

# 2018 Debt Collection Summary

(GP: Debt Collection Reports) Each state agency shall provide...a report detailing the amount of its outstanding [aged] debt and all methods it has used to collect that debt. This report is due by the last day of February for the previous calendar year. For purposes of this provision, outstanding [aged] debt means a sum remaining due and owed to a state agency by a nongovernmental entity for more than sixty calendar days.

2018  
Total A/R \$2.75B  
Aged A/R \$1.38B

50

Percent of accounts receivables (A/R) reported by agencies is aged.

59

Agencies reported having A/R as of 12/31/2018.

73

Percent of reported aged A/R is attributable to DOR—delinquent taxes.  
Does not include collections through Setoff Debt/ GEAR on behalf of other agencies.

80

Percent of reporting agencies use one or more external methods for collection.

99

Percent of uncollected A/R will pass through external collection methods.

More than  
**\$29 million**  
was written off as  
bad debt in 2018.

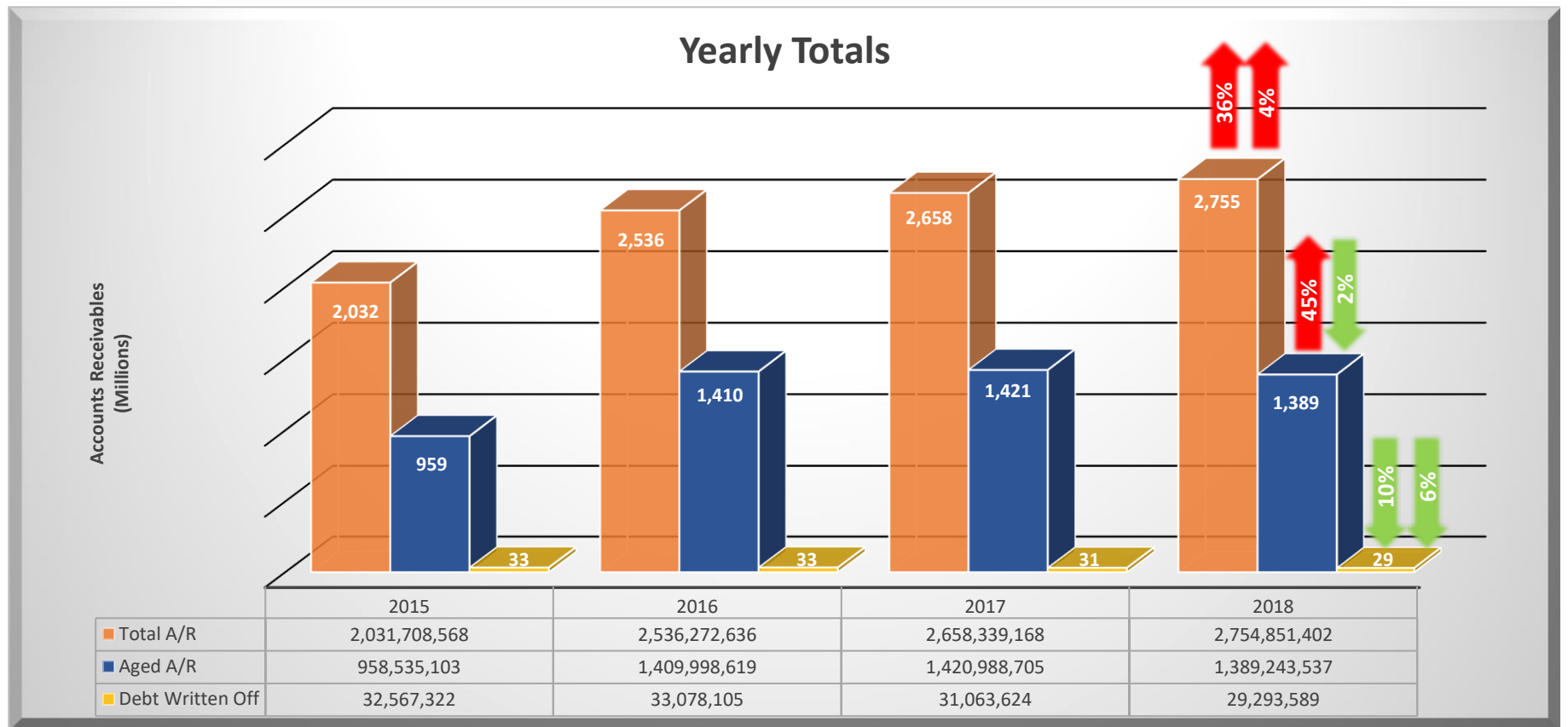
More than a  
**36% increase**  
in total A/R and  
**45% increase** in aged  
A/R reported since 2015.

Some agencies are unable to report aged A/R separately from total A/R; therefore, some amounts for aged A/R may be overstated.

The older the debt, the more challenging it is to collect.

2018 Debt Collection

	2015	2016	2017	2018	% Change from 2015	% Change from 2017
Total A/R	2,031,708,568	2,536,272,636	2,658,339,168	2,754,851,402	36%	4%
Aged A/R	958,535,103	1,409,998,619	1,420,988,705	1,389,243,537	45%	-2%
Debt Written Off	32,567,322	33,078,105	31,063,624	29,293,589	-10%	-6%



2018 Debt Collection

The below collection methods/ combinations...	...are used by the below # of agencies.	These are the corresponding A/R amounts that were reported.		Of the "Total A/R" reported...	
Collection Method	No. of Agencies	Total A/R	Aged A/R	% Current	% Aged
External - Collection Agency	2	641,090,635.91	19,594,618.95	97%	3%
External - Collection Agency and DOR Program(s)	12	1,717,647,147.46	1,191,095,538.72	31%	69%
External - DOR Program(s)	16	127,508,901.90	111,618,341.80	12%	88%
External - DOR Program(s) and Worthless Checks Program	4	44,853,808.42	21,807,059.60	51%	49%
External - DOR Program(s), Worthless Checks Program and Collection Agency	11	210,354,204.61	39,963,860.93	81%	19%
External - Worthless Checks Program	2	680,832.07	76,391.28	89%	11%
Primarily Internal Methods	12	12,715,871.67	5,087,725.70	60%	40%
	59	2,754,851,402.04	1,389,243,536.98	50%	50%

