



Treasury Report on Receivables (TROR)
&
Debt Collection Provisions of the DATA Act

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What Will be Covered During this Session?

Treasury Report on Receivables (TROR):

- ✓ Background and Purpose
- ✓ TROR and Debt Collection
- ✓ Form Overview
- ✓ FY16 Form Changes and New Requirements
- ✓ Contact Information and Updates
- ✓ Questions

TROR Background



What is the TROR?

Treasury Report on Receivables (TROR)

TROR is a web based application that enables Federal agencies to transmit their non-tax receivables information to the Department of the Treasury each quarter via the Internet

- The TROR serves as a management report that indicates the **amount** of receivables owed to Federal agencies and the status of the Federal Government's non tax debt portfolio
- Treasury's only comprehensive means for periodically collecting data on outstanding receivables due from the public
- A management report, not an accounting report

Information Found on the TROR

TROR captures data on an agency's:

- ✓ Receivables and Collections
- ✓ Delinquent Debt
- ✓ Debt Eligible for Treasury Offset and Cross-Servicing
- ✓ Debt Ineligible for Treasury
- ✓ Debt Disposition
- ✓ Other Important Information



Purpose of the TROR



- ❑ It encourages agencies to properly manage their delinquent and non delinquent debt portfolio
- ❑ Helps Treasury, and others assess agencies debt collection performance
- ❑ **Disseminated to Congress (Annual Report), OMB, GAO, agency Chief Financial Officers, other officials and representatives of Federal and state organizations, private sector organizations, and the public**

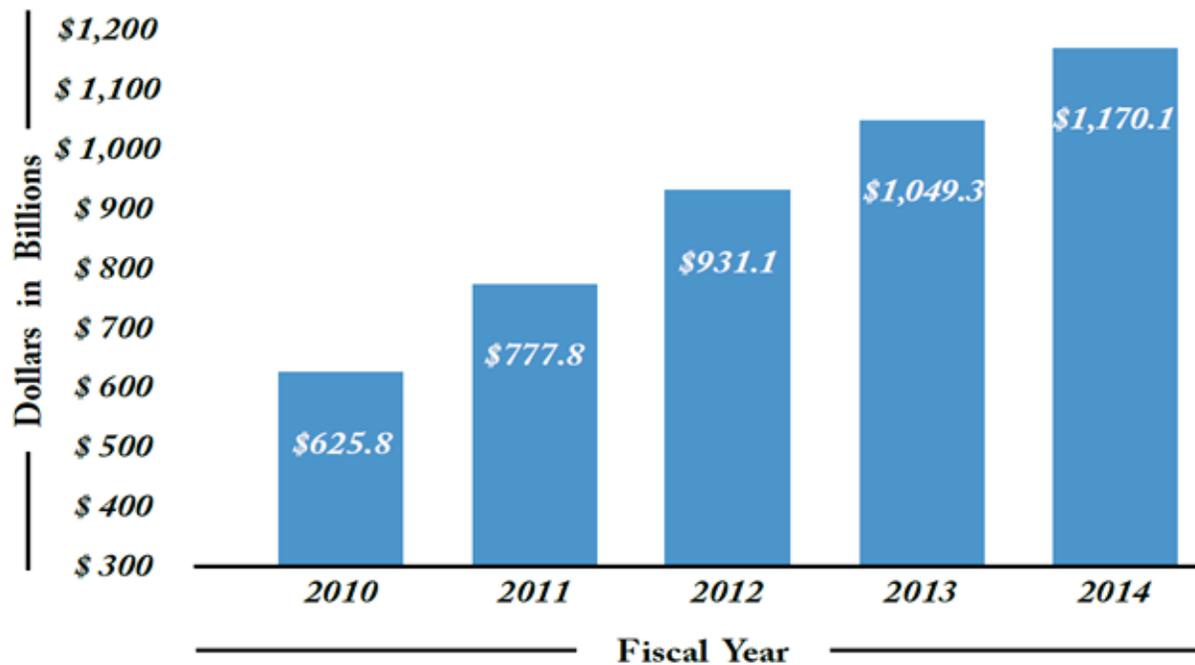
Annual Report to Congress

The Secretary of the Treasury reports to Congress annually on the Federal government's non tax receivables, delinquent debt owed, and debt collection activities. As required by Federal law (31 U.S.C. & 3719, this report includes information that the Federal creditor agencies provide to the Secretary on the status of their accounts receivable and delinquent debt, as reported on the Treasury Report on Receivables and Debt Collection Activities (TROR).

Annual Report

Government-wide Receivables Continue to Rise

*Outstanding Federal Non-Tax Receivables as of September 30: FY 2010-2014
(Dollars in Billions)*



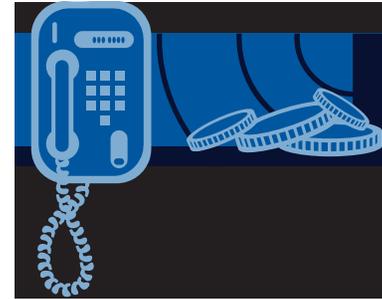
SOURCE: TREASURY REPORT ON RECEIVABLES AND DEBT COLLECTION ACTIVITIES — FOURTH QUARTER FY 2010 - 2014

Annual Report

*FY 2013 to FY 2014 Percentage Change in Outstanding Federal
Non-Tax Receivables³: FY 2013 Top Five Creditor Agencies
(Dollars in Billions)*

<i>Agency</i>	<i>FY 2013 (Billions)</i>	<i>FY 2014 (Billions)</i>	<i>% Change from FY 2013 to FY 2014</i>
<i>Department of Education</i>	<i>760.1</i>	<i>\$874.3</i>	<i>15.0%</i>
<i>Department of Agriculture</i>	<i>\$114.5</i>	<i>\$114.0</i>	<i>- 0.4%</i>
<i>Department Housing and Urban Development</i>	<i>\$18.1</i>	<i>\$23.7</i>	<i>30.9%</i>
<i>Export-Import Bank</i>	<i>\$19.7</i>	<i>\$22.9</i>	<i>16.2%</i>
<i>Department of Energy</i>	<i>\$18.5</i>	<i>\$19.2</i>	<i>3.8%</i>
<i>All Others</i>	<i>\$118.4</i>	<i>\$116.0</i>	<i>-2.0%</i>
<i>Total Government</i>	<i>\$1,049.3</i>	<i>\$1,170.1</i>	<i>11.5%</i>

SOURCE: TREASURY REPORT ON RECEIVABLES AND DEBT COLLECTION ACTIVITIES — FOURTH QUARTER FY 2013 - 2014



The TROR and Debt Collection

Is the TROR Required?



The TROR is **Required** and Helps Agencies Manage Compliance With:

- Debt Collection Improvement Act of 1996 (DCIA)
- Digital Accountability and Transparency Act (DATA Act)
- 31 U.S.C. 3719
- OMB Circular A-129
- IRS 1099C
- Federal Claims Collection Standards
- Federal Credit Bureau Program
- Managing Federal Receivables

DCIA

The Debt Collection Improvement Act of 1996 (DCIA) strengthened existing authorities and centralized government-wide debt collection and debt management operations.

Key Components of the DCIA of 1996:

- ✓ maximize collections through use of all appropriate tools
- ✓ centralized debt collection within Treasury
- ✓ Requirement to refer non-tax debts more than 180 days delinquent to Treasury for collection
- ✓ Federal agencies must submit a report to Treasury summarizing the status of A/R

DATA Act

The Digital Accountability and Transparency Act (DATA Act) of 2014 was signed into law on May 9, 2014.

Key Components of the DATA Act

- ✓ Requires federal agencies to refer to the Treasury Offset Program legally enforceable non-tax debts that are greater than **120** days delinquent
- ✓ Requires the Secretary of the Treasury to report to Congress "any instance" in which agencies fail to meet the new referral requirement.

WHAT IS A DEBT?

A debt is any amount that is owed to the United States by a person, organization or entity other than a Federal agency. Some examples are:

- Loans - direct, insured and guaranteed loans
- Overpayments
- Fines and penalties

What is a Debt? Delinquency Defined

A debt becomes delinquent when payment is not made by:

- The due date or end of the grace period as established in a loan or repayment agreement
- The due date specified in the initial billing notice
 - In the case of administrative debt (e.g. fines, fees, penalties, and overpayments), the due date is usually 30 days after the agency mailed the notice
- The **date of delinquency** is the date the agency mailed or delivered the billing notice

Delinquent Debt Referral Requirements

An agency should send its delinquent debts to Debt Management Services (DMS) as early as possible in the debt collection cycle.

DMS collects debts primarily through two major programs:

1. **Treasury Offset Program (TOP)**

- *Agency requirement to refer debts greater than **120** days delinquent per the DATA Act*

2. **Cross-Servicing Program**

- *Agency requirement to refer debts greater than **180** days delinquent per the DCIA*

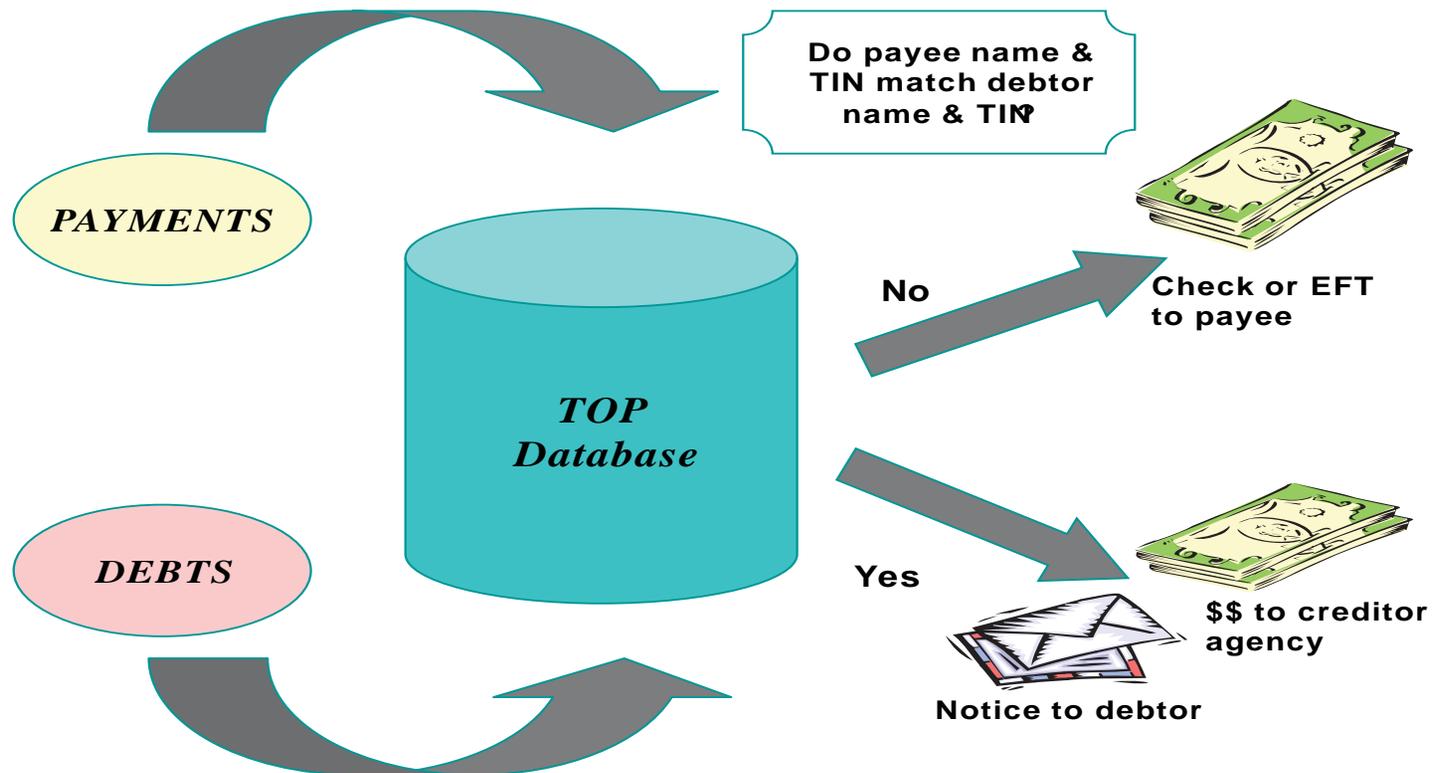
Treasury Offset Program (TOP)

TOP is a centralized process that intercepts Federal payments to payees who owe delinquent debts to agencies that have submitted debt information to Treasury's Debt Management Service.

- When a match occurs, TOP intercepts, or “offsets,” all or part of a payee's eligible Federal payments.
- FMS notifies the payee and the payment agency about the offset.
- FMS transmits the offset monies to the appropriate creditor agencies to be applied to the delinquent debts owed by the payee.

Treasury Offset Program (TOP)

TOP Process

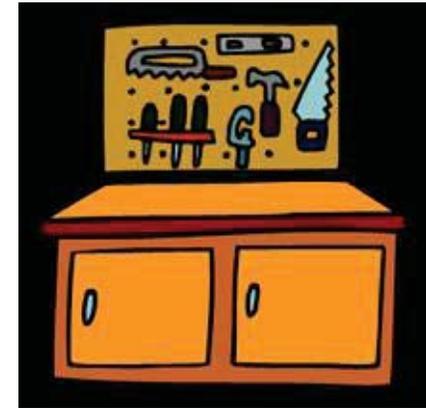


Cross-Servicing

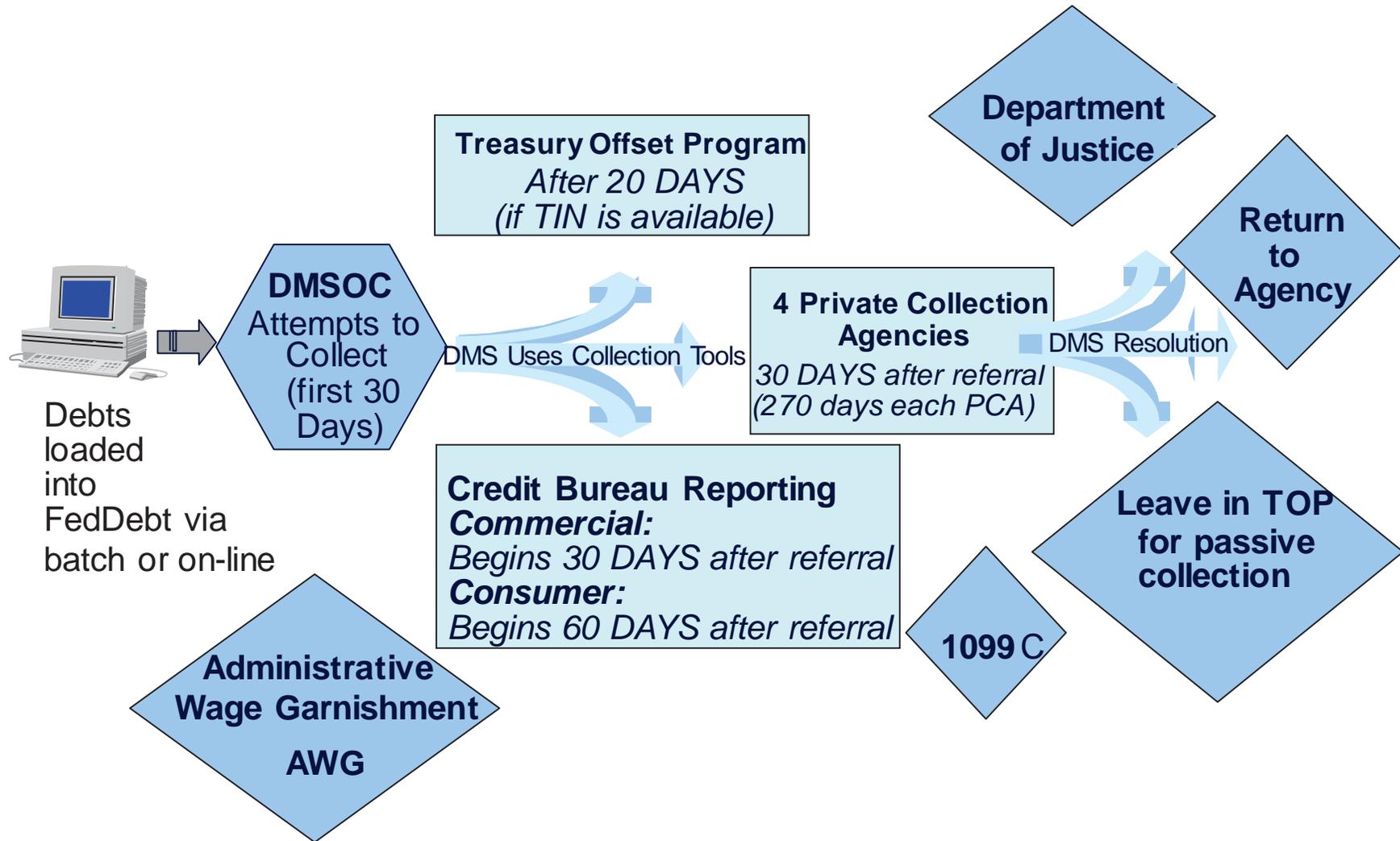
Cross-Servicing is a consolidated government-wide program operated by Treasury's Debt Management Services (DMS) that collects delinquent non-tax debts on behalf of federal agencies using a variety of collection tools.

Cross-Servicing Collection Tools

- Demand Letters & Phone Calls
- Payment Agreement Options
- Credit Bureau Reporting
- Treasury Offset Program
- Administrative Wage Garnishment
- Private Collection Agencies
- Litigation by Department of Justice
- IRS Form 1099-C after Closeout



Cross-Servicing Collection Process Overview





TROR Form Overview

FY16 Changes and New Requirements

Significant FY16 TROR Changes

- ✓ Part 1 Section C – Delinquent Debt by Age
- ✓ Part 2 Section A – Delinquent Debt “120” Days or Less
- ✓ Part 2 Section B – Delinquent Debt Eligible for Referral to Treasury

(FY16) - Part 1 Section A

Part I - Status of Receivables		
	Number	Dollars
Section A Receivables and Collections		
(1) Beginning FY Balance		
(2) New Receivables (+)		
(3) Accruals (+)		
(4) Collections on Receivables (-)		
(A) At Agency (-)		
(B) At Third Party (-)		
(C) Asset Sales (-)		
(D) Collections by Treasury through Offset and Cross-Servicing (-)		
(E) Collections by Sale After Foreclosure (-)		
(F) Collections by Department of Justice (-)		
(G) Other - must footnote (-)		
(5) Adjustments (+ or -)		
(A) Reclassified/Adjusted Amounts - must footnote (+ or -)		
(B) Adjustments Due to Sale of Assets (+ or -)		
(C) Consolidations (+ or -)		
(D) Foreclosure Adjustments (+ or -)		
(E) Written-Off Debts Reinstated for Collection (+)		
(6) Amounts Written Off (-)		
(A) Currently Not Collectible (-)		
(B) Written Off and Closed Out (-)		
(7) Ending Balance		

(FY16) - Part 1 Section B

Section B Additional Receivables Data (Information Only)		
(1) Subsets of Ending Balance		
(A) Foreign/Sovereign Government (+)		
(B) State and Local Government (+)		
(C) Rescheduled Debt - Delinquent (+)		
(D) Rescheduled Debt - Non-Delinquent (+)		
(E) Interest & Late Charges (+)		
(F) A-129 Justification for CNC Exclusions (+)		

(FY16) - Part 1 Section C



Section C Delinquent Debt (Excluding CNC Debts)		
(1) Delinquencies by Age		
(A) 1-30 Days (+)		
(B) 31-60 Days (+)		
(C) 61-90 Days(+)		
(D) 91-120 Days(+)		
(E) 121-150 Days (+)		
(F) 151-180 Days (+)		
(G) 181-365 Days (+)		
(H) 1-2 Years (+)		
(I) 2-6 Years (+)		
(J) 6-10 Years (+)		
(K) Over 10 Years (+)		
(l) Total Delinquencies by Age		
(2) Delinquencies by Category		
(A) Commercial (+)		
(B) Consumer (+)		
(C) Foreign/Sovereign Government (+)		
(D) State and Local Government (+)		
(E) Total Delinquencies by Category		
(3) Credit Bureau Reporting (Information Only)		
(A) Commercial (+)		
(B) Consumer (+)		
(C) Total Credit Bureau Reporting		



(FY16) - Part 2 Section A

Part II - Debt Management Tool and Technique Performance Data		
	Number	Dollars
Section A Delinquent Debt 120 Days or Less		
(1) Delinquencies 1-120 Days		
(A) In Bankruptcy (+)		
(B) In Forbearance or In Formal Appeals Process (+)		
(C) In Foreclosure (+)		
(D) At Private Collection Agencies (+)		
(E) In Litigation (At DOJ or Agency Counsel) (+)		
(F) In the Process of Internal Offset (+)		
(G) In Wage Garnishment (+)		
(H) At Treasury for Cross-Servicing (+)		
(I) At Treasury for Offset (+)		
(J) At Agency (+)		
(K) Other - must footnote (+)		
(L) Total Delinquencies 1-120 Days		

(FY16) - Part 2 Section B – Line 1 (TOP)



Section B Delinquent Debt Eligible for Referral to Treasury		
(1) Debt Eligible for Referral to Treasury for Collection (Treasury Offset Program)		
(A) Debt Over 120 Days Delinquent Eligible for Referral to Treasury for Offset as Required by DATA Act (+)		
(B) Currently Not Collectible Debt (+)		
(C) Total Delinquent Debt Over 120 Days and CNC Debts		
Debts Ineligible for Treasury Offset Program (TOP)		
(D) In Bankruptcy (-)		
(E) In Forbearance or Formal Appeals Process (Including Litigation) (-)		
(F) In Foreclosure (-)		
(G) Other - must footnote (+ or -)		
(H) Balance of Debt Eligible for Referral to Treasury for Offset		
Exceptions from Referral to Treasury for Offset		
(I) Debt Eligible for Referral to Treasury for Offset (from 1H)		
(J) Foreign/Sovereign Debt (-)		
(K) Debt in Litigation for Enforced Collection (-)		
(L) Other - must footnote (+ or -)		
(M) Debt Required to be Referred to Treasury Offset Program by Agency		
(N) Debt Referred Directly to Treasury Offset Program by Agency (-)		
(O) Debt Referred to Treasury Offset Program through Cross-Servicing (-)		
(P) Balance Remaining to be Referred to Treasury for Offset		

(FY16) - Part 2 Section B – Line 2 (Cross-Servicing)



(2) Debt Eligible for Referral to Treasury for Collection (Cross Servicing)		
(A) Debt Over 180 Days Delinquent Eligible for Referral to Treasury for Cross Servicing as Required by DCIA (+)		
(B) Currently Not Collectible Debt (+)		
(C) Total Delinquent Debt Over 180 Days and CNC Debts		
Debts Ineligible for Treasury Cross Servicing		
(D) In Bankruptcy (-)		
(E) In Forbearance or Formal Appeals Process (Including Litigation) (-)		
(F) In Foreclosure (-)		
(G) Other - must footnote (+ or -)		
(H) Balance of Debt Eligible for Referral to Treasury for Cross Servicing		
Exceptions from Referral to Treasury for Cross Servicing		
(I) Debt Eligible for Referral to Treasury for Cross Servicing (from 2H)		
(J) Foreign/Sovereign Debt (-)		
(K) Debt in Litigation for Enforced Collection (-)		
(L) At Private Collection Agencies (-)		
(M) In the Process of Internal Offset (-)		
(N) Debt Exempted by Treasury from Cross-Servicing (-)		
(O) Debt Returned from Cross-Servicing (-)		
(P) Other - must footnote (+ or -)		
(Q) Debt Required to be Referred to Treasury or a Designated Debt Collection Center for Cross-Servicing		
(R) Debt Referred to Treasury or a Designated Debt Collection Center for Cross-Servicing (-)		
(S) Balance Remaining to be Referred to Treasury or a Designated Debt Collection Center for Cross-Servicing		

(FY16) - Part 2 Section C

Part II - Debt Management Tool and Technique Performance Data		
	Number	Dollars
Section C Collections on Delinquent Debt		
(1) Collections on Delinquent Debt		
(A) By Private Collection Agencies (+)		
(B) By Litigation (+)		
(C) By Internal Offset (+)		
(D) By Third Party (+)		
(E) By Asset Sales (+)		
(F) By Wage Garnishment (+)		
(G) By Treasury/Designated Debt Collection Center Cross-Servicing (+)		
(H) By Treasury Offset (+)		
(I) By Agency (+)		
(J) Other - must footnote (+)		
(K) Total Collections on Delinquent Debt		

(FY16) - Part 2 Section D

Section D CNC Debt Status		
(1) Currently Not Collectible Debts (Written Off and Not Closed Out)		
(A) At Private Collection Agencies (+)		
(B) At Treasury or a Designated Debt Collection Center for Cross-Servicing (+)		
(C) At Treasury for Offset (+)		
(D) Other - must footnote (+)		
(E) Total-Currently Not Collectible Debts (1A thru 1D not mutually exclusive)		
(2) CNC Debts Closed Out During the Current FY (+)		

(FY16) - Part 2 Section E

Section E Disposition of Closed-Out Debts		
(1) Debts Closed Out During the Previous Calendar Year (CNC and Non-CNC Debts) (+)		
(A) Reported to IRS on Form 1099-C (-)		
(B) Not Reported, Eligible for 1099-C but not required (Less than \$600) (-)		
(C) Not Reported to IRS on Form 1099-C - (must footnote) 1-(1A+1B)		



TROR Information and Points of Contact

Additional Debt Management Information!

Annual DMS Certifications/Verifications and Assessments

- ✓ Cross-Servicing/TOP Certifications (Now Combined)
- ✓ TROR Certification/Verification
- ✓ DMS Agency Assessment Scorecard
- ✓ FedDebt Certification



Managing Federal Receivables:

https://fiscal.treasury.gov/fsservices/gov/debtColl/rsrscsTools/debt_guidance_mfr.htm

For TROR Information and Updates:

http://www.fiscal.treasury.gov/fsservices/gov/debtColl/rsrscsTools/debt_dmrpts_tror.htm

Debt Management Governmentwide Reports: Treasury Report on Receivables (TROR)

- [Monthly Update](#)
- [Agency Contact Information](#)
- [Fiscal Year 2014 Reporting Schedule](#)
- [Report Administrators](#)
- [ITFM 2-4100: Debt Management Reports](#)
- [TROR on Transparency.Treasury.gov](#)

Monthly Update - July 2014

- Agency reporting for the Treasury Report on Receivables and Debt Collection Activities begins on Tuesday, July 15, 2014 and ends on Tuesday, July 31, 2014 for the 3rd Quarter – FY 2014.
- [Reporting requirements for the Treasury Report on Receivables](#) 
- [TROR Access Request Form](#) 
- [Rules of Behavior for the DMIS/TROR System](#) 
- Please contact your [agency liaison](#) if you need any additional training or guidance on the TROR.
- [FY 2014 Revision of the Treasury Report on Receivables and Debt Collection Activities](#) 
- [New TROR Form](#) 
- [New TROR Form with Formulas](#) 
- DMS is revising the TROR to support OMB's government-wide focus on improving debt collection.

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Questions

