

**FISCAL YEAR 2001 REPORT TO THE CONGRESS
U.S. GOVERNMENT RECEIVABLES AND
DEBT COLLECTION ACTIVITIES
OF
FEDERAL AGENCIES**

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I - EXECUTIVE SUMMARY

A - Legislative Requirement to Report

The Debt Collection Act of 1982 as amended by the Debt Collection Improvement Act of 1996 (DCIA) directs the Secretary of the Treasury (Secretary) to report to Congress annually on the management of debt collection activities by the head of each Federal agency. The report is also to include the information that the agency heads provide to the Secretary on the status of loans and accounts receivable that each manages.
See 31 U.S.C. § 3719.

B - Scope of Report

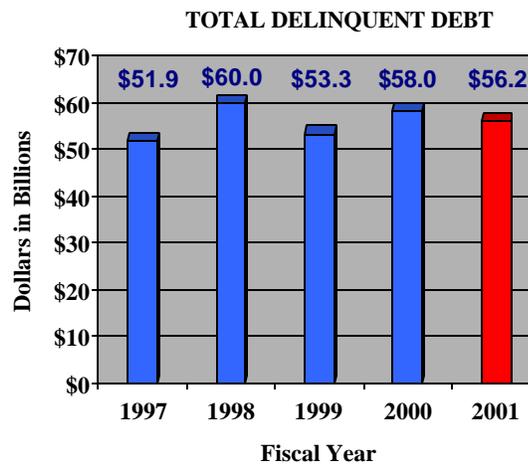
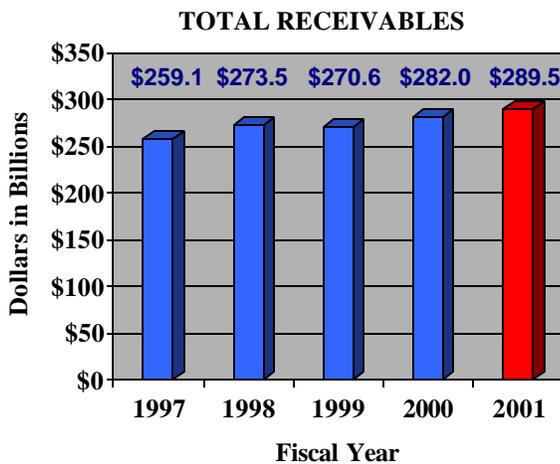
This report summarizes the information provided by Federal agencies concerning their receivables as reported to the Department of the Treasury (Treasury) and as contained in Treasury's Report on Receivables Due from the Public (TROR). It includes information concerning total receivables, collections on receivables, delinquencies, collections on delinquencies and write-offs. It also summarizes key government-wide actions to collect delinquent debt, a specific concern that led to the passage of the DCIA. Additionally, this report highlights several special and/or unique collection activities and accomplishments of certain Federal agencies.

C - Accomplishments and Successes

- Through September 30, 2001, \$12.2 billion has been collected through Treasury offset and cross-servicing programs since the enactment of DCIA in April 1996.
- The Federal government collected \$109.7 billion in fiscal year (FY) 2001 on all its nontax receivables, which was \$10.3 billion more than FY 2000 collections.
- At the end of FY 2001, Federal agencies' compliance with the provisions of the DCIA mandating the referral of debts to Treasury improved to 92 percent of eligible debts for offset (as compared to 86 percent in 2000) and 74 percent of eligible debt for cross-servicing (as compared to 71 percent in 2000).
- In FY 2001, the Department of Justice (DOJ) collected over \$2.9 billion in cash recoveries on delinquent debts owed to Federal agencies through its financial litigation program. DOJ has collected a total of \$10.7 billion through civil litigation in the last five fiscal years.
- As of September 30, 2001, private collection agencies (PCAs) under contract with the Department of Education (Education), the Department of Health and Human Services (HHS) and Treasury had referrals of \$12.7 billion in Federal debt, and in FY 2001 these PCAs collected \$395.4 million.
- In FY 2001, the Department of Housing and Urban Development (HUD) and the Small Business Administration (SBA) completed loan asset sales of performing and nonperforming loans totaling \$3 billion in unpaid principal balance. These sales generated \$2 billion in gross proceeds.

- Total collections by Treasury’s Financial Management Service (FMS) on delinquent debts through its Treasury Offset Program (TOP) and its Cross-Servicing Program were \$3.16 billion in FY 2001. This is an increase of \$530 million over FY 2000. The increase was primarily due to offsets of *Advanced Refund Credit Payments* (i.e., tax rebates) which totaled \$471 million in FY 2001.

II - GOVERNMENT DEBT PORTFOLIO, COLLECTIONS AND WRITE-OFFS



A - Fiscal Year End Data

1. Receivables and Delinquent Debt

- The two agencies with the largest total receivables at the end of FY 2001 are the Department of Agriculture (USDA) (\$103.2 billion) and Education (\$83.2 billion). Receivables from these two agencies comprise 64.4 percent of the Government’s total receivables.
- Five distinct programs accounted for over \$100 billion of USDA receivables: rural utilities (\$31.4 billion); rural housing (\$28.6 billion); Commodity Credit Corporation (\$22 billion); agricultural credit (\$9.9 billion); and rural development (\$9 billion).

**REPORT TO CONGRESS: RECEIVABLES AND DEBT COLLECTION ACTIVITIES OF
FEDERAL AGENCIES**

- Student loan programs accounted for almost all of Education’s receivables: direct student loans (\$71.8 billion), and defaulted guaranteed student loans (\$10.4 billion).

Type of Receivable	Total Receivables as of 9/30/01 (in billions)	Percentage of Total Receivables	Delinquencies as of 9/30/01 (in billions)	Delinquencies as a Percentage of Receivables
Direct Loan	\$215.4	74.4	\$23	10.7
Administrative *	\$45.8	15.8	\$16.6	36.2
Defaulted Guaranteed Loan	\$28.3	9.8	\$16.6	58.7
Totals	\$289.5	100	\$56.2	19.4

*Includes fines, penalties and overpayments, etc.

- Almost three-quarters of the Government’s receivables were direct loans. Government-wide, delinquencies as a percentage of receivables varied significantly between direct loans, defaulted guaranteed loans, and administrative debts.
- At the end of FY 2001, \$43.8 billion (78 percent) of the Government’s delinquent debts were distributed among 6 agencies: Education, Federal Communications Commission (FCC), USDA, HHS, Export-Import Bank, and Department of Defense (DoD).
- Debts delinquent less than 180 days totaled \$14.8 billion, or 26 percent of the total amount of delinquent debts.

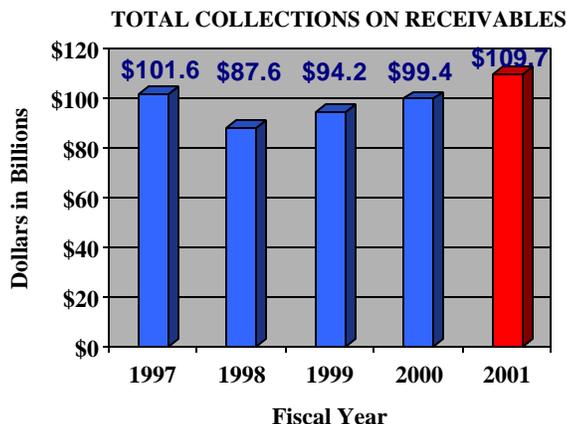
The age of debts more than 180 delinquent at the end of FY 2001 is denoted in the table below.

- Debts more than 180 days delinquent totaled \$41.4 billion at the end of FY 2001, as compared to \$38.1 billion at the end of FY 2000. Agencies reporting significant changes in FY 2001 were Education (an increase of \$4.3 billion) and FCC (a decrease of \$2.1 billion).

Time Delinquent	\$ Amount of Debts (in billions)	Ratio to all debts > 180 days delinquent (in percent)
181-365 days	5.6	13.5
1-2 years	11.1	26.8
2-6 years	14.7	35.5
6-10 years	7	16.9
Over 10 years	3	7.2

2. Collections and Write-offs

- Total collections on receivables increased by \$10.3 billion in FY 2001, a 10.4 percent increase over FY 2000 collections.



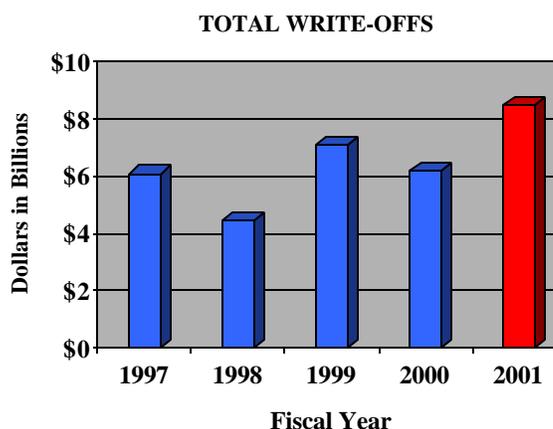
- Agencies that reported significant increases in collections were FCC (an increase of \$5.1 billion), Education (an increase of \$2.1 billion), and SBA (an increase of \$1.2 billion).

Type of Receivable	Collection s in FY 2001 (in billions)	Percentage of all FY 2001 collections	Collection Rate*
Direct Loan	\$33.9	30.9	15.7
Administrative	\$69.5	63.4	151.7
Defaulted Guaranteed Loan	\$6.3	5.7	22.3
Totals	\$109.7	100	37.9

*Figured by dividing collections by year end receivables

- Over 60 percent of all collections in FY 2001 were made on administrative receivables. Collection rates varied significantly by type of receivable.

- Total write-offs increased by \$2.3 billion in FY 2001, a 37.1 percent increase over FY 2000 write-offs. USDA write-offs increased by \$1.9 billion over FY 2000 write-offs.



- Agencies charge interest, penalties, and administrative costs on receivables in accordance with applicable loan documents and statutory requirements. See 31 U.S.C. 3717. Of the \$289.5 billion in receivables at the end of FY 2001, \$8.8 billion represents unpaid interest, penalties, and administrative costs.

3. Analysis for Mandatory Referral to Treasury Under the DCIA

Debts Eligible for Referral to TOP and Cross-Servicing (\$ in billions)			
	For FY 2000 (As of 9/30/99)	For FY 2001 (As of 9/30/00)	For FY 2002 (As of 9/30/01)
Total CNC* and Debt > 180 Days Delinquent but < 10 years Delinquent	\$59.2	\$61.8	\$63.3
Eligible to Refer for Offset	\$31.3	\$31.3	\$33.5
Eligible to Refer for Cross- Servicing	\$6.4	\$6.9	\$7.2

**"Currently Not Collectible" – delinquent debts written off but not closed out (see Appendix I).

- The DCIA specifically mandates that Federal agencies, with certain exemptions, transfer nontax debt more than 180 days delinquent to Treasury for collection through offset and/or cross-servicing.
- Each year, an analysis is done to determine the dollar amount of delinquent debts eligible for referral to Treasury for offset and cross-servicing in the upcoming fiscal year. For FY 2001, this analysis has been incorporated as part of agencies' reporting for the TROR, and provides referral eligibility information for FY 2002.
- In the analysis, delinquent debts reported as currently not collectible (CNC) are added to debts reported as more than 180 days but less than 10 years delinquent to determine the starting amount for calculating the amounts eligible for referral.
- Certain debts are not eligible for referral to Treasury for either offset or cross-servicing because of various exemptions permitted under the DCIA or otherwise required by law. Debts exempt from both offset and cross-servicing include those in bankruptcy, appeals, or forbearance; debts referred to DOJ for litigation; or foreclosure and foreign/sovereign debts. Additional exemptions from cross-servicing include debts at private collection agencies, debts eligible for internal offset, and debts exempted from cross-servicing by Treasury.

B - Key Trends

- Growth in the Federal Government's portfolio in the last few years can be attributed to increases in Education's receivables. Education's receivables rose \$13.2 billion in FY 2001 to \$83.2 billion, as compared to \$70 billion at the end of FY 2000, and \$57.3 billion at the end of FY 1999. Education's receivables represented 28.7 percent

of the Government's total receivables at the end of FY 2001, up from 21.2 percent at the end of FY 1999.

- Education's ratio of delinquencies to receivables declined to 23.1 percent at the end of FY 2001 after being fairly constant in FY 1999 (26.75 percent) and FY 2000 (26.66 percent).
- USDA's receivables and delinquencies have remained fairly constant over the last three fiscal years. Receivables and delinquencies totaled \$103.4 billion and \$6.4 billion, respectively, at the end of FY 1999; \$104.7 billion and \$6.3 billion, respectively, at the end of FY 2000; and \$103.1 billion and \$6.2 billion, respectively, at the end of FY 2001.

	FY 1999	FY 2000	FY 2001
Debts >180 days delinquent	\$38.5 billion	\$38.1 billion	\$41.4 billion
As a % of total receivables	14.2	13.5	14.4

- At the end of FY 2001, debts more than 180 days delinquent in comparison to total receivables rose to FY 1999 levels after declining slightly in FY 2000.

Detailed data for 12 specific agencies for FY 2001 can be found on the *Federal Receivables and Delinquent Debt* table in the Appendix I.

III - GOVERNMENT-WIDE COLLECTION ACTIVITIES

A - Use of Private Collection Agencies

1. Description

- Education, Treasury, and HHS have each established contracts with private collection agencies (PCAs) to collect debts owed to the Federal Government. In addition to collecting debts, PCAs also help Federal agencies establish repayment agreements and resolve debts administratively (e.g., by determining if a debtor is bankrupt, disabled or deceased).
- Education uses PCAs to collect its portfolio of defaulted student loan debts. Education relies heavily on PCAs and refers every eligible debt to one of its seventeen PCAs as quickly as possible. Education's PCAs also implement Education's use of administrative wage garnishment as a debt collection tool.
- Treasury's PCA contract is administered by FMS and is used as part of its cross-servicing program. Debts which are not collected or resolved within 30 days after transfer to FMS for cross-servicing are referred to a PCA for collection action.

- HHS' PCA contract is administered by its Program Support Center (PSC), which provides centralized debt collection services for HHS' agencies and bureaus, and several Federal agencies. PSC refers debts to its PCA if payment in full is not made or a repayment agreement has not been established within 45 days after the PSC receives the debt for collection action.

2. Referrals

- At the end of FY 2001, \$12.7 billion in Federal debts were referred to PCAs for collection action. This represents a 19.8 percent increase in referrals from the end of FY 1999.

Referrals to PCAs			
Agency	FY1999 (in millions)	FY2000 (in millions)	FY2001 (in millions)
HHS	\$90	\$317	\$378
FMS	\$2,504	\$2,613	\$3,645
Education	\$8,000	\$9,100	\$8,700
Totals	\$10,594	\$12,030	\$12,723

3. Collections

- Collections by PCAs have increased at all three agencies in the last two fiscal years. Total PCA collections were \$395.4 million in FY 2001, a 53.1 percent increase over FY 1999 collections.

Collections by PCAs			
Agency	FY1999 (in millions)	FY2000 (in millions)	FY2001 (in millions)
HHS	\$5.3	\$7.5	\$16.6
FMS	\$14.9	\$21.8	\$27.8
Education*	\$238	\$322	\$351
Totals	\$258.2	\$351.3	\$395.4

*Includes collections by administrative wage garnishment

B - Treasury Offset Program (TOP)

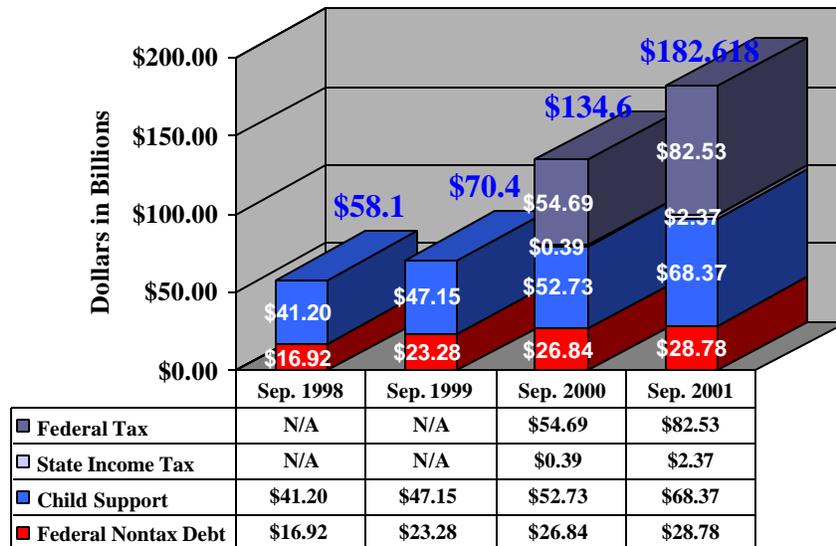
1. Description

- Offset is a program whereby Federal payments are reduced or "offset" to satisfy a person's overdue Federal debt, child support obligation, or state income tax debt. A payee's name and taxpayer identification number are matched against a Treasury/FMS database of delinquent debtors for automatic offset of funds. Offset funds are then used to satisfy payment of the delinquent debt to the extent allowed by law.
- For FY 2001, payment types subject to offset include Office of Personnel Management retirement payments, Internal Revenue Service tax refunds, vendor payments, Federal employee travel payments, some Federal salary payments, and Social Security benefit payments.

- Offset of Federal salary payments through TOP has been implemented in partnership with USDA's National Finance Center, a salary paying agency, and is intended to provide a more efficient process than the non-centralized salary offset process currently used by Federal agencies. The Department of Interior was just recently incorporated into the process, and other salary paying agencies (such as DoD, U. S. Postal Service and the Department of Veterans Affairs) will be incorporated into the process over the next several years.
- Offset of Social Security benefits payments, which began in May 2001, has been implemented in stages to insure that payment recipients receive appropriate notices of potential offsets, as well as the opportunity to take action to avoid offsets.
- In January 2000, FMS began collecting state income tax debts by offsetting Federal income tax refunds, as authorized by the 1998 Internal Revenue Service Restructuring and Reform Act.
- In July 2000, FMS initiated *Continuous Tax Levy*, a program whereby delinquent Federal income tax debts are collected by levying nontax payments, as authorized by the 1997 Taxpayer Relief Act. The Continuous Tax Levy Program has recently been expanded to include Social Security benefit payments. Continuous Tax Levy is accomplished through a process almost identical to that of offset, that is, matching of delinquent debtor data with payment record data and automated collection of the debt at the time of payment.

2. Referrals

TOTAL DEBT REFERRALS TO THE TREASURY OFFSET PROGRAM



- As of September 30, 2001, the largest component of TOP’s delinquent debtor database was the \$82.53 billion in Federal income tax debts submitted for continuous tax levy.
- Efforts by states, HHS’ Office of Child Support Enforcement (OCSE), and FMS to refer more delinquent child support obligations to TOP have resulted in referrals exceeding \$68 billion as of September 30, 2001, a 66 percent increase in referrals from September 30, 1998.
- As of September 30, 2001, \$28.8 billion, or 92 percent, of the amount of Federal debts eligible for referral for offset has been referred, up from the 86 percent of eligible debts referred as of September 30, 2000. Referrals of state income tax debts rose by nearly \$2 billion, an increase of 600 percent from the end of FY 2000.

3. Collections

- Total collections through TOP were \$3.12 billion in FY 2001. Since enactment of the DCIA in April 1996, \$12.1 billion has been collected through TOP. The chart below summarizes collections through TOP for the last four fiscal years.

Collections Through TOP In Millions of Dollars				
Type of Collection	FY 1998	FY 1999	FY 2000	FY 2001
Administrative Offset*	\$4	\$6	\$17	\$25
Tax Refund Offset – Child Support (excluding tax rebates)	\$1,165	\$1,343	\$1,389	\$1,377
Tax Refund Offset – Federal Nontax Debt (excluding tax rebates)	\$864	\$1,259	\$1,167	\$1,147
Tax Refund Offset – State Income Tax Debt (excluding tax rebates)	N/A	N/A	\$23	\$79
Tax Refund Offset – Tax Rebates	N/A	N/A	N/A	\$471
Continuous Tax Levy	N/A	N/A	\$0.01	\$16
Total Collected	\$2,033	\$2,608	\$2,597**	\$3,117**

*Collection of Federal nontax debts and child support debts by offsetting Federal nontax payments.

**Numbers do not add correctly due to rounding.

- Total collections in FY 2001 increased significantly as a result of offsets of *Advanced Refund Credit Payments* (i.e., tax rebates) which totaled \$471 million in FY 2001. Offsets of tax rebates were \$263.9 million for child support obligations, \$191.5 million for Federal nontax debts, and \$15.3 million for state tax debts.
- Administrative offset collections significantly increased in the last two fiscal years. Collections are expected to continue to increase in FY 2002 as a result of the inclusion of Social Security payments in TOP to collect Federal nontax debt beginning May 2001.
- Tax refund offset collections (not including tax rebates) for both child support debts and Federal nontax debts have remained relatively constant over the last three fiscal years. The large increase in collections beginning in FY 1999 is due to the efficiencies and improvements realized in the merger of tax refund offset into the TOP process beginning January 1999.
- In fiscal year 2001, total TOP collections for delinquent child support obligations from both tax and non-tax payments were \$1.64 billion, an increase of \$250 million over fiscal year 2000 collections. Delinquent child support obligations are currently matched against tax refund payments, Treasury-disbursed vendor payments and Office of Personnel Management civil service retirement payments. FMS has initiated a phased-in centralized federal salary offset program as part of TOP, and federal salary payments are now available for collection of delinquent child support obligations through TOP.

- Total collections of state income tax debts by offsetting Federal tax refunds (including offsets of tax rebates) quadrupled to \$94.5 million in FY 2001.
- Collections under Continuous Tax Levy, which began in July 2000, totaled \$16.5 million in FY 2001, a substantial increase from the \$98,300 collected in FY 2000. The Internal Revenue Service (IRS) maintains control over which Federal tax debts can be collected through the levy process. Most debts referred to FMS for Continuous Tax Levy are referred for the purpose of matching with payment data, but have not been activated by IRS for collection.

C - Cross-Servicing

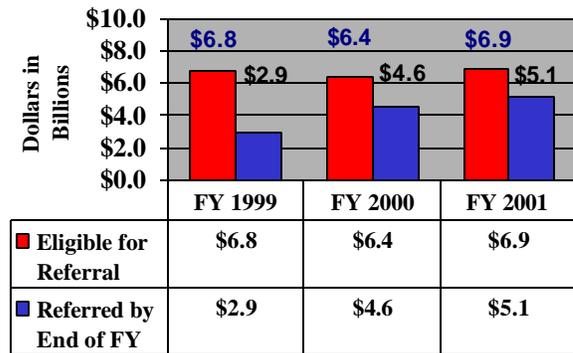
1. Description

- Cross-servicing is the process whereby agencies refer Federal nontax debts more than 180 days delinquent to FMS for collection. Treasury applies a variety of collection tools once agencies refer their debts. Collection tools include: (1) Treasury demand letters; (2) telephone calls to debtors; and (3) referral of debts to TOP, credit bureaus, one or more of the PCAs on Treasury's contract, and DOJ for litigation.
- In FY 2001, FMS added administrative wage garnishment (AWG) as a debt collection tool available to Federal agencies through cross-servicing. AWG has a great potential for increasing collections, and FMS will be encouraging Federal agencies to authorize the use of this debt collection tool through cross-servicing.

2. Referrals

- The calculation of the amount of debts eligible for referral is described in this report in Section II A-3, above. Historically, the calculation for cross-servicing referrals was cumulative from the beginning of the program. As of March 31, 2001, the calculation of cross-servicing referrals has been modified/reduced to exclude those debts no longer actively collected.

CROSS-SERVICING REFERRALS

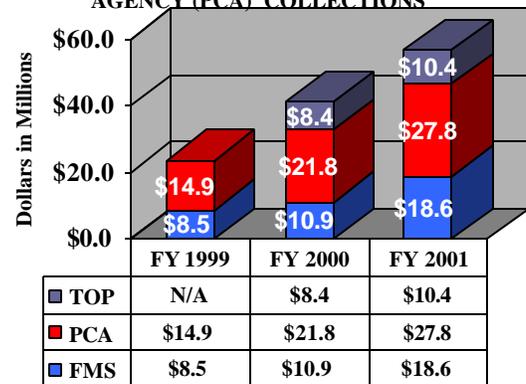


- Referral rates of eligible debt have continually increased over the last three fiscal years from 43 percent at the end of FY 1999 to 74 percent at the end of FY 2001.

3. Collections

- Since 1997, FMS and the PCAs have brought in \$130.1 million in collections.
- In FY 2001, FMS and its PCAs collected a total of \$56.8 million, an increase of \$15.7 million (38 percent) over FY 2000 collections.

CROSS SERVICING & PRIVATE COLLECTION AGENCY (PCA) COLLECTIONS



D - Litigation at the Department of Justice

1. Description

- § DOJ serves as the Federal government’s “collector of last resort.” When a Federal agency cannot collect a debt administratively using debt collection tools such as those available under the DCIA, the agency may refer the debt to DOJ to pursue enforced collection through the courts.
- § With judicial oversight, DOJ enforces collection by seizing bank, stock and similar accounts from debtors, garnishing a higher percentage of debtors’ wages than AWG allows, and by seizing and selling debtor-owned real estate and other property in some cases. The courts can also assist in establishing and enforcing payment arrangements for some debtors.

- § DOJ incorporates administrative debt collection tools such as TOP into the array of litigation tools available to enforce the collection of debts.
- § DOJ supplements its litigation resources by contracting with private counsel in 15 judicial districts, and it plans to expand this program to additional districts in the future.

2. Referrals

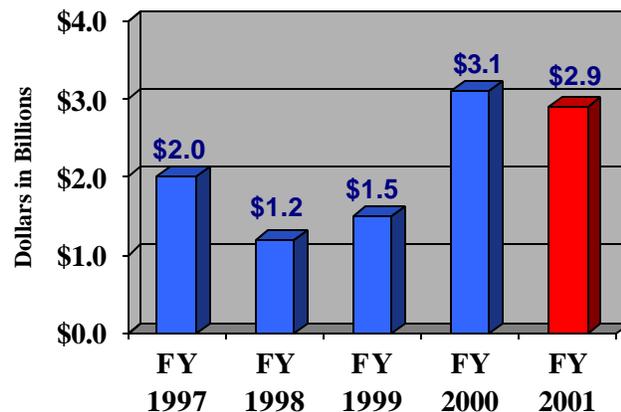
- § Federal creditor agencies determine when to refer debts to DOJ. Both the numbers of debts referred and their value vary greatly from year to year for this reason.
- § Debt referrals vary greatly in amount, complexity and collectibility. Referrals include loans with clear debtor liability as well as multi-jurisdictional fraud cases that require extensive investigation over a period of years to be resolved.

Fiscal Year	Total Civil Referrals- new debts opened	Value of New Debts (in Billions)
1997	45,592	\$1.1
1998	44,876	\$2.8
1999	88,228	\$2.8
2000	50,572	\$5.6
2001	24,357	\$5.4

3. Collections

- § The amount DOJ collects in any fiscal year includes recoveries for debt referred in prior fiscal years.
- DOJ has collected \$10.7 billion from civil litigation over the last five fiscal years.

CASH COLLECTIONS FROM CIVIL LITIGATION AT DOJ



- § DOJ has placed a greater emphasis on using its own litigation resources in recent years to pursue those who defraud America’s taxpayers. Much of the increase in the amounts collected by DOJ in recent years reflects the success of these efforts.
- More than 50 percent of the funds DOJ collects are received as electronic fund transfers. DOJ also accepts credit card payments and payments in foreign currency. In FY 2001, DOJ implemented a new program called EZPay that debits debtor bank accounts on a schedule authorized by the debtor.

IV – SPECIFIC AGENCY ACTIVITIES

A - Education Student Loans

- Since November 1998, Treasury has exempted student loan debts collected at Education from the mandatory transfer to Treasury for cross-servicing, based on Education’s demonstrated expertise in collecting student loan debts. The Office of Postsecondary Education debt collection activities are centralized in the Debt Collection Service (DCS); and the DCS utilizes the full range of debt collection tools outlined in the DCIA and Education’s own statutes.
- Total defaulted student loan receivables serviced by Education have increased from \$9.7 billion FY 1998 year-end to \$11.9 billion FY 2001 year-end. Total delinquencies have increased from \$9.2 billion FY 1998 year-end to \$10.95 FY 2001 year-end, and collections have increased dramatically from \$720 million in FY 1998 to \$1.4 billion in FY 2001.

Education’s Use of Debt Collection Tools				
Collection Tools	FY 1998 Collections (in millions)	FY 1999 Collections (in millions)	FY 2000 Collections (in millions)	FY 2001 Collections (in millions)
Private Collection Agency	\$96	\$191	\$228	\$229
Litigation (DOJ)	\$13	\$19	\$25	\$30
Internal Offset	\$7	\$5	\$4	\$3
AWG (at agency and PCAs)	\$47	\$71	\$110	\$134
Treasury Offset	\$275	\$505	\$431	\$450
Other at Agency	\$103	\$83	\$65	\$64
Total Loan Consolidations (at agency and at PCAs)	\$172	\$336	\$389	\$464

- TOP remains Education’s most effective debt collection tool. Education relies heavily on PCAs and refers every eligible debt as quickly as practicable to one of its seventeen PCAs. Education effectively uses administrative wage garnishment (AWG) to collect debts, primarily through its PCAs that collected \$122 million of the \$134 million collected through AWG in FY 2001. Education also uses loan consolidations to further reduce delinquencies.

- Collections by PCAs and through the use of AWG have steadily increased over the last four years. Regarding PCAs, Education also tracks collection costs as a percent of collections. These costs have shown a declining trend from 19 percent in FY 1998 to 16.9 percent in FY 2001.
- Education has successfully implemented a matching program with HHS and the National Directory of New Hire Database that, for FY 2001, resulted in the capture of new debtor location information on over 500,000 accounts that led to an additional \$150 million in student loan recoveries.

B - SBA and HUD Loan Asset Sales

Fiscal Year	Small Business Administration		Dept. of Housing and Urban Development	
	Unpaid Principal Balance	Gross Proceeds	Unpaid Principal Balance	Gross Proceeds
1999	\$332 million	\$195 million	0	0
2000	\$1.2 billion	\$530 million	\$480 million	\$ 467 million
2001	\$2.4 billion	\$1.55 billion	\$623 million	\$432 million
TOTALS	\$3.9 billion	\$2.2 billion	\$1.1 billion	\$899 million

- SBA and HUD have established loan asset sales programs to sell performing and nonperforming loans to the public. SBA’s asset sales program has included the sale of direct loans and defaulted guaranteed loans. HUD’s Federal Housing Administration is taking action to sell HUD’s entire inventory of single family and multifamily mortgage notes held by the Secretary of HUD.
- Over the last three fiscal years, SBA and HUD have sold \$5 billion in loan assets and collected \$3.1 billion in gross proceeds from these sales. Each sale has resulted in the collection of more than the estimated value of holding the loan assets to maturity.

APPENDIX I: FEDERAL RECEIVABLES AND DELINQUENT DEBT

The table below presents the ending balances, collections, write-offs, delinquencies, and delinquencies greater than 180 days for the credit agencies with the highest ending balances at the end of FY 2001. The table groups all other agencies into a single category. At the end of FY 2001, more than 93 percent of the receivables belonged to the 12 agencies listed in the tables below. The balance is owed to the remaining 52 agencies (grouped into the “all other” category).

Federal Receivables and Delinquent Debt as of September 30, 2001 (Dollars in Millions)						
Agency	Ending Balance	Collections	Write-offs	Delinquencies	Delinquencies > 180¹	Currently Not Collectible
USDA	\$103,170	\$20,879	\$4,351	\$6,222	\$5,860	\$537
Education	\$83,199	\$9,353	\$629	\$19,203	\$9,866	\$13,114
HUD	\$12,788	\$5,638	\$144	\$1,249	\$1,069	\$0
EXIM	\$12,359	\$1,908	\$22	\$4,360	\$2,193	\$0
SSA	\$11,437	\$2,383	\$941	\$1,066	\$536	\$7,025
HHS	\$10,828	\$14,433	\$645	\$5,680	\$4,978	\$2,696
AID	\$9,729	\$884	\$1	\$691	\$670	\$0
Energy	\$6,773	\$4,895	\$33	\$2,291	\$2,223	\$0
FCC	\$6,646	\$5,627	\$33	\$5,265	\$5,102	\$33
SBA	\$5,389	\$3,799	\$542	\$1,437	\$1,416	\$173
DoD	\$4,997	\$11,486	\$685	\$3,078	\$2,517	\$34
VA	\$3,797	\$2,268	\$206	\$1,406	\$1,112	\$0
All Other	\$18,392	\$26,151	\$244	\$4,275	\$2080	\$109
Gov't Total	\$289,504	\$109,704	\$8,476	\$56,223	\$41,423	\$23,721

Amounts reported as write-offs represent the dollar amount of uncollectible receivables written off during FY 2001.

“Currently Not Collectible” (CNC) represents the dollar amount of all debts which have been written off by the agency but not yet closed out. Debts classified as CNC for any reporting period continue to be reported in that category in subsequent reporting periods until closed out.

¹ Does not include delinquencies reported as Currently Not Collectible.

APPENDIX II: SOURCES OF DATA

Data contained in this report was obtained from the following sources:

**Part II – Government Debt Portfolio, Collection and Write-offs and
Appendix I**

Source – Treasury Report on Receivables Due From the Public – Fourth Quarter
2001, as reported by Federal agencies to the Department of the Treasury.

Part III – Government-Wide Collection Activities

A – Use of Private Collection Agencies

Sources – Department of Education, Debt Collection Service
Department of the Treasury, Financial Management Service
Department of Health and Human Services, Program Support Center

B & C – Treasury Offset Program and Cross-Servicing

Source – Department of the Treasury, Financial Management Service

D – Litigation at the Department of Justice

Source – Department of Justice, Office of Debt Collection Management

Part IV – Specific Agency Activities

A – Education Student Loans

Source - Department of Education, Debt Collection Service

B – SBA and HUD Loan Asset Sales

Sources – U.S. Small Business Administration
Department of Housing and Urban Development