date	subject	item
4/1/93	**REPORTING ACCOUNTS RECEIVABLE**	**K-023**
supersedes		page **1**

A. Purpose and Scope

This item establishes policies and procedures prescribed by the Director of the Budget for all State agencies regarding the reporting of their accounts receivable to the Division of the Budget.

Beginning in State fiscal year 1993-94, every State agency with accounts receivable shall submit each of the following accounts receivable reports:

> The **Accounts Receivable Activity Report** (Report 1) summarizes the State agency's collection activity for the reporting period.
>
> The **Aging of Past-Due Accounts Receivable Report** (Report 2) categorizes the agency's accounts receivable by days past-due.
>
> The **Referral Management Report** (Report 3) summarizes the collection effectiveness of the private collection agencies, the Attorney General's Office and the Department of Taxation and Finance during the reporting period.

These reports shall be submitted to the Division of the Budget on a quarterly and an annual basis.

B. State Agency Centralized Accountability

Every State agency must aggregate collection activity information on a centralized basis and submit each report by fund (General Fund, Special Revenue Funds - Other, and all other funds). Within each fund, an agency must categorize its accounts receivable by placing each of its revenue object codes into an accounts receivable category. As discussed in Item K-020, the appropriate categories are: Goods and Services (001); Licenses, Permits and Fees (002); Penalties and Fines (003); Damages (004); and Education (005). Thus, the agency must submit each report by fund and must categorize the revenue object codes of each fund.

While agencies are not required to report accounts receivable information on the basis of revenue object codes, they are expected to collect and maintain information by revenue object code. In certain cases, the Division of the Budget may request information by revenue object code.

C. Submission of Reports

1. Timetable

State agencies shall submit the accounts receivable reports to the Division of the Budget according to the following schedule:

Reporting Period	Due Date
First Quarter (April 1 - June 30):	August 1
Second Quarter (July 1 - September 30):	November 1
Third Quarter (October 1 - December 31):	February 1
Fourth Quarter (January 1 - March 31) and State Fiscal Year (April 1 - March 31):	June 1

The State and City Universities of New York shall report their accounts receivable on the basis of the academic year, according to a schedule mutually agreed to by the Division of the Budget and the universities.

If an agency's reported accounts receivable differ from the accounts receivable that it reported to the Office of State Comptroller for the Comptroller's Comprehensive Annual Financial Report, then the agency must submit an explanation to the Division of the Budget.

2. Form of Submission

The Division of the Budget will make report forms and software disks available to State agencies. For each quarterly and annual submission, the State agency must submit copies of the reports to the Division of the Budget.

3. Waiver of Reporting

If a State agency does not generate accounts receivable and, therefore, is not required to submit the accounts receivable reports to the Division of the Budget, the agency must submit a letter to the Division of the Budget attesting that:

i. The State agency had no accounts receivable as of March 31 of the previous fiscal year; and

ii. The State agency does not anticipate generating accounts receivable during the current fiscal year.

The State agency must submit this letter no later than June 1 of each year.

4. Medical Accounts Receivable Reports

State institutions and facilities with medical accounts receivable should continue to report these accounts receivable according to the interim Schedule of Accounts Receivable form currently in use until further notice and instructions, which will be provided in a Budget Bulletin. (See Item K-011 for a definition for medical accounts receivable.)

D. Report Instructions

1. Accounts Receivable Activity Report (Report 1)

The purpose of this report is to summarize the State agency's accounts receivable activity by accounts receivable category. For a description of accounts receivable categories, see Item K-020.

The following instructions pertain to completing Report 1:

a. Reporting Quarter Ending
Enter the month, day and year of the last day of the quarter for which the State agency is submitting the report.

b. Agency Name
Enter the official agency name.

c. Agency Code
Enter the State Comptroller's 5-digit agency code.

d. Fund
Enter "General Fund", "Special Revenue Funds-Other", or "Other Funds". If "Special Revenue Funds-Other" is entered, the agency should aggregate accounts receivable information for all of the agency's Special Revenue Funds-Other. If "Other Funds" is entered, the agency should aggregate the accounts receivable information for all of its funds that are not General Fund or Special Revenue Funds-Other.

e. Category
For each fund, enter the agency's categories of accounts receivable by name and code (e.g., Damages, 004). See Item K-020 for further explanation on categorizing accounts receivable.

f. Beginning Gross Accounts Receivable
For each Category and the Total, enter the number and amount of gross accounts receivable for the beginning of the quarter. This amount should be the same as the Ending Gross Accounts Receivable (l) of the previous quarter's report. Any discrepancies should be recorded under Adjustments ("g").

g. Adjustments: Increase (decrease)
For each Category and the Total, enter changes or corrections to the beginning gross accounts receivable. Any decrease should be shown in parentheses. The State agency should include an explanation for any adjustments in the Comments section ("r").

h. Add: Accounts Recognized in the Quarter
For each Category and the Total, enter the number and amount of accounts receivable recognized during the quarter. (See Item K-020 for guidance in the recognition of an account receivable.)

i. Less: Collections this Quarter
For each Category and the Total, enter number and amount of payments received by the State agency during the quarter. These payments include payments received directly from debtors and payments collected on behalf of the State agency by such outside collection entities as private collection firms, the Attorney General's Office, and the Department of Taxation and Finance. Do not include payments received for accounts that were previously written-off.

j. Gross Accounts Receivable Sub-total
For each Category and the Total, add "f" (adjusted for "g") plus "h" and less "i".

k. Authorized Write-offs this Quarter
For each Category and the Total, enter the number and amount of accounts receivable deemed uncollectible by the State agency or the Attorney General's Office and subsequently written-off during the reporting period. (Item K-022 describes the appropriate procedures for write-off.)

l. Ending Gross Accounts Receivable
For each Category and the Total, enter "j" less "k".

m. Allowance for Uncollectible
For each Category and the Total, enter the State agency's estimate of uncollectible accounts. (Item K-022 provides a model procedure for estimating uncollectible accounts.)

n. Total Net Accounts Receivable
For each Category and the Total, enter "l" less "m".

o. Recovered Accounts this Quarter
For each Category and the Total, enter the number and amount of accounts receivable previously written-off for which payment was received during the reporting quarter.

p. List of Categorized Revenue Object Codes
For each accounts receivable category, list the State Comptroller's 5-digit revenue object codes that are included.

q. Special Revenue Funds - Other and Other Funds
For reports on Special Revenue Funds - Other and all other funds, list the State Comptroller's 5-digit fund code of each fund that is included.

r. Comments
The State agency should use this section for any brief explanations, including the reasons for any adjustments made to the Beginning Gross Accounts Receivable.

s. Agency Contact
Enter the name and telephone number of the agency representative who is responsible for the preparation and submittal of this report for the agency.

The annual Report 1 is completed in a similar manner as the quarterly Report 1, though with data for the entire fiscal year.

2. Aging of Past-Due Accounts Receivable Report (Report 2)

This report provides a summary of the age of the agency's past-due accounts receivable. As described in Item K-022, an account receivable should begin to be aged as of its due date. If a partial payment has been received, then only the remaining debt should be reported as past-due. <u>If a deferred payment arrangement is in effect and the debtor is fulfilling the terms of the agreement, then the account receivable is not past-due.</u>

For each aging class, the State agency should report the number and amount of accounts receivable by category and by total. For a description of accounts receivable categories, see Item K-020.

Unless provided otherwise by State or Federal statute or regulation, the agency should use the aging categories in Report 2.

The following instructions pertain to completing Report 2.

a. Reporting Quarter Ending
Enter the month, day and year of the last day of the quarter for which the State agency is submitting the report.

b. Agency Name
Enter the official agency name.

c. Agency Code
Enter the State Comptroller's 5-digit agency code.

d. Fund
Enter "General Fund", "Special Revenue Funds - Other" or "Other Funds". If "Special Revenue Funds - Other" is entered, the agency should aggregate accounts receivable information for all of the agency's Special Revenue Funds - Other. If "Other Funds" is entered, the agency should aggregate the accounts receivable information for all of its funds that are not General Fund or Special Revenue Funds - Other.

e. Category
For each fund type, enter the agency's categories of accounts receivable by name and code (e.g., Damages, 004). See Item K-020 for further explanation on categorizing accounts receivable.

f. 31-60 Days
Enter the number and amount of accounts receivable that are 31 to 60 days past their due date for each Category and the Total.

g. 61-90 Days
Enter the number and amount of accounts receivable that are 61 to 90 days past their due date for each Category and the Total.

h. 91-120 Days

Enter the number and amount of accounts receivable that are 91 to 120 days past their due date for each Category and the Total.

i. 121-180 Days
Enter the number and amount of accounts receivable that are 121 to 180 days past their due date for each Category and the Total.

j. 181 Days to 1 Year
Enter the number and amount of accounts receivable that are 181 days to 1 year past their due date for each Category and the Total.

k. +1 Year to 3 Years
Enter the number and amount of accounts receivable that are between one and three years past their due date for each Category and the Total.

l. Over 3 Years
Enter the number and amount of accounts receivable that are over three years past their due date for each Category and the Total.

m. Total Past-Due Accounts Receivable
For each Category and the Total, add "f" through "l".

n. List of Categorized Revenue Object Codes
For each accounts receivable category, list the State Comptroller's 5-digit revenue object codes that are included.

o. Special Revenue Funds - Other and Other Funds
For reports on Special Revenue Funds-Other and all other funds, list the State Comptroller's 5-digit fund code of each fund that is included.

p. Comments
The State agency should use this section for any brief explanations, including the reasons for the use of alternate aging categories that are provided by State or Federal statute or regulation.

q. Agency Contact
Enter the name and telephone number of the agency representative who is responsible for the preparation and submittal of this report.

The annual Report 2 is completed in a similar manner as the Fourth Quarter Report 2.

3. Referral Management Report (Report 3)

The purpose of this report is to track the collection effectiveness of the outside entities to which the State agency has referred its past-due accounts receivable. A comparison of collection success is useful for future decisions concerning where to refer past-due accounts receivable.

The following instructions pertain to completing Report 3.

a. Reporting Quarter Ended
Enter the month, day and year of the last day of the quarter for which the State agency is submitting the report.

b. Agency Name
Enter the official agency name.

c. Agency Code
Enter the State Comptroller's 5-digit agency code.

d. Fund
Enter "General Fund", "Special Revenue Funds-Other", or "Other Funds". If "Special Revenue Funds-Other" is entered, the agency should aggregate accounts receivable information for all of the agency's Special Revenue Funds-Other. If "Other Funds" is entered, the agency should aggregate the accounts receivable information for all of its funds that are not General Fund or Special Revenue Funds-Other.

e. Category
For each fund type, enter the agency's categories of accounts receivable by name and code (e.g., Damages, 004). See Item K-020 for further explanation on categorizing accounts receivable.

f. Private Collection Firm
Enter the name of the private collection firm used by the agency. If more than one collection firm is used, attach additional sheets.

g. Accounts at Beginning of Quarter
For each Category and the Total, enter the number and amount of accounts receivable that are retained by the private collection firm at the beginning of this quarter. These figures should be same as the number and amount of accounts

at the end of the previous quarter. Any discrepancies should be recorded under Adjustments "h".

h. Adjustments: Increase (decrease)
For each Category and the Total, enter changes or corrections to the beginning balance, "g". Any decrease should be shown in parentheses. The State agency should include an explanation for any adjustment in the Comments section ("dd").

i. Add: Accounts Referred this Quarter
For each Category and the Total, enter the number and amount of accounts receivable that the State agency referred to the private collection firm during the reporting quarter only.

j. Less: Accounts Collected this Quarter
For each Category and the Total, enter the number and amount of accounts receivable that the private collection firm collected during the reporting quarter only.

k. Less: Accounts Returned Without Payment this Quarter
For each Category and the Total, enter the number and amount of accounts receivable that the private collection firm returned to the State agency without collecting a payment.

l. Total Accounts at End of Quarter
For each Category and the Total, add "g" (adjusted for "h") and "i", less "j" and "k".

m. Accounts at Beginning of Quarter
For each Category and the Total, enter the number and amount of accounts receivable that are retained by the Attorney General's Office at the beginning of this quarter. These figures should be same as the number and amount of accounts at the end of the previous quarter. Any discrepancies should be recorded under Adjustments "n".

n. Adjustments: Increase (decrease)
For each Category and the Total, enter changes or corrections to the beginning balance "m". Any decrease should be shown in parentheses. The State agency must include an explanation for any adjustment made in the Comments section ("dd").

o. Add: Accounts Referred this Quarter
For each Category and the Total, enter the number and amount of accounts receivable that the State agency referred to the Attorney General's Office during the reporting quarter only.

p. Less: Accounts Collected this Quarter
For each Category and the Total, enter the number and amount of accounts receivable that the Attorney General's Office collected during the reporting quarter only.

q. Less: Accounts Returned Without Payment this Quarter
For each Category and the Total, enter the number and amount of accounts receivable that the Attorney General's Office returned to the State agency without collecting payment.

r. Less: Accounts Written-off by Attorney General's Office
For each Category and the Total, enter the number and amount of accounts receivable that the Attorney General's Office has directed the State agency to write-off during the reporting quarter.

s. Less: Accounts Discharged by Attorney General's Office
For each Category and the Total, enter the number and amount of accounts receivable that the Attorney General's Office discharged, compromised, or settled during the reporting quarter.

t. Total Accounts at End of Quarter
For each Category and the Total, add "m" (adjusted for "n") and "o", less "p", "q", "r", and "s".

u. Accounts at Beginning of Quarter
For each Category and the Total, enter the number and amount of accounts receivable that are retained by the Department of Taxation and Finance at the beginning of this quarter. These figures should be same as the number and amount of accounts at the end of the previous quarter. Any discrepancies should be recorded under Adjustments "v".

v. Adjustments: Increase (decrease)
For each Category and the Total, enter changes or corrections to the beginning balance, "u". Any decrease should be shown in parentheses. The State agency should include an explanation for any adjustment in the Comments section ("dd").

w. Accounts Certified this Quarter
For each Category and the Total, enter the number and amount of accounts receivable that *the State agency* certified to the Department of Taxation and Finance during the reporting quarter only.

x. Less: Accounts Collected this Quarter
For each Category and the Total, enter the number and amount of accounts receivable that the Department of Taxation and Finance collected by offset during the reporting quarter only.

y. Accounts Decertified Without Payment this Quarter
For each Category and the Total, enter the number and amount of accounts receivable that the agency decertified from the Department of Taxation and Finance without collecting full payment for the debt from offset.

z. Total Accounts at End of Quarter
For each Category and the Total, add "u" (adjusted for "v") and "w", less "x" and "y".

aa. Refunds this Quarter
For each Category and the Total, enter the number and amount of refunds attributable to the State agency during this reporting quarter. These refunds are due to the erroneous offset of State payments.

bb. List of Categorized Revenue Object Codes
For each accounts receivable category, list the State Comptroller's 5-digit revenue object codes that are included.

cc. Special Revenue Funds - Other and Other Funds
For reports on Special Revenue Funds-Other and all other funds, list the State Comptroller's 5-digit fund code of each fund that is included.

dd. Comments
The State agency should use this section for any brief explanations, including the reasons for any adjustments made to the beginning accounts receivable.

ee. Agency Contact
Enter the name and telephone number of the agency representative who is responsible for the preparation and submittal of this report.

The annual Report 3 is completed in a similar manner as the quarterly Report 3, though with data for the entire fiscal year.