

Office of State Debt Collection (OSDC)  
Division of Finance  
Department of Administrative Services

Updated January 2, 2010

## Instructions for Sending Debts to Collections

1. Please see the Statewide Policies, Procedures and Guidelines for Accounting, Reporting and Collecting Accounts Receivable located at <http://finance.utah.gov/debt/policies/documents/StatewidePolicies.pdf>

Note that the above referenced policy has not been updated since we have been on new FINET. References to “ARS” in the document should be replaced with the word “FINET”

Please also read FINANCIAL Policies FIACCT 06-01 and FIACCT 06-02 and all subsections

2. To simplify the above policies, please do the following:
  - a. When a receivable is identified, please create an RE document in FINET (FIACCT 06-01.06) system for the amount due to the agency. See HELP in FINET for creating an RE. For OSDC purposes a Miscellaneous Vendor Code may be used, as long as the debtor is identified in the Legal Name field. However, check with FINANCE for current practice.
  - b. When setting up the RE, please enter a detailed description of what the debt is in the Extended Description field on the HEADER Record. This field has room for many characters so feel free to explain the RE in detail. Please include: the Date of the Incident causing the debt; Description of the Charges, Location of the incident – where did it occur, other pertinent information you believe will help collect the debt.
    - i. Try to collect on the RE for the number of days agreed to between your agency and OSDC or per policy – 61 days past due (FIACCT 06-01.13 – section titled Turning Past Due Receivable Over to OSDC)
  - c. Modify the RE (Note: this process replaced the CL process in FINET)
    - i. Access the document from the Document Catalog.
    - ii. Select **EDIT** –
      1. A Draft phase document opens in edit mode.
      2. A Final phase document is replaced with a new document.
        - a. The new document will:
          - i. Be assigned a version number
          - ii. Be identified as modification function

- iii. Be in Draft phase
    - 3. Go to any accounting line and select the following Reason Code in the REASON field of the Accounting General Information Table: OSDC-COL
      - a. This will send all lines of the RE to OSDC for collections. Note if you do not want to send all lines you must first modify the lines you do not want sent to OSDC and create a separate RE for that line.
    - 4. Select **SUBMIT** - This saves, validates and submits the document in Pending phase if approvals are required or in Final phase if no approvals are required.
    - 5. Select **CLOSE** - This returns you to the Document Catalog.
  - d. Please scan any backup material you may have for the debt and send it to [osdc.common@utah.gov](mailto:osdc.common@utah.gov) .
  - e. An interface is run between FINET and the OSDC system at least weekly (usually on Tuesday morning).
  - f. OSDC will place the accounts in the OSDC Case Management System (CMS)
  - g. OSDC will send a statement/demand letter to the debtor
  - h. CMS will distribute the debt to one of our contracted third party collection vendors for further collection activity.
- 2. The agency may be given access to the OSDC dcART (Debt Collection Agency Reporting Tool) web site to monitor the collection activity of an account and see various reports
- 3. If a payment is received within 5 days of placement:
  - a. Payment in full:
    - i. Modify the RE using a non-OSDC reason code
    - ii. Enter the OSDC dcART system and request that the account be closed and returned (this is not in FINANCE policy, but is an OSDC requirement). If you do not have access to dcART please send an email requesting the account be closed to [osdc.common@utah.gov](mailto:osdc.common@utah.gov) .
    - iii. The above two items will recall the account back to the agency.
    - iv. Apply the payment to the RE using a CR
  - b. Partial Payment:
    - i. Forward the payment to OSDC. Or, you may do an IET to transfer the money to OSDC and send OSDC an e-mail telling them where to apply the payment.
- 4. If payment is received by the agency after 5 days, the payment must be forwarded to OSDC for processing.

**Note that some debtors try to avoid OSDC collection fees by paying the agency directly for the principal amount. Once the account is with OSDC there are collection fees and interest added to the debt. So paying the principal amount does not close the debt.** You must verify with OSDC what

the payoff will be before accepting a payment. This balance can be obtained from the OSDC dcART system.Or, simply refer the debtor to OSDC.

5. The agency will monitor their receivables. If the account becomes older than 18 months with OSDC, the agency may request a write-off of the receivable. The aging is tracked in the dcART system. DcART will produce a list of possible write offs for the agency at any time.
6. To write off the receivable, create a WO document in FINET by copying forward the RE document to the WO. OSDC will receive the WO request and process the WO if it meets OSDC write off criteria.
7. For access to the dcART system please complete the following form, instructions for using dcART will be sent to your email address:

**Department of Administrative Services  
Division of Finance  
Office of State Debt Collection**

**Authorization for Access to OSDC dcART System**

**Employee Name** \_\_\_\_\_

**Employee Email Address** \_\_\_\_\_

**I understand that Access to dcART will allow this employee access to all Department accounts assigned to the Office of State Debt Collection (OSDC). Access includes the ability to view accounts, create summary reports, recall accounts and/or request write-off of accounts.**

**Supervisor Approval** \_\_\_\_\_

**Manager Approval** \_\_\_\_\_

**Agency Director or Designee Approval** \_\_\_\_\_

**Please return the completed form to OSDC. Fax number (801) 537-9044 or  
osdcommon@utah.gov**