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U.S. DEPARTMENT OF THE TREASURY



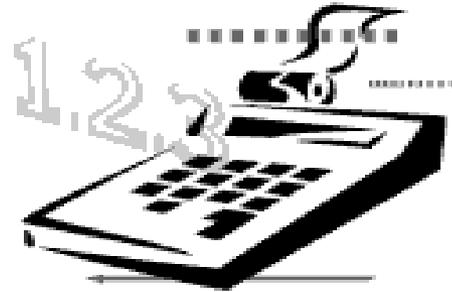
**Treasury
Report
On
Receivables
(TROR)**

What Will be Covered During this Session?

Treasury Report on Receivables (TROR):

- ✓ Background and Purpose
- ✓ 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

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**

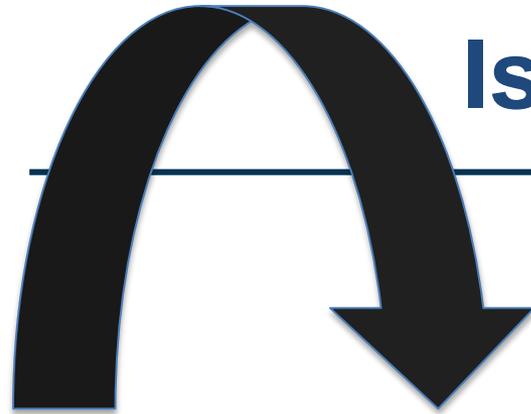
Information Found on the TROR

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

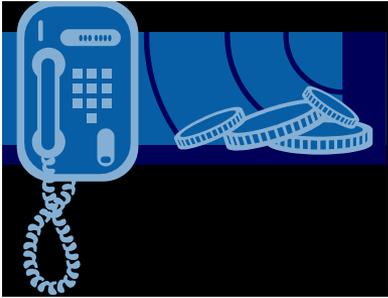


Is the TROR Required?



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



Debt Collection Overview

Debt Collection Improvement Act of 1996 (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.

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.

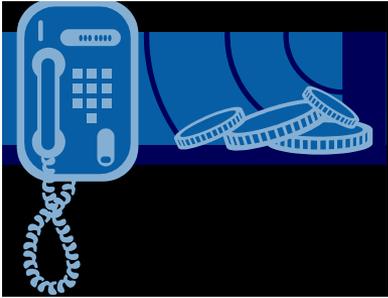
DMS collects debts primarily through two major programs:

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*



Write-Off

Termination of Collection, Write-Off, Use of Currently Not Collectible (CNC), and Close-Out

“Generally, write-off is mandatory for delinquent debt older than two years unless documented and justified to OMB in consultation with Treasury. Once the debt is written-off, the agency must either classify the debt as currently not collectible (CNC) or close-out the debt...”

REFERENCES:

Statutory

31 U.S.C. § 3711; 26 C.F.R Part 1. 6050P-O, 26 C.F.R Part 1.6050P-1

Regulatory

31 C.F.R. Part 903 Federal Claims Collection Standards, 26 C.F.R.Part 1.6050P-1

Guidance

FCPWG Final Report on Write-off Policy, Dated 12/15/98, Treasury/FMS "Managing Federal Receivables"

OMB's Circular A-129:

<http://www.whitehouse.gov/omb/circulars/a129/a129rev.html>

TROR Terminology

- **Write-off** – accounting action that results in reporting the debt as having no value on the agency’s financial and management reports

Write-Off

Two Types of Write-Off

After write-off debt must be classified as either:

1) *Currently Not Collectible (CNC)*

or

2) *Close-out*

Write-Off

1. Currently Not Collectible

- ❑ **Currently Not Collectible (CNC)** – debt classification after write-off used when agency intends to continue cost effective debt **collection** action
 - ✓ Establish accounting procedures to maintain CNC Debt

Write-Off

2. Close-out

- ❑ **Close-out** – debt classification after write-off when agency does not intend to continue debt collection action
 - ✓ Must take all appropriate steps to collect a debt prior to close-out including, as applicable, referral to Treasury for TOP and cross-servicing
 - ✓ Must determine if closed-out debt must be reported to the IRS on form 1099-C

Write-Off

2. Close-out and 1099C

- ❑ Cancellation (or Discharge) of indebtedness – reporting a debt to the Internal Revenue Service on a form 1099-C following an “identifiable event”
- ❑ Examples of “identifiable events” include compromise, discharge in bankruptcy, and termination of collection action

Treasury Reports On Receivables and Debt Collection Activities

Instruction and Overview

Report on Receivables Due From the Public

Reporting Entity Code: _____ Fiscal Year: _____ Quarter: _____

Type of Receivable: **Direct**
Loans: **Defaulted Guaranteed Loans:** **Administrative:**

Significant 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

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		

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 (+)		

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		

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		

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		

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		

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		

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 (+)		

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)		

FOOTNOTES

- Footnotes are needed whenever an agency's criterion is inconsistent with Treasury's definition of data requirements
- Write a clear, concise narrative
- Make it easily understandable to the lay person
- Make reference to the appropriate line items in the TROR
- Reference issues/changes to monetary amounts and its reporting impact
- Avoid the use of acronyms

After the Footnotes Section, Part III You'll See ...

Agency Contact Information

Preparer's Name: _____

Preparer's Facsimile No.: _____

Supervisor's Name: _____

Address: _____

City: _____ State: _____

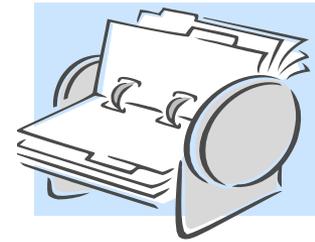
Telephone Number:

E-Mail Address:

Telephone Number: _____

E-Mail Address: _____

Zip Code: _____

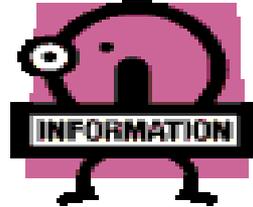


TROR Information and Points of Contact

Additional Debt Management Information!

Annual DMS Certifications/Verifications and Assessments

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



For TROR Information & Updates:

http://fms.treas.gov/debt/dmrpts_tror.html

Managing Federal Receivables:

http://fms.treas.gov/debt/Guidance_MFR.html

Data Management, Reporting, & Analysis Division



Comprised of:

- Business Analytics Branch
- Portfolio Management & Analysis Branch (PMAB)

Business Analytics Branch

- ✓ Researches debt collection policy and communicates meaningful patterns of data relating to initiatives that result from senior level management decisions
- ✓ Provides its analysis through the simultaneous use of statistics, computer programming, and operations research to quantify performance



Portfolio Management & Analysis Branch(PMAB)

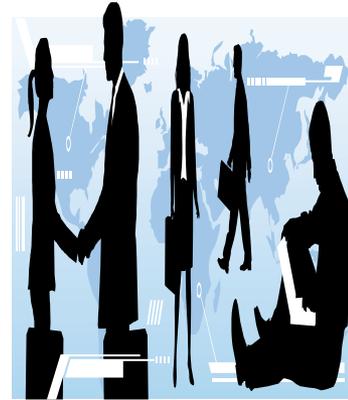
PMAB - establishes and monitors Federal agency commitments and schedules for submitting TROR.

- ✓ Analysts assigned to all CFO and Non-CFO agencies
- ✓ Assist FPAs to ensure accuracy of TROR reporting
- ✓ Support DMSOC with FPAs cross-servicing issues
- ✓ Initiate and maintain relationships with FPAs on all debt collection matters



How your PMAB Analyst Works with You

- ✓ Tailored TROR sessions for agencies
- ✓ Ongoing information exchange to keep you informed about initiatives and agency reporting issues
- ✓ Meetings as needed with the appropriate representatives (i.e. Cross-Servicing, TOP, etc.)
- ✓ TROR analysis and instructions
- ✓ DMS updates on new programs or changes in policy
- ✓ Support to the agency's CFO offices in strategizing improvements



For TROR Information and Updates:

http://www.fiscal.treasury.gov/fsservices/gov/debtColl/rsrscTools/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.

TROR Points of Contact by Agency

DMS Agency Liaison Contacts	Agencies: CFO/NON-CFO
Jordan, Pamela: Pamela.Jordan@fiscal.treasury.gov	CFO: USDA, HUD, EPA, DOI, Department of the Treasury; NON-CFO: FCC, EX-IM Bank, Farm Credit Administration, NARA, NCUA, Library of Congress (Leg. Br.).
Ellis-General, Brenda: Brenda.Ellis-General@fiscal.treasury.gov	CFO: NASA, Education, DHS, SBA, HHS; NON-CFO: OPIC, Smithsonian, GAO (Leg. Br.) , NFA&H, NLRB, Office of Technology (Leg. Br.), FDIC, Gov. Ethics, Special Counsel, SSS, Fed. Med/Conc. Service, FEC, FLRA.
Ferrette, Carolyn: Carolyn.Ferrette@fiscal.treasury.gov	CFO: State, AID, DOT, DOE, DOJ; NON-CFO: SEC, EEOC, Office of Compliance, Presidio Trust, Fed. Mar. Comm., Funds Approp. To Pres, Architect of the Capital (Leg. Br.), Peace Corps, House/Senate (Leg. Br.), CBO (Leg. Br.), FERC, FTC, AFRH, Other Agencies.*
White, John: John.White@fiscal.treasury.gov	CFO: Commerce, DOL, OPM, NRC; NON-CFO: PBGC, CFTC, CPSC, Neighborhood Reinvestment Corp., RRB, U.S. Court of Appeals for Veterans Claims.
Armstead, Mary: Mary.Armstead@fiscal.treasury.gov	CFO: NSF, GSA, DoD; NON-CFO: Postal Svc.
Jacobs, Steve: Steve.Jacobs@fiscal.treasury.gov	CFO: SSA NON-CFO: GPO (Leg. Br.), MSPB, TVA, CNCS;
Kon, Scott: Scott.kon@fiscal.treasury.gov	CFO: VA

Questions

