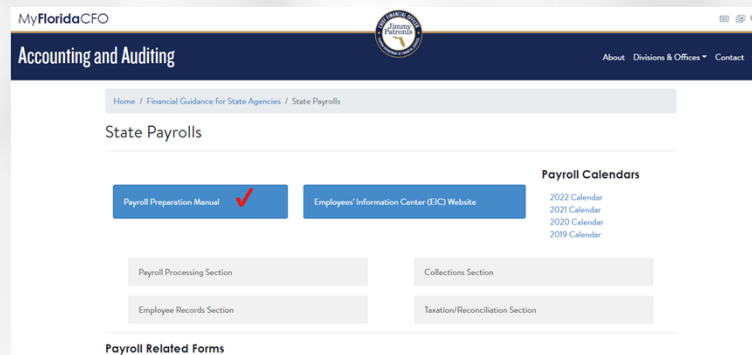
- [Florida Statute 95.011](#) – Applicability
 - Referring to a civil action or proceeding called an “action” in F.S. Chapter 95.
- [Florida Statute 95.11](#) – Limitations other than for the recover of real property
 - Limitations on “actions” other than for the recovery of real property.
- [Florida Administrative Code 69I-21](#) – Audit and Adjustment of Accounts and Recovery of Accounts Receivables
 - .001 – Applicability and Definitions
 - .002 – Procedure for Adjustment of State-Owned Property Records
 - .003 – Procedure for Collection of Delinquent Accounts
 - .004 – Recovery of Non-salary Sums Due the State from State Officers and Employees
 - .005 – Procedure for Processing and Approving Settlement of Claims in Favor of the State
- [15 U.S.C. CHAPTER 41 SECTION 1692](#) – Fair Debt Collection Practices Act
 - [Florida Statute 222.11](#)

Guidance & References

- **Forms**
 - Financial Reporting
 - DFS-A1-1829 DFS Debt Collection Referral Form
 - DFS-A1-1950 Accounts Receivables Write-Off Form
 - DFS-A1-1951 Property Write-Off Form
 - DFS-A6-2095 Annual Report of Claims for Collections Form
- **Chief Financial Officer Memorandum No. 14, 2022-23** – Claims for Collections
- **Chief Financial Officer Memorandum No. 22, 2022-23** – Reporting Delinquent Accounts – Section 17.20, Florida Statutes

Guidance & References

- [Reference Guide for State Expenditures](#)
 - Pages 79 – 80
 - Settlement Claims Against the State
- [Payroll Preparation Manual](#)
 - Volume IV, Section II
 - Pages 1-10 (96 of PDF)
 - Payroll Processing Back Pay / Settlement / Retroactive Pay / Manual Payroll



Guidance & References

Bankruptcies:

- In the case of bankruptcies, State agencies should cease collection efforts and ensure that accounts are closed with the collection agency in a timely manner. **An order of discharge** in bankruptcy officially ends your personal liability **on certain debt**. It also orders a permanent stop to collection actions. However, there are **certain debts that are not discharged and should be collected on** once the bankruptcy period ends. Examples of these debts are as follows:
 - Child Support, Alimony, or other types of court-ordered domestic support obligation
 - Government-backed student loan debt unless qualified for a hardship
 - IRS Debt (some exceptions for old income tax debt)
 - Debt stemmed from DUI-related personal injury or property damage case
 - Court Fines & Fees
 - Secured Creditor (mortgage company) have right to their property
 - Some unlisted or improperly listed debts

Guidance & References

There are six types of Bankruptcies:

1. Chapter 7–Liquidation Four to six months
2. Chapter 9–Municipalities Few months to a few years
3. Chapter 11–Large Reorganization 7 months to five years
4. Chapter 12–Family Farmers Three to Five years
5. Chapter 13–Repayment Plan Three to Five years
6. Chapter 15–Used in Foreign Cases Few months to a few years

Guidance & References

Regulation F

- Reg F is an amendment to 12 CFR part 1006, which implements Fair Debt Collection Practices Act or FDCPA
- Brings changes to debt collections law
- Outlines and clarifies precise parameters on what time and where consumers may be contacted.
- Prevents excess contacting
- Clarifies new 7-in-7 rule
- Offers five (5) mandated “Itemization Dates” to choose from

Guidance & References

- 7-in-7 rule – Stipulates that there may be no more than seven calls made by a debt collector to a consumer in a span of seven days.
- Debt collector may not attempt to contact consumer before 8 a.m. or after 9 p.m. in the consumer's local time zone unless state has its own time restrictions that supersede Reg F
- Debt collectors may not attempt to contact a consumer at their place of employment.
- Itemization dates – There are five dates to choose from to prevent consumer confusion:
 - Last statement date
 - Charge-off date
 - Last payment date
 - Transaction date
 - Judgement date

Guidance & References

Exemptions & Extensions

“If an agency determines that accounts are **inappropriate for assignment** to a collection agency, or if the agency determines that a **different period of time for assignment** is more appropriate, the agency must request an exemption from the Chief Financial Officer (CFO) in writing, unless a **qualified exception applies**. The exemption request for not assigning accounts to a collection agency must **fully explain** the nature of the delinquent accounts and **the reasons why** such accounts should be precluded from being assigned to a collection agency. The reason(s) must indicate that a **demonstrative harm** to the state will occur as a result of assignment to a collection agency. Any request for a different period of time for assignment must include an appropriate recommended period.”

Guidance & References

An agency does not need to request an exemption from the CFO* if any of the following applies:

1. Debtor has filed for bankruptcy and debt is discharged.
2. Debtor is deceased.
3. The account has reached its respective statute of limitations.
4. Debtor is actively making payments according to a payment plan agreed upon and acceptable to the agency.
5. Debtor is a department, division, agency, office, commission, board, or entity within the legislative, executive, or judicial branch of the State of Florida.
6. Debtor is a local government entity as defined in Section 218.31(1), F.S.

*See CFO Memo No. 14 Claims for Collections

Guidance & References

- Exemption / Extension Requests are renewed annually.
- Please send the Exemption / Extension letter via email to:

Tammy Eastman, Chief
Bureau of Financial Reporting
Division of Accounting and Auditing
Department of Financial Services
FinancialReporting@myfloridacfo.com.

Question & Answers



SECTION NOTES:

DEPARTMENT OF FINANCIAL SERVICES

Account Receivables Placements

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Account Receivables Placements

New Procedure for HR Collections

- Beginning July 1, 2023, agencies will submit salary overpayment debts directly with their agency's debt collection vendor(s), not the Bureau Of State Payroll (BOSP).
- Any requirements for placing the debt with the vendor should be determined by the agency.
- BOSP will periodically conduct random audits and request back up documentation for employees submitted to collections.

Account Receivables Placements

- As was supplied to BOSP previously, BOSP will require the following information during the audit of the collection request packet:
 1. Written communication fulfilling due diligence requirements of Section 17.20, Florida Statute.
 2. Copies of letters and certified mail receipts –
 - agencies are required to send two (2) certified letters
 3. Copies of salary overpayment calculation
 4. All correspondence with the employee concerning the overpayment.

Account Receivables Placements

- Complete and submit a Debt Collection Referral Form to selected vendor no later than 120 days after the original due date.

[69I-21.003: Procedure for Collection of Delinquent Accounts](#)

- Submit accounts to collections using the Agency Approved Debt Collection Referral Form [DFS-A1-1829](#)

Client ID	Responsible Party First Name	Responsible Party Last Name / Business Name	Co-Debtor	FEIN/SSN

- Accounts can be withdrawn and placed at agency discretion.
- Complete the Vendor Selection Agreement Form to use a new collection vendor. Contact FinancialReporting@myfloridacfo.com for a copy of the form.

- **Vendor Selection Agreement Form**
- The Submitting State Entity (SSE) and the Contractor both agree to meet the responsibilities in the Contract # _____ resulting from Request for Proposal (RFP) DFS AC RFP 15/16-09.
- Any contract concerns or issues will be brought to the attention of the Contract Manager for resolution.
- IN WITNESS WHEREOF, the parties by their duly authorized representatives have signed this Agreement.
- _____
- Contractor Name _____ State Agency Name _____
- _____
- Contractor Representative Name: _____ State Agency Representative Name: _____
- _____
- Contractor Representative Signature: _____ State Agency Representative Signature: _____
- Title: _____ Title: _____
- Date: _____ Date: _____

Attachment J Vendor Selection Agreement Form

Account Receivables and Placements

FACTS ID	FLAIR ID	VENDOR NAME	SHORT NAME	COLLECTION FEE 2022-2025	COLLECTION FEE IF RENEWED 2025-2028
AC106	D1844	DTG HOLDING INC dba ACCESS RECEIVABLES MANAGEMENT Contact: Cheryl Penn, cpenn@access-receivables.com, (667) 278-9050	ARM	12.75%	12.75%
AC107	D1845	CREDIT MANAGEMENT, LP Contact: Jay Johnson, jjohnson@thecmigroup.com, (469) 476-9755	CML	14.00%	14.00%
AC108	D1846	COAST PROFESSIONAL, INC Contact: Brandon Haas, bhaas@coastprofessional.com, (513) 520-7718	CPI	16.95%	16.95%
AC110	D1848	NATIONAL ENTERPRISE SYSTEMS, INC Contact: Jim Valhalik, jvalhalik@nes1.com, (614) 361-7363	NES	14.00%	13.00%
AC111	D1849	PERDUE BRANDON FIELDER COLLINS & MOTT, LLP Contact: Justin Brom, jbrom@pbfc.com, (800) 525-2481	PBF	18.50%	18.50%
AC112	D1850	LAW OFFICE OF ROBERT A SCHUERGER, CO., LPA dba SCHUERGER LAW GROUP Michael Matkowsky, mmatkowsky@shuegerlaw.com, (215) 272-1335	SLG	16.00%	16.00%
AC113	D1851	TRANSWORLD SYSTEMS, INC Contact: Barb Lucas, Barb.Lucas@accountcontrol.com, (540) 848-1556	TSI	16.00%	16.00%
AC114	D1852	UNITED COLLECTION BUREAU, INC Contact: Jeff Horner, jwhorner@ucbinc.com, (614) 732-5005	UCB	15.00%	16.00%

Question & Answers



SECTION NOTES:

DEPARTMENT OF FINANCIAL SERVICES

Accounts Receivables Monitoring

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Accounts Receivables Monitoring

REQUIRED REPORTS			
NUMBER	NAME / DESCRIPTION	DUE DATE TO STATE AGENCY / DEPARTMENT	DETAILS
1CAR	<u>CLAIMS ACKNOWLEDGEMENT REPORT</u>	<u>STATE AGENCY</u>	<u>REQUIRED FIELDS</u>
	Identifies all new account assignments to the Contractor	Within three (3) business days of the SSA's account assignment to the Contractor.	
	<u>SPECIAL INSTRUCTIONS</u>	<u>DEPARTMENT'S CONTRACT MANAGER</u>	
	<i>If nothing to report, type "Nothing to Report" in the body of the report.</i>	Report due on the third business day of the following month to include all accounts placed and acknowledged.	A. Vendor ID B. SSA ID Number C. Vendor Unique Account Number D. Debtor Name E. Account Number F. SSN/FEIN G. Original Due Date H. Assignment Date I. Debt Type J. Original Balance K. Collection Percentage

Accounts Receivables Monitoring

REQUIRED REPORTS			
NUMBER	NAME / DESCRIPTION	DUE DATE TO STATE AGENCY / DEPARTMENT	DETAILS
2ER	<u>EXCEPTIONS REPORT</u>	<u>STATE AGENCY</u>	<u>REQUIRED FIELDS</u>
	Identifies all account placement errors	Within one (1) business day of the SSA's account assignment to the Contractor.	
	<u>SPECIAL INSTRUCTIONS</u>	<u>DEPARTMENT'S CONTRACT MANAGER</u>	
	<i>If nothing to report, type "Nothing to Report" in the body of the report.</i>	Report due on the third business day of the following month to include all exceptions.	A. Vendor ID B. SSA Client ID C. Number of Errors D. Error Field E. Type of Error F. File Name G. File Date H. Submitter Name

Accounts Receivables Monitoring

REQUIRED REPORTS			
NUMBER	NAME / DESCRIPTION	DUE DATE TO STATE AGENCY / DEPARTMENT	DETAILS
3STR	<p><u>SKIP TRACING REPORT</u></p> <p>To be used by the Contractor to send updated Debtor information back to the SSA</p>	<p><u>STATE AGENCY</u></p> <p>Report due the third business day of the following month to each individual SSA.</p>	<p><u>REQUIRED FIELDS</u></p> <p>A. Vendor ID B. SSA Client ID C. Vendor Unique Account Number D. Debtor Name E. Account Number F. SSN/FEIN G. Updated Telephone Number H. Updated Cell Phone Number I. Updated Address J. Update Email Address K. Additional Information</p>
		<p><u>DEPARTMENT'S CONTRACT MANAGER</u></p> <p>Report due on the third business day of the following month to include all updated Debtor information.</p>	

Accounts Receivables Monitoring

REQUIRED REPORTS			
NUMBER	NAME / DESCRIPTION	DUE DATE TO STATE AGENCY / DEPARTMENT	DETAILS
4CER	<u>COLLECTION EFFORT REPORT</u>	<u>STATE AGENCY</u>	<u>REQUIRED FIELDS</u>
	Identifies monthly collection efforts for each account	Report due the third business day of the following month to each individual SSA	
	<u>SPECIAL INSTRUCTIONS</u>	<u>DEPARTMENT'S CONTRACT MANAGER</u>	
	<i>If Debt Collection Agent has worked with DFS before, please report by contract period.</i>	Report due the third business day of the following month to include all collection efforts.	
			A. Vendor ID B. SSA ID Number C. Vendor Unique Account Number D. Debtor Name E. Account Number F. SSN/FEIN G. Original Due Date H. Assignment Date I. Debt Type J. Original Balance K. Outstanding Balance L. Number of Phone Calls M. Dates of Phone Calls N. Number of Letters Sent O. Dates of Letters Sent P. Number of Text Messages Sent Q. Dates of Text Messages Sent R. Number of Emails Sent S. Dates of Emails Sent T. Number of Skip Tracing Attempts U. Dates of Skip Tracing Attempts V. Name of Credit Reporting Agencies W. Number of times Reported to the Credit Reporting Agency X. Dates of Credit Reports

Accounts Receivables Monitoring

REQUIRED REPORTS			
NUMBER	NAME / DESCRIPTION	DUE DATE TO STATE AGENCY / DEPARTMENT	DETAILS
5CAI	<u>CUMULATIVE ACCOUNT INVENTORY</u>	<u>STATE AGENCY</u>	<u>REQUIRED FIELDS</u>
	Identifies account history for assigned or closed accounts	Report due the third business day of the following month to each individual SSA.	
	<u>SPECIAL INSTRUCTIONS</u>	<u>DEPARTMENT'S CONTRACT MANAGER</u>	
	<i>If Debt Collection Agent has worked with DFS before, please report by contract period.</i>	Report due on the third business day of the following month to include the complete account inventory.	
	<i>Exclude accounts closed, recalled, returned to the SSA if they have been reported at least once to the DFS Contract Manager.</i>		A. Vendor ID B. SSA Client ID C. Vendor Unique Account number D. Debtor Name E. Account Number F. SSN/FEIN G. Original Due Date H. Assignment Date I. Debt Type J. Original Balance K. Outstanding Balance L. Total Amount Collected M. Principal Amount Collected N. Collection Fee Amount Collected O. Collection Percentage P. Payment Dates Q. Payment Remittance Date R. Status of Account

Accounts Receivables Monitoring

REQUIRED REPORTS			
NUMBER	NAME / DESCRIPTION	DUE DATE TO STATE AGENCY / DEPARTMENT	DETAILS
6CAS	<p><u>COLLECTION ACTIVITY STATEMENT</u></p> <p>Statement of itemized collections and Collection Fees</p> <p><u>SPECIAL INSTRUCTIONS</u></p> <p><i>If Debt Collection Agent has worked with DFS before, please report by contract period.</i></p>	<p><u>STATE AGENCY</u></p> <p>Report at the time of payment submittal and also due the third business day of the following month to each individual SSA</p> <p><u>DEPARTMENT'S CONTRACT MANAGER</u></p> <p>Report due on the third business day of the following month to include all collection activity performed.</p>	<p><u>REQUIRED FIELDS</u></p> <p>A. Vendor ID B. SSA Client ID C. Vendor Unique Account number D. Debtor Name E. Account Number F. SSN/FEIN G. Original Due Date H. Assignment Date I. Debt Type J. Original Balance K. Outstanding Balance L. Total Amount Collected M. Principal Amount Collected N. Collection Fee Collected O. Collection Percentage P. Payment Date Q. Payment Remittance Date</p>

Accounts Receivables Monitoring

REQUIRED REPORTS			
NUMBER	NAME / DESCRIPTION	DUE DATE TO STATE AGENCY / DEPARTMENT	DETAILS
7C&RR	<p><u>CLOSE AND RETURN REPORT</u></p> <p>All accounts that are closed, suspended, and / or returned upon request by the Department or SSA</p> <p><u>SPECIAL INSTRUCTIONS</u></p> <p><i>If Debt Collection Contractor has worked with DFS before, please indicate contract period on the report.</i></p> <p><i>Exclude accounts closed, recalled, returned to the SSA if they have been reported at least once to the DFS Contract Manager.</i></p>	<p><u>STATE AGENCY</u></p> <p>Report due the third business day of the following month to each individual SSA.</p> <p><u>DEPARTMENT'S CONTRACT MANAGER</u></p> <p>Report due on the third business day of the following month to include all closed and returned accounts that have not been reported before.</p>	<p><u>REQUIRED FIELDS</u></p> <ul style="list-style-type: none"> A. Vendor ID B. SSA Client ID C. Vendor Unique Account number D. Debtor Name E. Account Number F. SSN/FEIN G. Original Due Date H. Assignment Date I. Debt Type J. Original Balance K. Outstanding Balance L. Amount Collected M. Collection Fees Collected N. Explanation of Closed/Returned Accounts

Accounts Receivables Monitoring

REQUIRED REPORTS			
NUMBER	NAME / DESCRIPTION	DUE DATE TO STATE AGENCY / DEPARTMENT	DETAILS
8CSR	<u>COLLECTION SUMMARY REPORT</u> Provides each SSA the total account assignment and collection amounts	<u>STATE AGENCY</u> Report due the third business day of the following month to each individual SSA.	<u>REQUIRED FIELDS</u> A. Vendor ID B. SSA Client ID C. Number of Accounts Assigned D. Dollar Amount Listed E. Dollar Amount Remitted to Agency F. Collection Fee Collected G. Collection Percentage
	<u>SPECIAL INSTRUCTIONS</u> <i>If Debt Collection Contractor has worked with DFS before, please indicate contract period on the report.</i>	<u>DEPARTMENT'S CONTRACT MANAGER</u> Report due on the third business day of the following month to include the complete account inventory.	

Accounts Receivables Monitoring

Monitoring

- Communications
- Placements / Returns
- Keep information updated
 - To the Vendors
 - From the Vendors
- Continue educating yourself, look for changes:
 - Laws / Statutes
 - Ask questions
 - Research
- Customer Services
- Results

Question & Answers



SECTION NOTES:

DEPARTMENT OF FINANCIAL SERVICES

Accounts Receivable Write-Off & Property Adjustment Process

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Accounts Receivables Write-off

Process for Requesting AR Write-off

- Submit a letter signed by the Finance and Accounting Chief or Equivalent stating the total amount and number of accounts and an explanation as to why the accounts need to be written-off
- Submit completed Form DFS-A1-1950
 - (Always check for an updated template.)
- Email to FinancialReporting@myfloridaCFO.com
- Once a complete write off request is received from an Agency, DFS Staff has 30 days to assign, review, process and approve the request.
- Please do not send in a request for write off the last few weeks of the fiscal year and expect it to be returned to you by year end.

Consideration

- Due Diligence
- Generally Accepted Accounting Principles (GAAP)

Criteria

- Deceased debtor
- Bankruptcy
- Statute of Limitations
- *Other

AR Write-Off

examine, audit, adjust, and settle any accounts of the state

Accounts Receivables Write-off

- Statute of Limitations:
 - Located in Section 95.11 Florida Statutes
 - A statute of limitations is the **limited period of time** State Agency have to file some sort of legal action against a debtor to recover a debt. Most statutes of limitations fall in the two to five years range, although some may run longer depending on the debt type.

Accounts Receivables Write-off

- **A write-off is an accounting function and not debt forgiveness**
- Missing & Stolen Property ONLY
 - Reference Section 273, F.S. State-owned Tangible Property
 - 69I-21.002- Property adjustment requirements
 - DFS-A1-1951
 - Request Letter
- Consideration
 - Missing Property
 - Internal Control documentation
 - FLAIR printouts
 - Stolen Property
 - Police Reports

Question & Answers



SECTION NOTES:

DEPARTMENT OF FINANCIAL SERVICES

17.20 Annual Claims for Collection

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17.20 Annual Claims for Collection

- [Chief Financial Officer Memorandum](#) No. 14, 2021-22 – Claims for Collections
- [Chief Financial Officer Memorandum](#) No. 22, 2021-22 – Reporting Delinquent Accounts – Section 17.20, Florida Statutes

17.20 Annual Claims for Collection

- 17.20(2)- CFO responsibilities regarding the collection of state-owned debt
- 17.20(3)- Agency responsibilities regarding the collection of state-owned debt
- 17.20(4)- Agency Annual Claims for Collection Annual Report
- 17.20(5)- CFO Annual Claims for Collection Annual Report

17.20 Annual Claims for Collection

- Due Diligence means: The reasonable actions taken by a State Agency in order to secure full payment of a State Owed Debt. These actions are not harmful, annoying, or malicious to the debtor.
 - During the 120-day period,
 - how many letters are sent to a debtor? At what intervals?
 - how many phone calls are made? At what intervals?
 - if your Agency has permission to communicate with a debtor via email or text, how many are sent? At what intervals?

17.20 Annual Claims for Collection

- 17.20- State Agencies are to exercise due diligence in securing full payment of all accounts receivable and other claims due the state.
 - Refer accounts to collection on or before day 120 of delinquency.
- Rule 69I- Allows for a State Agency that has independent statutory authority to collect delinquent accounts outside of F.S. 17.20;
 - Documents, policies and procedures which fully explain the process of exercising due diligence. Keep them up-to-date.
- Submit your annual Claims for Collection Report by October 1.

17.20 Annual Claims for Collection

- CFO
 - May assign claims to a DCA
 - May authorize the DCA to add a collection fee
 - Finalize the Annual Report
 - Compilation of ALL SA's 17.20 Report

F17.20 Annual Claims for Collection

- Report Template [DFS-A6-2095](#)
- Tab A - Accounts Referred for Collections
- Tab B - Accounts Not Referred for Collections
- Tab C - All Accounts Written-Off

**Due by
October 1**

17.20 Annual Claims for Collection

- Tab 1 – Claims Referred for Collection
- Tab 2 – Outstanding Accounts by Agency & Amount
- Tab 3 – Timeliness of Claims Referral
- Tab 4 – Amount of Claims Collected

**Due by
December 1**

17.20 Annual Claims for Collection

- Timeliness – Due by October 1 not after
- Template – do not alter
 - Date format – keep the XX/XX/XX date format (is posted on our website now)
- Complete All Required Fields
- Use Explanation Field if > 120 days.

17.20 Annual Claims for Collection

- Executive Summary – what do you see?
 - Narrative
 - Trends
 - Statistics
 - Compliance
 - Successes
 - Challenges

Question & Answers



SECTION NOTES:

Contact Information

- **Tammy Eastman**
850-413-5746
Tammy.Eastman@myfloridacfo.com
- **Susan Sloan**
850-413-5643
Susan.Sloan@myfloridacfo.com
- **John Herrington**
850-413-5458
John.Herrington@myfloridacfo.com
- **Claims for Collections**
FinancialReporting@myfloridacfo.com
- **Accounting & Auditing Website**
<https://www.myfloridacfo.com/division/aa/home>

DEPARTMENT OF FINANCIAL SERVICES



CFO JIMMY PATRONIS