

Status Report

State of New Jersey Centralized Non-Tax Debt Collection, Fiscal Year 2009

**Submitted by:
New Jersey Department of the Treasury
Division of Revenue
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Executive Summary

Produced in response to requirements set forth in State law (N.J.S.A. 52:18 et seq.), this annual report outlines the status of New Jersey's centralized non-tax debt collection program, which is administered by the Department of the Treasury, Division of Revenue (Division), as of the close of Fiscal Year 2009.

The report centers on the results of a State-wide inventory of non-tax debt conducted by the Division during Fiscal Year 2009. The Division found that adjusting for debt that is not subject to the centralized collection program, the non-tax debt portfolio can be valued at approximately \$579 million as of the close of Fiscal Year 2009. With regard to the current balance of non-tax debt due and currently on file with the Division, after adjusting for doubtful accounts, 70% of the adjusted amount (\$248 million out of \$353 million) relates to cases referred by the Department of Corrections, Office of Public Defender and Parole Board. These cases typically involve individuals who are un- or underemployed, bankrupt, and/or who may also be permanently or intermittently institutionalized. A high proportion of cases relate to individuals who are highly mobile (and therefore difficult to find/communicate with) or deceased.

Despite the very challenging nature of the non-tax debt portfolio, the Division has been able to establish a steady stream of collections (e.g., nearly \$8 million in each of the last two fiscal years). This was accomplished through the use of an array of collection tools including the Set Off of Individual Liability Program, filing certificates of debt, use of first and second referral collection contractors and execution of wage garnishment orders. This multi-faceted approach compares favorably with the national model program, which is administered by the U.S. Department of the Treasury's Financial Management Service (FMS, Debt Management Services/Cross-Servicing). In general, it would be fair to conclude that collection performance would not reach current levels if the debt were to be left with individual departments/agencies that typically invest little or no effort in pursuing delinquent cases.

Notwithstanding the progress that has been made in collecting non-tax debt, the Division has identified a number of elements that can be improved and has set forth recommendations to achieve these improvements. The recommendations are listed at the end of this Executive Summary.

This report also contains various tables for each department/agency for which the Division manages debt, the current cumulative amount of outstanding non-tax debt, the amount of non-tax debt transferred to the Division's custody as of the end of Fiscal Year 2009, collected amounts for Fiscal Years 2008 and 2009, and the amount of debt eligible for write-off.

RECOMMENDATIONS

Based on an assessment of the information generated by the reporting process, the Division recommends that the following actions be undertaken to improve the performance of the centralized program. Several recommendations entail statutory and/or data system changes (those marked with an asterisk (*)). However, others can be pursued immediately, and the Division will take action on them during the course of Fiscal Year 2010.

Recommendations to Bolster Collection Performance

- To improve skip tracing and locating debtors, consider allowing for cross matching of non-tax debt cases with the Taxation and Motor Vehicle Surcharge databases to obtain expanded and enhanced contact information, and allow non-tax debt collection contractors to use cross-matched debtor contact information.*
- To strengthen collections capabilities, consider fully linking non-tax debt with the Division of Taxation's bank levy program as well as with the Federal Off-set of Individual Liability program.*
- *Require* agencies to file certificates of debt before transferring cases to the Division. This approach would enable the Division to pursue all avenues of collection, including wage garnishment, immediately following successful transfer of debt cases. In this same area, require agencies to renew certificates of debt six months prior to their expiration dates, and to facilitate the management process, standardize the length of the certificates at twenty years.*
- In the second referral debt collection contract, include provisions for expanding participation by multiple vendors with specific areas of expertise for work on specialized projects.
- As a longer term contracting strategy, consider the use of tiered collection arrangements in which debt is awarded to multiple contractors dynamically based on their collection performance, rather than sequentially as in the current first-to-second referral contractor arrangement.

Recommendations to Improve Agency Compliance Rates

- In the near term, focus the Division of Revenue's efforts on the transfer of all the non-exempt debt from Human Services' Medical Assistance and Health Services program -- the single largest area of non-compliance (\$113 million pending transfer to the Division), by the end Fiscal Year 2010.
- Communicate the compliance rates cited in this report to all participating agencies to provide performance feedback that may serve to either spur improvement efforts or motivate agency personnel to strive to sustain high levels of compliance.
- Assess the feasibility of charging a service fee for collection on exempt debt (debt that is not owed to State agencies).*

Recommendations to Improve Case Management and Debt Portfolio Valuation

- Write-off all eligible non-tax debt and institute the write-off process as an annual or bi-annual exercise.

- Should top management decide not to approve the write-off process, as an alternative, re-classify eligible cases as doubtful accounts and segregate them from the rest of the non-tax debt portfolio.

Recommendations to Enhance the Wage Garnishment Process

- In the short term, continue using the State's contractor to pursue wage garnishment actions.
- During the course of Fiscal Year 2010, obtain a legal opinion regarding the use of contractor personnel to process wage garnishment actions through the available in-house procedural regime – a hybrid approach.
- If the hybrid approach is legally permissible, have the first referral and/or second referral contractor administer the enhanced process.

I. Introduction

The New Jersey Department of the Treasury, Division of Revenue is responsible for the State's centralized non-tax debt collection program. Under the program, executive branch agencies are required to collect amounts due from fees, fines, penalties, costs or other assessments. Agencies are then required to transfer any uncollected non-tax debt that is due and payable to the Division no later than the 91st day following the recording of the debt. In addition, at the conclusion of each fiscal year, each agency is required to submit a certified non-tax debt inventory report to the Division. This report focuses on the results of agency efforts to comply with the above-cited law and the Division's own efforts to collect non-tax debt that agencies have transferred. The report does not cover receivables associated with the State's Motor Vehicle Surcharge system. This is a specialized system that encompasses current billings and debt, which are combined into a separate, integrated system.

II. Program Background

Rules set forth at N.J.A.C. 17:48 establish the key definitions and procedural dimensions of the program. The rules define "Delinquent debt" as a fee, fine, cost, penalty or assessment that has been due and owing a State department or agency for 91 days or more. "Delinquent debt" does not include inter-agency debts and debts associated with loans, notes, grants, and contracts. Further, "Debtor" means any individual or business entity owing money to or having a delinquent account with any State department or agency which obligation has not been adjudicated or satisfied by court order, set aside by court order or discharged in bankruptcy. In this connection, "Debtor file" means the listing of all delinquent debts for which the State agency has exhausted its collections methods within the 90-day billing cycle.

1. Agency Responsibilities

Agencies are to make every effort to collect amounts due associated with fines, fees, costs, penalties and other assessments (non-tax debt). At a minimum, the following steps must be taken:

- Agencies shall develop and establish written procedures and guidelines to be followed by all staff assigned to the debt collection function; and
- Within 90 days of an amount becoming due and owing, agencies shall attempt to collect by taking, at a minimum, the following steps:
 - Issue and send an initial bill (invoice) by regular mail or electronic means if available;
 - If the amount is not paid after 30 days, send a written reminder letter via regular and/or certified mail; and
 - If the amount is not paid after 60 days, send a second reminder letter via regular and/or certified mail.

If an agency is unable to collect a debt within 90 days, the debtor file is to be transferred to the Division, in an acceptable electronic format and containing the information contents specified by the Division, on the 91st day for further collection efforts. The basic information content of the debtor file includes: debtor name; contact person; address; telephone number; social security number or federal identification number; nature of debt; date of debt; debt amount; payment(s) amount(s); payment(s) date(s); and balance due.

Certain exemptions apply to the 90-day transfer provision. Specifically, if a debt has reached the 90-day cutoff point, but has been submitted by the agency for litigation, the account will not be submitted to the Division until such litigation has been concluded and the debt remains due and owing. If the debt remains unpaid for 90 days after an agreed upon court order for payment, the debt shall be referred to the Division. If a State agency submits a debt for judgment sometime during the 90-day collection period, the agency will submit the debt no later than 20 days after the judgment has been obtained from the courts.

Finally, the law requires that the chief administrative officer of each agency, or his or her designee, submit a certified report of the agency's non-tax debt inventory within 45 days following the conclusion of each fiscal year, in a format specified by the Division. At a minimum, the report will include the following information:

- The amount of total debt owed to the General Fund;
- The amount of debt owed to the General Fund submitted to the Division;
- The amount of total debt owed to non-state sources;
- The amount of debt owed to non-state sources submitted to the Division;
- The amount of total debt outstanding; and
- The amount of total debt outstanding not submitted to the Division.

A summary of the Fiscal Year 2009 agency inventories is included in Appendix A.

2. Centralized Collection Operations

Once non-tax debt is transferred to the Division, the case information is imported into the Revenue Delinquent Invoice (RDI) database. The RDI database serves as the informational platform for the extensive collection efforts that follow.

The Division employs multiple debt collection agencies to pursue non-tax debt. With regard to key contracts, the Division manages engagements with the following firms. Both engagements are contingency-fee based. That is, contractors are paid based on contractually defined percentages of amounts collected.

- *First referral contractor Penn Credit.* Penn Credit is given twelve months to collect outstanding amounts. The firm's contract runs through April 15, 2010.
- *Second referral contractor NCO Financial Systems, Inc.* NCO receives debt cases with no activity (no payments) twelve months following the first referral noted above and is given twelve months to collect outstanding amounts. This contract will expire on November 12, 2009.¹

The collection contractors employ multiple techniques to collect their assigned debt cases. For example, they attempt to locate debtors through skip tracing (leveraging various address and locator systems to find valid contact information for debtors) and use telephonic and written communications to inform debtors of their obligations and to set the stage for payment processing. The contractors also administer payment plans that are

¹ NCO has stopped services on new second referral cases citing the fact that the firm is suffering financial losses in attempting to collect. This is a contractual matter that must be resolved by the Division of Purchase and Property. It is hoped that the resolution will be reached during the upcoming contracting cycle for second referral debt, which is scheduled for November-December 2009. Pending the resolution of this matter, the first referral contractor is working the debt through **both the first and second referral time periods.**

based on rules supplied by the State agency that originally transferred the debt, and credit payments received by the State from debtors. Finally, the first referral contractor also administers a wage garnishment program, which will be discussed in more detail later in this report.

Concurrent with the contractors' efforts, the State implements important collection-related actions. Individual debtors are entered into the Set Off of Individual Liability (SOIL) program, wherein any rebates/refunds due to the debtors are off-set by the outstanding debt amount. Judgments are entered against delinquent debtors.² In addition, the Division monitors the debt payment stream and follows up on payments that fail (dishonorments), makes the necessary changes to the debtors' accounts and attempts to secure valid replacement payments.

With regard to State agency compliance, the Division regularly sends reminders relative to the mandatory non-tax debt transfer provisions to agency representatives and maintains continual dialogues with the representatives regarding collection operations. The Division also makes the SOIL system available for continual updating (agencies can update the SOIL file on a monthly basis).

With regard to the functional scope of New Jersey's program, it would be fair to say that it compares favorably with the national model program, which is administered by the U.S. Department of the Treasury's Financial Management Service (FMS, Debt Management Services/Cross-Servicing).³

III. Overview of Non-Tax Debt Portfolio

This section provides an overview of the non-tax debt portfolio reflected on the Division's centralized non-tax debt database. (Amounts covered by the mandatory provisions of the centralized program and not transferred to the Division are listed in Appendix A).

1. Current Balances and Recent Collections

Table 1 below lists the current outstanding non-tax debt for each participating agency, along with the amounts collected for Fiscal Years 2008 and 2009. The outstanding amounts are net of the amounts eligible for write-off or assignment to a doubtful accounts category. These write-off /doubtful amounts will be discussed later in this report. Also, the amounts reflect debts that are not covered by the mandatory scope of the centralized program, but which are transferred on a voluntary basis by the agencies involved.

² The Division has authority to file certificates of debt (COD) directly on referred cases. However, the Superior Court has indicated that it will not process the Division's filings due to concerns regarding dual/overlapping jurisdiction between the referring agency and Division. While it may be possible to address this matter through continued dialogue with the Superior Court, the Division believes it would be more effective to require agencies to file CODs prior to transferring debt to the Division. This would be more efficient and eliminate the court's concerns about dual/overlapping jurisdiction. As a point of reference, the Division has employed this approach with the Office of the Public Defender for the past decade, and it has worked very well.

³ Information on the Cross-Servicing activity is available at <http://fms.treas.gov/debt/crosserv.html>. FMS issues demand letters, conducts telephone follow-up, initiates skip tracing, refers debts for administrative offset, performs administrative wage garnishment and refers debts to private collection agencies.

Table 1

DEPARTMENTS/AGENCIES	FY 2008 Collections	FY 2009 Collections	Current Non-Tax Balance Due
Agriculture	\$0.00	\$396.00	\$4,657.00
Banking & Insurance	\$25,383.58	\$95,933.04	\$17,371,589.17
Casino Control	\$939.15	\$4,651.98	\$35,935.58
Children and Families			
DYFS Agency Providers	\$18,322.31	\$5,423.26	\$93,409.03
SOIL Unit	\$0.00	\$8,320.30	\$41,569.61
Community Affairs	\$177,157.93	\$181,470.57	\$2,148,197.94
Consumer Affairs	\$334,013.05	\$387,650.88	\$53,796,516.94
Corrections	\$1,084,087.92	\$1,139,112.84	\$114,659,967.26
Environmental Protection			
Air Pollution	\$69,960.00	\$11,300.00	\$5,904,957.72
CAFRA	\$0.00	\$0.00	\$1,250.00
Clean Water Enforcement	\$20,000.00	\$93,500.00	\$701,184.59
Freshwater Wetlands	\$0.00	\$10,500.00	\$242,885.00
Hazardous Waste	\$4,500.00	\$1,959.73	\$244,248.15
Lab Certification Fines	\$0.00	\$0.00	\$4,000.00
NJPDES	\$108,875.39	\$145,229.26	\$683,222.40
Right-to-Know	\$1,000.00	\$14,750.00	\$295,600.00
Site Remediation	\$49,592.93	\$44,089.90	\$983,452.33
Safe Drinking Water	\$0.00	\$1,200.00	\$102,600.91
Solid Waste	\$71,343.50	\$60,457.52	\$999,816.85
Spill Compensation	\$0.00	\$0.00	\$14,750.00
SRWM Enforcement	\$0.00	\$27,050.00	\$306,575.00
Toxic Catastrophe	\$0.00	\$0.00	\$10,000.00
Water Allocation	\$16,500.00	\$2,196.10	\$14,557.50
Waterfront Development	\$2,450.00	\$450.00	\$31,100.00
Human Services			
SOIL Unit	\$80,884.59	\$123,061.29	\$602,678.75
Childcare	\$0.00	\$6,811.50	\$2,810,698.50
Family Care	\$0.00	\$0.00	\$17,205.00
Skilled Sponsors	\$0.00	\$0.00	\$2,786.24
Addiction Services	\$0.00	\$0.00	\$7,588.65
Mental Health Facilities	\$0.00	\$0.00	\$20,701.27
Labor and Workforce Development			
Wage and Hour Compliance	\$3,700.00	\$6,724.50	\$1,223,211.49
Law - Insurance Fraud	\$412,297.58	\$436,075.58	\$12,377,847.09
Lottery	\$3,889.22	\$16,999.52	\$626,593.92
MAVA	\$0.00	\$3,969.30	\$639,649.22
Office of the Public Defender	\$4,318,224.84	\$4,268,448.10	\$68,773,302.37
Parole Board	\$323,273.15	\$407,104.67	\$64,529,997.41
State Police	\$0.00	\$0.00	\$2,032.25
Treasury			
Rate Council	\$0.00	\$0.00	\$3,500.00
Risk Management	\$2,178.93	\$6,736.69	\$145,386.18
Transportation	\$832,768.55	\$443,408.29	\$2,274,559.58
TOTALS	\$7,961,342.62	\$7,954,980.82	\$352,749,780.90

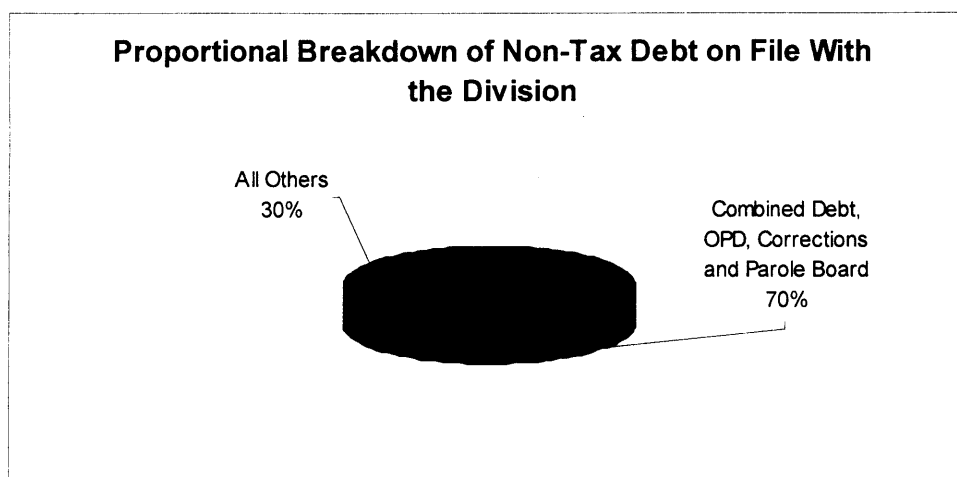
Source: Division of Revenue, Revenue Delinquent Invoice (RDI) Database.

Note: Amounts in this table include debt that is not covered by the mandatory scope of the centralized program, but which is transferred on a voluntary basis by the agencies involved. The amounts will not, therefore, reconcile to amounts shown in Table 2.

2. Nature of Cases and Collection Rates

Over 70% of the outstanding debt listed above (\$247,963,267) relates to cases referred by the Department of Corrections, Office of Public Defender and Parole Board. These cases typically involve individuals who are un- or underemployed, bankrupt, and/or who may also be permanently or intermittently institutionalized. A high proportion of cases relate to individuals who are highly mobile (and therefore difficult to find/communicate with) or deceased. The combined collection rate for these cases in FY09 was 2.3%. (Viewed by itself, the Office of Public Defender has a higher collection rate at just over 6% -- \$4,268,448.10 / \$68,773,302.37).

Chart 1



The balance of the portfolio tracks the performance of the three main areas highlighted in the preceding paragraph. The exceptions center on debt associated with the Department of Transportation, the Department of Environmental Protection's NJPDES and Water Allocation programs, the Casino Control Commission and Human Services' SOIL Unit, which all have collection rates that exceed 10%. In the latter cases, the debt involved is predominantly related to active business entities. These types of debtors are easier to locate. Further, they have greater incentives to resolve delinquent debt cases that can impact their business dealings and credit ratings, and they typically have more resources to satisfy outstanding debts. In the case of Human Services' SOIL Unit, which deals with individuals, the debtors' contact information tends to be more current and as refund filers, they have at least some financial resources that can be accessed for pay-back purposes.

3. Recommendations

From a functional standpoint, the State appears to be using the most up to date approach to collecting non-tax debt. However, the Division believes there are several adjustments that could be made to improve collection rates. Recommendations marked with an asterisk (*) would ultimately require statutory and data system changes.

- To improve skip tracing and locating debtors, consider allowing for cross matching of non-tax debt cases with the Taxation and Motor Vehicle Surcharge databases to obtain expanded and enhanced contact information, and allow non-tax debt collection contractors to use cross-matched debtor contact information.*

- To strengthen collection capabilities, consider linking non-tax debt with the Division of Taxation's bank levy program, as well as with the Federal Off-set of Individual Liability program.*
- *Require* agencies to file certificates of debt before transferring cases to the Division. This approach would enable the Division to pursue all avenues of collection, including wage garnishment, immediately following successful transfer of debt cases. In this same area, require agencies to renew certificates of debt six months prior to their expiration dates, and to facilitate the management process, standardize the length of the certificates at twenty years.*
- In the next second referral debt collection contract , include provisions for expanding participation by multiple vendors with specific areas of expertise for work on specialized projects – for example forensic accounting, locating/pursuing debtors who now reside in other states, specialists in dealing with business entities, etc. This approach would allow the Division to conduct targeted collection projects based on the specific characteristics of the debtor population while regular collection operations proceed uninterrupted.
- As a longer term contracting strategy, consider the use of tiered collection arrangements in which debt is awarded to multiple contractors dynamically based on their collection performance, rather than sequentially as in the current first-to-second referral contractor arrangement.

IV. Agency Compliance Rates

This section provides an overview of agency compliance rates -- at the program level and with regard to the mandatory transfer provisions of the law.

1. Overview of Compliance

With the exception of several small programs whose combined debt amount equals less than 1% of the non-tax debt subject to the mandatory transfer provisions, all of the agencies reporting non-tax debt that is subject to the mandatory transfer provisions of the law are participating in the centralized program at some level – in the SOIL program, collection agency services or both. In this regard, compliance is nearly 100%. A more challenging metric, compliance with the mandatory 90-day transfer provision, yields the profile documented in Table 2. Drawn from the annual inventory reports described previously, the table shows, by department/agency:

- Debt subject to the mandatory transfer provisions
- Debt actually transferred to the Division
- The compliance rate (debt actually transferred to the Division / debt subject to the transfer provisions)

It must be emphasized that the compliance computation excludes debt that is not covered by the statutory definition set forth in N.J.A.C. 17:48 – e.g., debt owed to individuals or local government agencies, debt that is in litigation and/or debt for which the amount owed remains unknown due to pending administrative actions. State agencies are not obligated to transfer such debt to the Division and therefore, the debt is not subject to the mandatory 90 day transfer provisions.⁴

Table 2

DEPARTMENT/AGENCY	Debt Subject to Mandatory Transfer Provisions	Non-Exempt Debt Transferred to the Division	Compliance Rate
Civil Service Commission	\$920.83	\$920.83	100.00%
Corrections	\$342,750.59	\$342,750.59	100.00%
Office of Public Defender	\$289,706,096.32	\$289,706,096.32	100.00%
Public Advocate	\$8,500.00	\$8,500.00	100.00%
Treasury	\$1,450,190.13	\$1,450,190.13	100.00%
Transportation	\$585,599.46	\$585,599.46	100.00%
Law & Public Safety	\$45,646,346.98	\$44,710,040.81	97.95%
Casino Control Commission	\$108,865.61	\$104,242.32	95.75%
Lottery	\$1,048,886.21	\$1,001,932.23	95.52%
Parole Board	\$6,273.61	\$5,948.61	94.82%
Banking and Insurance	\$32,707,164.05	\$28,535,269.45	87.24%
Children & Families	\$1,158,705.96	\$979,090.75	84.50%
Military & Veterans Affairs	\$1,161,057.05	\$792,507.92	68.26%
Community Affairs	\$21,507,665.95	\$4,177,795.54	19.42%
Environmental Protection	\$49,236,862.37	\$7,601,886.00	15.44%
Labor & Workforce Development	\$11,434,898.00	\$1,228,031.68	10.74%
Agriculture	\$62,205.28	\$3,257.00	5.24%
Human Services	\$119,062,706.92	\$5,959,165.56	5.01%
Health & Senior Services	\$3,383,327.50	\$1,442.74	0.04%
Education	\$280.00	\$0.00	0.00%
State	\$140.00	\$0.00	0.00%
TOTALS	\$578,619,442.82	\$387,194,667.94	66.92%
Sources: Source: Division of Revenue, Revenue Delinquent Invoice (RDI) Database and FY2009 agency non-tax debt inventory reports.			
Note: The Division determined that \$7.8 million in debt from the Department of Community Affairs, Codes and Standards program should be considered exempt even though DCA did not list the debt as such. Essentially, the final debt amounts involved in this area are not settled due to on-going administrative actions connected with active enforcement cases. The \$7.8 million is not listed in Table 2.			

As can be seen, the overall compliance rate with the 90-day transfer provision is about 67%. With regard to individual department/agency performance, it would be reasonable to conclude those with rates exceeding 90% are in substantial compliance, while those falling below this level are not in compliance.

⁴ The amounts in this category can be sizable. For example, the Department of Corrections carries approximately \$305 million in debt that relates to inmates who owe victims and local government agencies money for various reasons. In connection with this debt, it should be noted that many of the individual debtors are already enrolled in payment plans established by Corrections. Corrections does transfer cases from this population to the Division voluntarily – i.e., cases involving released inmates who are not honoring their payment plans. The Division works this debt with the same diligence as debt covered under the mandatory transfer provisions of the law.

The largest issue with regard to non-compliance centers on newly reported non-exempt debt carried by the Department of Human Services, Medical Assistance and Health Services program (approximately \$113 million of Human Services' non-exempt debt). The debt encompasses the State's share of Medicare overpayments to service providers. This single block of debt constitutes 20% of all recorded non-exempt debt. If the program were to be brought into substantial compliance (90% of the outstanding debt transferred to the Division), the overall compliance rate for the mandatory transfer provision would jump from 67% to 83%. Clearly then, for practical and programmatic reasons, priority must be given to transferring Human Services' debt to the Division this Fiscal Year (2010).

One more point is worth noting in this area. Several agencies that fall under the non-compliant category are now actively working with the Division to set up timely debt transfer processes. These agencies are listed below. With the exception of the debt for Labor and Workforce Development, the amounts shown for each agency are essentially the balances of their un-transferred, non-exempt debt. It is assumed that these amounts will start to flow into the Division's program during the course of Fiscal Year 2010.

- Agriculture, Marketing Program -- \$58,948
- Community Affairs, Fire Safety Program -- \$17.7 million (It is estimated that ultimately, only 36 % of this amount will be deemed valid debt. DCA's records system must be reviewed so that erroneous debt amounts can be eliminated.)
- Health and Senior Services, Senior Services -- \$3.3 million
- Labor, Health and Safety Program -- \$2.4 million

2. Reporting Issues

With regard to compliance reporting, the Division encountered issues that impacted the classification of portions of the non-tax debt portfolio.

The Department of Environmental Protection indicated that it had \$1.3 million in debt that could not be classified at the time the inventory was submitted. Also, the Department excluded \$3 - \$4 million in un-billed amounts related to Riparian leases. The Department asserted the debt is exempt. Finally, the Department stated that reported debt associated with the Site Remediation Program may be overstated by \$6 million.

The Department of Human Services' NJ FamilyCare program transferred \$989,000 in debt to the Division, but has indicated it has more debt on file, which needs to be quantified and reported. As of the date of this status report, Family Care has not provided a full accounting of the debt it has on file.

The Department of the Treasury's Risk Management Program does not submit inventory reports. However, the Program does transfer debt to the Division periodically.

3. Recommendations

Given the prevailing staffing shortages and technological limitations that hamper the ability of many departments/agencies to transfer non-exempt debt to the Division, the overall compliance rate discussed above can be considered a good starting point. Clearly though, the rate must be brought up closer to and sustained at the substantial compliance level. To these ends, the Division recommends the following actions. Recommendations marked with an asterisk (*) would ultimately require statutory changes:

- Focus efforts on the transfer of all the non-exempt debt from Human Services' Medical Assistance and Health Services program to the Division by the end Fiscal Year 2010. While success in this endeavor largely depends on Human Services' prompt and effective action, the Division can facilitate the transfer process by allocating substantial staff time to this specific transfer process, and provide Human Services with technical guidance and project management support in conjunction with the Division's information technology.
- Communicate the compliance rates cited in this report to all participating agencies to provide performance feedback that may serve to either spur improvement efforts or motivate agency personnel to strive to sustain high levels of compliance.
- Assess the feasibility of charging a service fee for collection on exempt debt that is transferred to the Division. This would help to defray costs of collecting debt that is eventually paid back out to individuals and/or other governmental entities.*

V. Cases Eligible for Write-off

As noted previously, the non-tax debt portfolio consists largely of individuals, and many of these individuals cannot be located and/or refuse to acknowledge their debts. The debtors may be institutionalized, unemployed or bankrupt. Many are highly mobile, and if they leave the state, may be virtually impossible to find. Finally, many are deceased.

1. Effect of Portfolio Demographics

The cumulative effect of these demographic factors is that a large proportion of the non-tax debt portfolio is, in practical terms, uncollectible. Standard industry practice is to eventually write such debt off. However, up to this point, the State of New Jersey has never written off uncollectible accounts. As a result, the non-tax debt portfolio has, for decades, accumulated debt accounts that will never be collected and has been consistently over-valued (in terms of the value of collectible cases).

The issue here, however, is not an inability to manage the life cycle of cases in the portfolio and to identify cases eligible for write off. The Division can identify such cases and quantify the associated write-off amounts. Table 3 shows the aggregated debt amounts associated with accounts that have been through the collection regime outlined in Section II.2 without yielding any contact/collection results.

The basic problem then is that historically, the State has lacked a forum to fully explain and report on the nature of the uncollectible case population. Without this forum, it has been difficult for top managers to approve the write-off of accumulated uncollectible cases.

2. Basis for Action

N.J.S.A. 52:18-41 now provides the Division with the requisite forum. The information in this report offers the first opportunity for the Legislature and our top executives to develop an understanding of the uncollectible case population and to either support the write off of the eligible amounts or approve an alternative classification scheme for the cases (discussed below).

In addition to understanding the scope of the uncollectible case population shown in Table 3, it is important for decision-makers to be aware of the unique characteristics of this segment of the non-tax debt portfolio. That is, unlike other receivables, nearly all debt involved in the centralized non-tax debt program is recorded *on agency records only* and therefore, the debt does not reflect on the State's financial records and reports. Further, even if uncollectible non-tax amounts are written off, the case information will remain in the SOIL cycle. Moreover, in contrast to most debt collection scenarios, the State's closed non-tax case files will always be available for reactivation should new information about old debts come to light.

In effect, notwithstanding any prospective write-off actions, the State maintains the ability to collect on the cases involved. In this context, institution of the write-off process, or an alternative classification scheme as discussed in the recommendations that follow, would represent a much-needed improvement in case life cycle management. This improvement would lead to a more accurate valuation of the collectible non-tax portfolio, and yet, not cancel any of the debt involved or diminish the State's ability to collect in the future should new opportunities surface.

Table 3

DEPARTMENTS/AGENCIES	Amounts Eligible for Write-off As of 6/30/09
Agriculture	\$0.00
Banking & Insurance	\$1,938,408.12
Casino Control	\$553,011.05
Children and Families	
DYFS Agency Providers	\$754,724.31
SOIL Unit	\$139,227.77
Community Affairs	\$3,563,828.82
Consumer Affairs	\$5,565,357.79
Environmental Protection	
Air Pollution	\$2,452,997.67
CAFRA	\$68,500.00
Clean Water Enforcement	\$772,720.23
Freshwater Wetlands	\$287,500.00
Hazardous Waste	\$700,182.61
Lab Certification Fines	\$0.00
NJPDES	\$170,155.51
Right-to-Know	\$1,159,132.50
Site Remediation	\$658,300.73
Safe Drinking Water	\$43,000.00
Solid Waste	\$801,910.75
Spill Compensation	\$5,000.00
SRWM Enforcement	\$112,000.00
Toxic Catastrophe	\$25,668.42
Water Allocation	\$37,921.08
Waterfront Development	\$17,700.00
Human Services	
SOIL Unit	\$1,688,815.35
Childcare	\$0.00
Family Care	\$12,998.50
Skilled Sponsors	\$0.00
Addiction Services	\$0.00
Mental Health Facilities	\$0.00
Labor and Workforce Development	
Wage and Hour Compliance	\$168,558.14
Law - Insurance Fraud	\$12,324,351.41
Lottery	\$591,063.15
MAVA	\$463,326.89
Office of the Public Defender	\$236,806,822.55
State Police	\$0.00
Treasury	
Rate Council	\$0.00
Risk Management	\$999,465.91
Transportation	\$746,272.40
TOTALS	\$273,628,921.66
Source: Division of Revenue, Revenue Delinquent Invoice (RDI) Database	
Note: Amounts for Corrections and the Parole Board are not included. Both agencies have policies that prohibit any form of write-off. Also, both agencies voluntarily transfer debt that is not covered by the mandatory provisions of the law.	

3. Recommendations

Based on the information above, the Division strongly recommends the actions below.

- That all of the debt shown in Table 3 be written off in accordance with the procedures set forth in Circular Letter 06-03-OMB, and that the State establish the write off process as an annual or bi-annual exercise. The recommended write-off criteria would be as follows:
 - Minimum age of case – 27 months (90 days in agency and 2 years in the centralized program)
 - Case must have a filed judgment (on-going program only; old debt shown in Table 3 should not be subject to this criterion)
 - First and second referral contractor must have worked the case (on-going program only; old debt shown in Table 3 should not be subject to this criterion)
 - There is no contact or collection activity associated with the case
- Should top management decide not to approve the write-off process, as an alternative, the Division would recommend that cases that meet the criteria above be re-classified as doubtful accounts and segregated from the rest of the non-tax debt portfolio. The doubtful accounts would remain inactive (no effort in collection aside from SOIL actions would be invested in them) and would be reported on separately. In this fashion, even if the uncollectible cases are not written off, the reclassification will enable the Division to more effectively manage the collectible case population and more accurately value the non-tax debt portfolio.

VI. Wage Garnishment

The Division has found that it is feasible to employ the wage garnishment process as an additional collection tool on an on-going basis, via use of its collection contractor. The Division is now doing at least one wage garnishment project per year.

1. Results of the Process to Date

Wage garnishment appears to add value as an enforcement tool and as a means to gain very small increases in collections. In connection with collections, it is important to note that as the Division eliminates legacy cases from its debt portfolio, the number of workable cases is very likely to decrease. The case selection process itself greatly reduces the number of workable cases. Under current case selection criteria, in order to be workable, the debtor's record and information must:

- Match with a record on the Department of Labor's most recent wage report file
- Have a valid social security number **and** name match
- Be subject to an **active** judgment
- Have a debt amount of \$500 or above
- Reflect annual wages above the federal poverty line (poverty line varies depending upon family status of the debtor)
- Have an employer address that is available/valid

In addition to the criteria above, the Division must ensure that the debtor's non-tax case is not subordinate to other garnishment orders – i.e., orders for support and maintenance of

a wife, child or children, previously entered orders against the debtor (prior to July 2, 2005), and orders required by other laws that have priority over DOR's wage executions. As noted previously, the target debtor populations tend to be in low income categories, are highly mobile and more likely than other populations to be sporadically employed or institutionalized. They may also be subject to superseding wage garnishment and support orders.

Table 4

Division of Revenue Wage Garnishment			
	CASES	DEBT AMOUNT	COLLECTIONS TO DATE
First Project (10/01/2005) FY 2006			
Cases that had employer information when compared with Department of Labor Wage File and that met selection criteria -- e.g., active lien, debt amount => \$1,000, valid social security number, not bankrupt, deceased, etc.	700	\$2.0 Million	
TOTAL COLLECTED TO DATE			\$388,442.23
Second Project (03/01/08) FY's 2008/2009			
Cases that had employer information when compared with Department of Labor Wage File and that met selection criteria -- e.g., active lien, debt amount => \$500, valid social security number, not bankrupt, deceased, etc.	2,684	\$7.0 Million	
TOTAL COLLECTED TO DATE			\$103,356.94
Third Project (03/03/08 - 09/03/09) FY's 2008/2009			
Cases that had employer information when compared with Department of Labor Wage File and that met selection criteria -- e.g., active lien, debt amount => \$500, valid social security number, not bankrupt, deceased, etc.	1,421	\$1.7 Million	In Progress
Source: Internal Division of Revenue Records and Revenue Delinquent Invoice (RDI) Database			

2. Observations

The Division has employed both in-house and contracted approaches to executing wage garnishments. The in-house approach is faster and results in higher levels of collection, but is also the most expensive requiring, at a minimum, 2.5 full time equivalents (FTE) to administer and conservatively, .5 of an administrative law judge's time. This would translate into roughly \$228,000 per year in salary and benefit costs alone. *Prospective* collection rates would clearly not support these outlays.

The private sector arrangement is far more efficient, costing the State only a fraction of an FTE to administer. However, it results in lower net collection rates. Also, contractors highlight that given the nature of the debtor population and the low number of collectible cases, it is very difficult to recoup processing costs and accordingly, the wage garnishment process is not considered profitable.

3. Recommendations

In order to maintain the wage garnishment process as an on-going collection tool, the Division believes that it would be advisable to explore ways to meld the most productive aspects of the two approaches used to date – in-house and contracted. In essence, the in-house approach allows for the acceleration of wage execution actions and eliminates some of the overhead associated with filing fees and service of process. The contracted approach minimizes the need for extensive in-house staff involvement and thereby is far more efficient. Thus, the Division recommends the following actions:

- In light of current severe staffing and budgetary constraints, in the short term, continue the contractor approach to wage garnishment.
- During the course of Fiscal Year 2010, obtain a legal opinion regarding the use of contractor personnel to process wage garnishment actions through the in-house procedural regime – a hybrid approach.
- If the hybrid approach is legally permissible, have the first referral and/or second referral contractor administer the enhanced process.

VII. Conclusion

The State's centralized non-tax debt collection program is fully functional and uses an array of collection tools that parallel the national model program for cross-agency (centralized) non-tax debt collection (U.S. Department of Treasury's Financial Management Services/Cross-Servicing). Working with an extremely difficult debt portfolio, the Division has established a steady stream of collections (e.g., nearly \$8 million in each of the last two fiscal years). It seems reasonable to conclude that collection performance would not reach these levels if the debt were to be left with individual departments/agencies that typically invest little or no effort in pursuing delinquent cases.

The Division believes that the centralized program should continually seek to improve its performance. To this end, this report has highlighted several recommendations designed to enhance agency compliance, as well as to improve the operational, policy, contractual and accounting elements of the centralized program.

APPENDIX A
SUMMARY OF DEPARTMENT/AGENCY NON-TAX DEBT INVENTORY
REPORTS

AS OF 9/10/09 12:06 pm

Summary of Information Drawn from Department Agency Non-Tax Debt Inventory Reports

DEPARTMENT	DIVISION/PROGRAM	TYPE OF DEBT	Total	Total	Total	Total	Total	Transferred to DOR	Compliance Rate
			Outstanding Debt	Exempt 0-90 Old	Exempt State	Exempt Non-State	Debt Eligible for Collection		
Agriculture	Federal Lunch	Federal	\$10,095.52	\$0.00	\$0.00	\$10,095.52	\$0.00	\$0.00	
	Child Care	Federal	\$272,426.36	\$0.00	\$0.00	\$272,426.36	\$0.00	\$0.00	
	Adult	Federal	\$658.43	\$0.00	\$0.00	\$658.43	\$0.00	\$0.00	
	Family Day	Federal	\$16,465.48	\$0.00	\$0.00	\$16,465.48	\$0.00	\$0.00	
	Summer	Federal	\$63,369.40	\$0.00	\$0.00	\$63,369.40	\$0.00	\$0.00	
	State Breakfast	Federal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
	State Lunch	Federal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
	Marketing	Poultry Inspection - Tuckahoe	\$15,216.47	\$0.00	\$0.00	\$0.00	\$15,216.47	\$0.00	
	Marketing	Poultry Inspection - Red Bird	\$39,757.56	\$0.00	\$0.00	\$0.00	\$39,757.56	\$0.00	
	Marketing	Poultry Inspection - Watson	\$3,974.25	\$0.00	\$0.00	\$0.00	\$3,974.25	\$0.00	
	Plants & Nurseries	Plants & Nurseries	\$3,257.00	\$0.00	\$0.00	\$0.00	\$3,257.00	\$3,257.00	
		TOTALS - Agriculture	\$455,210.47	\$0.00	\$0.00	\$393,005.19	\$62,205.28	\$3,257.00	5.24%
Banking & Insurance	Office of Insurance Fraud Prosecutor	Fines	\$27,821,859.59	\$1,145,175.38	\$3,243,789.15	\$0.00	\$23,432,895.06	\$20,571,559.18	
	Insurance	Fines	\$7,346,125.00	\$480,902.58	\$0.00	\$0.00	\$6,865,222.42	\$7,955,485.28	*
	Banking	Fines	\$938,395.98	\$80,507.02	\$0.00	\$0.00	\$857,888.96	\$0.00	*
	Real Estate Commission	Fines	\$1,684,837.74	\$403,325.80	\$0.00	\$0.00	\$1,281,511.94	\$0.00	*
	Guaranty Fund	Reimbursement	\$445,436.48	\$0.00	\$163,815.80	\$0.00	\$281,620.68	\$0.00	*
	Dedicated Funding	Assessment	\$292,142.48	\$0.00	\$292,142.48	\$0.00	\$0.00	\$0.00	
	Special Purpose Assessment	Assessment	\$438,948.45	\$0.00	\$438,948.45	\$0.00	\$0.00	\$0.00	*
	Fraud Assessment	Assessment	\$123,238.21	\$0.00	\$123,238.21	\$0.00	\$0.00	\$0.00	*
	Human Resources	Reimbursement	\$8,224.99	\$0.00	\$0.00	\$0.00	\$8,224.99	\$8,224.99	
		TOTALS - Banking & Insurance	\$38,078,008.92	\$2,108,910.78	\$4,261,834.06	\$0.00	\$32,707,164.06	\$28,536,289.46	87.24%
* DOR groups as one code on computer system									
Casino Control Commission	Expired Gaming Voucher		\$494,704.05	\$494,704.05	\$0.00	\$0.00	\$0.00	\$0.00	
	Fines		\$38,084.00	\$36,000.00	\$0.00	\$0.00	\$3,084.00	\$104,242.32	*
	Forfeited Winnings		\$83,073.88	\$9,089.09	\$9,844.79	\$0.00	\$84,160.00	\$0.00	*
	Former Employees		\$8,516.01	\$0.00	\$3,070.43	\$0.00	\$5,445.58	\$0.00	*
	License Fees		\$10,313,378.73	\$9,760,957.25	\$516,245.45	\$0.00	\$36,176.03	\$0.00	*
		TOTALS - Casino Control	\$10,937,756.67	\$10,299,730.39	\$529,160.67	\$0.00	\$108,865.61	\$104,242.32	95.75%
* DOR groups as one code on computer system									
Children & Families	Child & Behavioral Health Services	Vendor Overpayments	\$1,422,000.00	\$463,000.00	0.00	\$0.00	\$959,000.00	\$0.00	
	Youth & Family Services	Vendor Overpayments	\$3,215,000.00	\$262,432.00	2,677,660.00	\$265,781.00	\$9,127.00	\$821,896.18	
	SOIL Unit	Former Employees Only	\$195,039.40	\$0.00	4,480.44	\$0.00	\$190,578.96	\$157,194.57	
	Prevention & Community Partnership	Vendor Overpayments	\$473,963.00	\$458,301.00	\$15,662.00	\$0.00	\$0.00	\$0.00	
		TOTALS - Children & Families	\$5,306,002.40	\$1,183,733.00	\$2,697,762.44	\$265,781.00	\$1,158,705.96	\$978,090.75	84.50%
Civil Service Commission	Human Resources	Over usage of benefit time	\$920.83	\$0.00	\$0.00	\$0.00	\$920.83	\$920.83	
		TOTALS - Civil Service Commission	\$920.83	\$0.00	\$0.00	\$0.00	\$920.83	\$920.83	100.00%

DEPARTMENT	DIVISION/PROGRAM	TYPE OF DEBT	Total Outstanding Debt	Total Exempt 0-90 Old	Total Exempt State	Total Exempt Non-State	Total Debt Eligible for Collection	Transferred to DOR	Compliance Rate
Community Affairs	Codes & Standards								
	Housing Inspections	Registration fees	\$85,330.00	\$440.00	\$84,890.00	\$0.00	\$0.00	\$0.00	
		Inspection fees 1	\$1,928,108.00	\$131,310.00	\$1,794,798.00	\$0.00	\$0.00	\$0.00	
		Inspection fee penalties 1	\$824,580.00	\$72,713.00	\$851,867.00	\$0.00	\$0.00	\$0.00	
		Lead fees 2	\$803,385.00	\$83,440.00	\$719,945.00	\$0.00	\$0.00	\$0.00	
		Reinspection fees	\$529,777.00	\$24,128.00	\$605,649.00	\$0.00	\$0.00	\$0.00	
		Reinspection fee penalties	\$206,424.00	\$9,151.00	\$197,273.00	\$0.00	\$0.00	\$0.00	
	UCC	Elevator safety registration fees	\$8,928.00	\$2,202.00	\$6,724.00	\$0.00	\$0.00	\$0.00	
		Elevator safety registration fee penalties	\$45,500.00	\$0.00	\$45,500.00	\$0.00	\$0.00	\$0.00	
		Elevator safety annual inspection fees	\$476,704.00	\$148,709.00	\$328,995.00	\$0.00	\$0.00	\$0.00	
		Elevator safety annual inspection fee penalties	\$469,622.00	\$41,622.00	\$428,000.00	\$0.00	\$0.00	\$0.00	
		Elevator safety failure to register penalties	\$41,500.00	\$0.00	\$41,500.00	\$0.00	\$0.00	\$0.00	
	NHW	Claim Defaults	\$2,875,120.98	\$24,327.75	\$2,850,793.23	\$0.00	\$0.00	\$0.00	
		Subtotals - Codes & Standards	\$8,391,976.98	\$538,042.75	\$7,853,934.23	\$0.00	\$0.00	\$0.00	N/A
	Fire Safety	Registration fees	\$18,997,432.57	\$3,775,993.95	\$0.00	\$0.00	\$15,221,438.62	\$0.00	
		Penalties	\$2,560,201.50	\$14,250.00	\$0.00	\$0.00	\$2,545,951.50	\$0.00	
		Dedicated Penalties	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		Code Enforcement Certification	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		Contractor Certification	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		Cigarette Certification	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		Smoke Detector Certification	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		Fire Code Permits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		Subtotals - Fire Safety	\$21,557,634.07	\$3,790,243.95	\$0.00	\$0.00	\$17,767,390.12	\$0.00	0.00%
	Housing & CR	Homeless Prevention Program (HPP)*	\$3,839,623.00	\$107,093.00	\$0.00	\$0.00	\$3,732,530.00	\$1,753,109.18	
		State Rental Assistance (SRAP)**	\$2,931.00	\$1,802.00	\$0.00	\$0.00	\$1,329.00	\$0.00	
		Fraud***	\$237,095.00	\$11,257.00	\$0.00	\$225,838.00	\$0.00	\$0.00	
		Tax Fraud***	\$176,834.00	\$29,074.00	\$0.00	\$147,860.00	\$0.00	\$356,815.29	
		Damage & Vacancy***	\$2,306,139.00	\$19,755.00	\$0.00	\$2,286,384.00	\$0.00	\$1,221,772.12	
		Landlord Receivable***	\$1,504,485.00	\$0.00	\$0.00	\$1,504,485.00	\$0.00	\$832,946.37	
		Subtotals - Housing & CR	\$8,067,207.00	\$168,781.00	\$0.00	\$4,164,567.00	\$3,733,859.00	\$4,164,642.96	46.95%
		*, **, and *** DOR groups as one code on computer system							
	Human Resources	Overdrawn leave balances	\$693.71	\$0.00	\$0.00	\$0.00	\$693.71	\$693.71	
	Women (2006)	Overdrawn leave balances	\$3,270.60	\$0.00	\$0.00	\$0.00	\$3,270.60	\$3,270.60	
	Codes (2006)	Overdrawn leave balances	\$1,998.21	\$0.00	\$0.00	\$1,998.21	\$0.00	\$1,998.48	
	Housing (2006)	Overdrawn leave balances	\$311.36	\$0.00	\$0.00	\$0.00	\$311.36	\$311.36	
	Codes (2007)	Overdrawn leave balances	\$414.70	\$0.00	\$0.00	\$0.00	\$414.70	\$414.70	
	Housing (2007)	Overdrawn leave balances	\$4,233.51	\$0.00	\$0.00	\$4,233.51	\$0.00	\$3,598.48	
	Comm. Res. (2007)	Overdrawn leave balances	\$205.46	\$0.00	\$0.00	\$0.00	\$205.46	\$205.46	
	Fire Safety (2007)	Overdrawn leave balances	\$1,547.98	\$0.00	\$0.00	\$1,547.98	\$0.00	\$1,314.80	
	IT (2007)	Overdrawn leave balances	\$570.98	\$0.00	\$0.00	\$0.00	\$570.98	\$570.98	
	Fiscal (2007)	Overdrawn leave balances	\$145.87	\$0.00	\$0.00	\$145.87	\$0.00	\$123.99	
	Housing (2008)	Overdrawn leave balances	\$950.02	\$0.00	\$0.00	\$0.00	\$950.02	\$950.02	
	Comm. Res. (2008)	Overdrawn leave balances							
		Subtotals - Human Resources	\$14,342.40	\$0.00	\$0.00	\$7,925.57	\$6,416.83	\$13,152.58	96.80%
		TOTALS - Community Affairs	\$38,031,160.45	\$4,497,067.70	\$7,853,934.23	\$4,172,492.57	\$21,507,665.95	\$4,177,795.54	19.42%

DEPARTMENT	DIVISION/PROGRAM	TYPE OF DEBT	Total Outstanding Debt	Total Exempt 0-90 Old	Total Exempt State	Total Exempt Non-State	Total Debt Eligible for Collection	Transferred to DOR	Compliance Rate
Corrections	Human Resources								
	Corrections Central Office	Overdrawn leave balances	\$21,518.29	\$0.00	\$0.00	\$0.00	\$21,518.29	\$21,518.29	
	Corrections Central Office	Support payment	\$217.00	\$0.00	\$0.00	\$0.00	\$217.00	\$217.00	
	Corrections Central Office	Student loan	\$169.68	\$0.00	\$0.00	\$0.00	\$169.68	\$169.68	
	Bayside State Prison	Overdrawn leave balances	\$11,431.72	\$0.00	\$0.00	\$0.00	\$11,431.72	\$11,431.72	
	Southern State Corr. Fac.	Overdrawn leave balances	\$43,298.65	\$0.00	\$0.00	\$0.00	\$43,298.65	\$43,298.65	
	Edna Mahan Corr. Fac. for Women	Overdrawn leave balances	\$17,801.96	\$0.00	\$0.00	\$0.00	\$17,801.96	\$17,801.96	
	Mountainview Youth Corr. Fac.	Overdrawn leave balances	\$44,619.16	\$0.00	\$0.00	\$0.00	\$44,619.16	\$44,619.16	
	Albert C. Wagner Youth Corr. Fac.	Overdrawn leave balances	\$8,947.59	\$0.00	\$0.00	\$0.00	\$8,947.59	\$8,947.59	
	Garden State Youth Corr. Fac.	Overdrawn leave balances	\$8,016.45	\$0.00	\$0.00	\$0.00	\$8,016.45	\$8,016.45	
	Mid State Corr. Fac.	Overdrawn leave balances	\$7.98	\$0.00	\$0.00	\$0.00	\$7.98	\$7.98	
	Riverfront State Prison	Overdrawn leave balances	\$14,397.28	\$0.00	\$0.00	\$0.00	\$14,397.28	\$14,397.28	
	New Jersey State Prison/CRAF	Overdrawn leave balances	\$140,011.29	\$0.00	\$0.00	\$0.00	\$140,011.29	\$140,011.29	
	South Woods State Prison	Overdrawn leave balances	\$32,313.54	\$0.00	\$0.00	\$0.00	\$32,313.54	\$32,313.54	
		Subtotals - Human Resources	\$342,790.99	\$0.00	\$0.00	\$0.00	\$342,790.99	\$342,790.99	100.00%
	Central Office Revenue Unit								
	Offenders Debt	Commissary Loan	\$34,065.38	\$6,754.23	\$0.00	\$27,311.15	\$0.00		*
		Legal Copy Loan	\$147,745.86	\$370.24	\$0.00	\$147,375.62	\$0.00		*
		Funeral/Bedside Visit	\$163,029.19	\$5,482.88	\$0.00	\$157,546.31	\$0.00		*
		ID Card Loan	\$754.50	\$51.23	\$0.00	\$703.27	\$0.00		*
		Keys/Locks/Clothing	\$6,057.80	\$149.79	\$0.00	\$4,908.01	\$0.00		*
		Legal Mail Loan	\$78,590.98	\$1,879.24	\$0.00	\$76,711.74	\$0.00		*
		Medical Loan	\$21,797.35	\$1,451.63	\$0.00	\$20,345.72	\$0.00		*
		Pharmacy Loan	\$13,229.21	\$799.39	\$0.00	\$12,429.82	\$0.00		*
		Telephone Call Loan	\$19,323.48	\$602.51	\$0.00	\$18,720.97	\$0.00		*
		Tailor Shop Loan	\$6,158.65	\$298.61	\$0.00	\$5,860.04	\$0.00		*
		Owed Funds to Institution	\$28,133.32	\$191.77	\$0.00	\$27,941.55	\$0.00		*
		Restitution for damages	\$24,590.50	\$770.08	\$0.00	\$23,820.42	\$0.00		*
		Credit obligation collections	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		*
		Criminal Disp. & Rev. Collection	\$152,522.30	\$12,172.31	\$0.00	\$140,349.99	\$0.00		*
		Victims & Witness Advocacy Fund	\$4,953,782.17	\$140,542.60	\$0.00	\$4,813,239.57	\$0.00		*
		Victims of Crime Compensation Board	\$527,814.03	\$39,057.99	\$0.00	\$488,756.04	\$0.00		*
		Municipal fines	\$1,441,422.18	\$17,566.63	\$0.00	\$1,423,855.55	\$0.00		*
		Anti-Drug Profiteering Penalty	\$379,808.03	\$0.00	\$0.00	\$379,808.03	\$0.00		*
		Anti-Money Laundering Penalty	\$600,500.00	\$0.00	\$0.00	\$600,500.00	\$0.00		*
		Auto Theft Penalty	\$1,323,272.75	\$31,842.00	\$0.00	\$1,291,430.75	\$0.00		*
		Child Support	\$94,328.65	\$0.00	\$0.00	\$94,328.65	\$0.00		*
		Court Ordered Restitution	\$369,350,280.50	\$7,506,736.50	\$0.00	\$361,843,544.00	\$0.00		*
		Drug Awareness Education Fund	\$7,870.78	\$200.00	\$0.00	\$7,670.78	\$0.00		*
		Drug Enforcement	\$129,090,108.40	\$2,054,848.30	\$0.00	\$127,035,260.10	\$0.00		*
		Domestic Violence Surcharge	\$42,863.93	\$4,189.00	\$0.00	\$38,674.93	\$0.00		*
		Court Imposed Extradition Costs	\$92,868.89	\$2,906.56	\$0.00	\$89,962.33	\$0.00		*
		Forensic Lab Fees	\$3,891,416.01	\$89,647.06	\$0.00	\$3,801,768.95	\$0.00		*
		Fine - State	\$16,862,938.63	\$55,107.88	\$0.00	\$16,807,830.75	\$0.00		*
		Law Enf. Officer Train. & Equip. Fund	\$1,820,510.32	\$97,646.55	\$0.00	\$1,722,863.77	\$0.00		*
		IRS/Court Imposed Liens	\$10,596.14	\$0.00	\$0.00	\$10,596.14	\$0.00		*
		Federal Litigation Filing Fee	\$70,943.11	\$5,446.72	\$0.00	\$65,496.39	\$0.00		*
		State Litigation Filing Fee	\$5,470.78	\$414.28	\$0.00	\$5,056.50	\$0.00		*
		Nurse Examiner Fund	\$1,755,100.29	\$99,168.29	\$0.00	\$1,655,932.00	\$0.00		*
		Sexual Crime Victims Treatment Fund	\$1,002,017.85	\$108,052.00	\$0.00	\$893,965.85	\$0.00		*
		Safe Neighborhood	\$12,007,229.92	\$391,088.92	\$0.00	\$11,616,141.00	\$0.00		*
		Supervision Fee	\$461,040.84	\$20.00	\$0.00	\$461,020.84	\$0.00		*
		Sex Assault Surcharge	\$87,531.54	\$4,951.00	\$0.00	\$82,580.54	\$0.00		*
		Subtotals - Offenders	\$546,574,522.06	\$10,680,206.21	\$0.00	\$535,894,315.85	\$0.00	\$305,068,676.48	N/A
		TOTALS - Corrections	\$546,917,272.65	\$10,680,206.21	\$0.00	\$535,894,315.85	\$342,790.99	\$306,411,427.07	100.00%
		* DOR groups as one code on computer system							
Education	MKSD	Lawrence Storm Gym Rental 1/09-2/09	\$280.00	\$0.00	\$0.00	\$0.00	\$280.00	\$0.00	
	MKSD	Bobby Campbell LeCrosse-Rentals	\$1,110.00	\$1,110.00	\$0.00	\$0.00	\$0.00	\$0.00	
	MKSD	State to State Rental	\$400.00	\$400.00	\$0.00	\$0.00	\$0.00	\$0.00	
	MKSD -Fed Cst	School Services (Federal Grant)	\$94,400.00	\$42,000.00	\$0.00	\$52,400.00	\$0.00	\$0.00	
		TOTALS - Education	\$96,190.00	\$43,510.00	\$0.00	\$52,400.00	\$280.00	\$0.00	0.00%

DEPARTMENT	DIVISION/PROGRAM	TYPE OF DEBT	Total Outstanding Debt	Total Exempt 0-90 Old	Total Exempt State	Total Exempt Non-State	Total Debt Eligible for Collection	Transferred to DOR	Compliance Rate
Environmental Protection	DEP - General State Fund Accounts								
	Air	Enforcement - Air	\$27,337,998.71	\$1,286,750.00	\$24,197,288.00	\$0.00	\$3,140,710.71	\$0.00	
	Air	Environmental Regulation - Air	\$1,854,712.00	\$337,150.00	\$26,300.00	\$0.00	\$1,828,412.00	\$0.00	
	Air	Policy & Planning - Air	\$880,848.72	\$131,826.01	\$156,172.58	\$0.00	\$722,676.14	\$0.00	
	DPCC	Enforcement - Spill Fund (DPCC, HW, Water)	\$328,000.00	\$52,500.00	\$266,500.00	\$0.00	\$61,500.00	\$0.00	
	Environmental Regulation	NON-NJEMS Radiol. Health	\$29,343.00	\$0.00	\$0.00	\$0.00	\$29,343.00	\$0.00	
	Environmental Regulation	NON-NJEMS Rad. Materials Licensing	\$61,690.00	\$0.00	\$0.00	\$0.00	\$61,690.00	\$0.00	
	Environmental Regulation	NON-NJEMS Radon	\$17,415.00	\$0.00	\$0.00	\$0.00	\$17,415.00	\$0.00	
	Environmental Regulation	NON-NJEMS Nonionizing Rad.	\$28,710.00	\$9,005.00	\$0.00	\$0.00	\$28,710.00	\$0.00	
	Hazardous Waste	Enforcement - Hazardous Waste	\$2,480,368.82	\$616,842.55	\$909,342.00	\$0.00	\$1,551,026.82	\$0.00	
	Hazardous Waste	Hazardous Waste Enforcement Fees	\$651,171.35	\$351,128.63	\$62,310.00	\$0.00	\$588,861.35	\$0.00	
	Hazardous Waste	HW Transporter Per Ton Fee	\$219,095.92	\$218,720.92	\$0.00	\$0.00	\$219,095.92	\$0.00	
	Hazardous Waste	Manifest Processing	\$17,060.00	\$6,960.00	\$0.00	\$0.00	\$17,060.00	\$0.00	
	Lab Certification	Enforcement - Lab Certification/QA	\$303,125.00	\$17,875.00	\$275,250.00	\$0.00	\$27,875.00	\$0.00	
	Lab Certification	Laboratory Certification	\$79,036.00	\$0.00	\$0.00	\$0.00	\$79,036.00	\$0.00	
	Land Use	Enforcement - CAFRA	\$2,456,800.00	\$50,000.00	\$2,386,300.00	\$0.00	\$70,500.00	\$0.00	
	Land Use	Enforcement - Dam Safety	\$125,000.00	\$0.00	\$125,000.00	\$0.00	\$0.00	\$0.00	
	Land Use	Enforcement - Freshwater Wetlands	\$19,998,982.58	\$34,805.05	\$19,082,148.04	\$0.00	\$916,814.54	\$0.00	
	Land Use	Enforcement - Stream Encroachment	\$762,000.00	\$0.00	\$492,500.00	\$0.00	\$269,500.00	\$0.00	
	Land Use	Enforcement - Waterfront Development	\$771,401.56	\$44,000.00	\$719,550.00	\$0.00	\$51,851.56	\$0.00	
	Land Use	Highlands Fees - Freshwater Wetlands	\$550.64	\$0.00	\$0.00	\$0.00	\$550.64	\$0.00	
	Land Use	Land Use - CAFRA	\$6,728.00	\$600.00	\$0.00	\$0.00	\$6,728.00	\$0.00	
	Land Use	Land Use - Coastal Wetlands	\$1,225.00	\$0.00	\$0.00	\$0.00	\$1,225.00	\$0.00	
	Land Use	Land Use - Freshwater Wetlands	\$44,248.00	\$270.00	\$0.00	\$0.00	\$44,248.00	\$0.00	
	Land Use	Land Use - Stream Encroachment	\$37,670.32	\$1,630.00	\$0.00	\$0.00	\$37,670.32	\$0.00	
	Land Use	Land Use - Waterfront Development	\$13,015.01	\$600.00	\$0.00	\$0.00	\$13,015.01	\$0.00	
	Land Use	Shellfish Habitat Mitigation	\$13,330.13	\$3,909.29	\$0.00	\$0.00	\$13,330.13	\$0.00	
	Land Use	Tidelands Processing Fee	\$1,500.00	\$1,000.00	\$250.00	\$0.00	\$1,250.00	\$0.00	
	Pesticides	Enforcement - Pesticides	\$1,190,495.36	\$973,245.82	\$978,280.00	\$0.00	\$212,215.36	\$0.00	
	Pesticides	Pesticide Reimbursement	\$8,015.00	\$1,450.00	\$600.00	\$0.00	\$7,415.00	\$0.00	
	Radiation	Enforcement - Radiation	\$131,990.00	\$23,625.00	\$12,150.00	\$0.00	\$119,840.00	\$0.00	
	Radiation	Radiological Health Licensing Invoice	\$720.00	\$720.00	\$0.00	\$0.00	\$720.00	\$0.00	
	Right-to-Know	Enforcement - Right to Know	\$464,675.00	\$36,000.00	\$71,450.00	\$0.00	\$393,225.00	\$0.00	
	Site Remediation	Enforcement - Clean Water Fund	\$7,803,617.24	\$302,176.85	\$6,394,850.00	\$0.00	\$1,408,767.24	\$0.00	
	Site Remediation	Enforcement - Site Remediation	\$23,049.57	\$100.00	\$0.00	\$0.00	\$23,049.57	\$0.00	
	Site Remediation	Enforcement - Spill Fund (SRP)	\$2,299,944.08	\$173,574.98	\$1,615,181.86	\$0.00	\$684,762.42	\$0.00	
	Site Remediation	Industrial Site Recovery Act Fees	\$24,950.00	\$1,725.00	\$0.00	\$0.00	\$24,950.00	\$0.00	
	Site Remediation	Site Remediation - Underground Storage Tanks	\$543,337.72	\$18,200.00	\$0.00	\$0.00	\$543,337.72	\$0.00	
	Site Remediation	SRP - Child Care & Ed Facilities	\$3,225.00	\$500.00	\$0.00	\$0.00	\$3,225.00	\$0.00	
	Solid Waste	Enforcement Recycling Fees	\$641,525.97	\$53,846.92	\$0.00	\$0.00	\$641,525.97	\$0.00	
	Solid Waste	Enforcement - Solid Waste	\$11,870,851.40	\$850,391.50	\$10,270,399.00	\$0.00	\$1,600,452.40	\$0.00	
	Solid Waste	Medical Waste Program	\$12,100.00	\$4,000.00	\$4,000.00	\$0.00	\$8,100.00	\$0.00	
	Solid Waste	Solid Waste Enforcement Fees	\$225,583.50	\$9,895.00	\$0.00	\$0.00	\$225,583.50	\$0.00	
	Solid Waste	Solid Waste Fees - DSHW	\$320,603.98	\$82,908.43	\$6,008.00	\$0.00	\$314,597.98	\$0.00	
	Solid Waste	Solid Waste Recycling Center Fees	\$349,546.86	\$805.00	\$23,540.00	\$0.00	\$328,006.86	\$0.00	
	TCPA	Enforcement - TCPA	\$194,567.50	\$14,000.00	\$152,500.00	\$0.00	\$42,067.50	\$0.00	
	TCPA	Toxic Catastrophe	\$33,201.61	\$0.00	\$0.00	\$0.00	\$33,201.61	\$0.00	
	Water Quality	Enforcement - Clean Water Fund	\$7,921,490.27	\$554,087.33	\$6,643,507.00	\$0.00	\$1,277,983.27	\$0.00	
	Water Quality	NJPDES Permit Annual Fee	\$3,887,520.80	\$1,204,033.25	\$985,285.48	\$0.00	\$2,902,235.12	\$0.00	
	Water Supply	Enforcement - Safe Drinking Water	\$1,636,120.50	\$110,537.50	\$1,388,500.00	\$0.00	\$247,620.50	\$0.00	
	Water Supply	Environmental Regulation - Excess Diversion	\$78,079.62	\$78,079.62	\$0.00	\$0.00	\$78,079.62	\$0.00	
	Water Supply	Environmental Regulation - Water Allocation	\$280,241.29	\$45,668.98	\$168,963.75	\$0.00	\$111,287.54	\$0.00	
	Water Supply	Environmental Regulation - Well Permits	\$8,150.00	\$4,160.00	\$0.00	\$0.00	\$8,150.00	\$0.00	
	Water Supply	Highlands Fees - Water Allocation	\$15,740.00	\$15,540.00	\$0.00	\$0.00	\$15,740.00	\$0.00	
	Water Supply	Safe Drinking Water	\$56,097.30	\$0.00	\$0.00	\$0.00	\$56,097.30	\$0.00	
	Water Supply	SDW(Physical Connections)	\$56,700.00	\$150.00	\$0.00	\$0.00	\$56,700.00	\$0.00	
		Subtotals - DEP (General Fund)	\$98,383,145.11	\$7,726,993.41	\$77,416,113.51	\$0.00	\$20,967,031.60	\$7,059,189.00	33.67%
	DEP - Trust Fund Accounts								
	Site Remediation	Site Remediation Program - Direct Billing	\$31,933,691.25	\$9,795,086.74	\$0.00	\$3,663,860.48	\$28,269,830.77	\$542,697.00	1.92%
		TOTALS - Environmental Protection	\$130,316,836.36	\$17,522,080.15	\$77,416,113.51	\$3,663,860.48	\$49,236,862.37	\$7,601,886.00	15.44%
* DOR did not break out individual totals; lumped as one department total									

DEPARTMENT	DIVISION/PROGRAM	TYPE OF DEBT	Total Outstanding Debt	Total Exempt 0-90 Old	Total Exempt State	Total Exempt Non-State	Total Debt Eligible for Collection	Transferred to DOR	Compliance Rate
Health & Senior Services	4210/Administration	State	\$91.30	\$0.00	\$0.00	\$0.00	\$91.30	\$91.30	
	4220/Family Health Services	State	\$960.00	\$0.00	\$0.00	\$0.00	\$960.00	\$960.00	
	4230/Epidemiology	Other	\$391.44	\$0.00	\$0.00	\$391.44	\$0.00	\$391.44	
	4275/Senior Affairs	State	\$6,764,552.41	\$0.00	\$0.00	\$3,382,276.21	\$3,382,276.20	\$0.00	
	TOTALS - Health & Senior Services		\$6,765,995.15	\$0.00	\$0.00	\$3,382,667.65	\$3,383,327.50	\$1,442.74	0.03%
Human Services	Office of Finance	SOIL Program	\$2,261,806.28	\$47,434.22	\$0.00	\$0.00	\$2,214,372.06	\$2,057,284.93	
		Essex I & II lawsuit	\$11,821,847.40	\$0.00	\$11,821,847.40	\$0.00	\$0.00	\$0.00	
		Subtotals - Office of Finance	\$14,083,653.68	\$47,434.22	\$11,821,847.40	\$0.00	\$2,214,372.06	\$2,057,284.93	92.91%
	Family Development	Contracts	\$3,157,447.00	\$0.00	\$0.00	\$0.00	\$3,157,447.00	\$2,891,761.00	91.59%
	Medical Assistance & Health Services	Provider Overpayments	\$202,378,142.76	\$6,609,905.76	\$0.00	\$83,088,787.20	\$112,679,469.80	\$20,701.57	
		NJ FamilyCare*	\$0.00	\$0.00	\$0.00	\$0.00	\$989,418.06	\$989,418.06	
		Subtotals - Medical Assistance & Health Svcs.	\$202,378,142.76	\$6,609,905.76	\$0.00	\$83,088,787.20	\$113,668,887.86	\$1,010,119.63	0.89%
	Mental Health Services								
		Ancora							
		Former employee-theft	\$17,000.00	\$0.00	\$0.00	\$0.00	\$17,000.00	\$0.00	
		Workshop customer	\$11,384.00	\$0.00	\$0.00	\$11,384.00	\$0.00	\$0.00	
	AKFC	Payroll Clerk theft	\$5,000.00	\$0.00	\$0.00	\$0.00	\$5,000.00	\$0.00	
		Subtotals - Mental Health Services	\$33,384.00	\$0.00	\$0.00	\$11,384.00	\$22,000.00	\$0.00	0.00%
	Developmental Disabilities	Violations of Danielle's Law	\$64,730.00	\$64,730.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
	TOTALS - Human Services		\$219,717,357.44	\$6,722,069.98	\$11,821,847.40	\$83,100,151.20	\$119,092,706.92	\$5,959,168.56	5.01%
Labor & Workforce Development	Wage & Hour	Fees & penalties	\$9,421,228.00	\$384,489.00	\$0.00	\$0.00	\$9,036,739.00		
		Wages	\$1,370,095.00	\$86,954.00	\$0.00	\$1,281,141.00	\$0.00		
		Subtotals - Wage & Hour	\$10,791,323.00	\$471,443.00	\$0.00	\$1,281,141.00	\$9,036,739.00	\$1,223,564.00	13.54%
		* DOR groups as one code							
	Unemployment Insurance	Employer accounts	\$334,589,787.00	\$14,282,636.00	\$0.00	\$320,307,151.00	\$0.00	\$320,307,151.00	
		Unemployment & disability insurance	\$309,989,145.00	\$14,751,254.00	\$0.00	\$295,237,891.00	\$0.00	\$295,237,891.00	
		Subtotals - Unemployment Insurance	\$644,578,932.00	\$29,033,890.00	\$0.00	\$615,545,042.00	\$0.00	\$615,545,042.00	N/A
	Disability Insurance	Disability during unemployment	\$9,876,212.00	\$803,035.00	\$0.00	\$9,073,177.00	\$0.00	\$9,073,177.00	N/A
	Workers' Compensation								
		Uninsured Employer's Fund (benefits)	\$23,705,401.00	\$2,272,400.00	\$0.00	\$21,433,001.00	\$0.00	\$0.00	
		Uninsured Employer's Fund (penalties)	\$42,577,444.00	\$4,623.00	\$0.00	\$42,572,821.00	\$0.00	\$0.00	
		Second injury	\$208,459.00	\$0.00	\$0.00	\$208,459.00	\$0.00	\$0.00	
		Subtotals - Workers' Compensation	\$66,491,304.00	\$2,277,023.00	\$0.00	\$64,214,281.00	\$0.00	\$64,214,281.00	N/A
	Health & Safety								
		Boiler & Pressure Vessel	\$1,773,890.00	\$658,970.00	\$0.00	\$0.00	\$914,920.00		
		Asbestos Control	\$1,478,750.00	\$0.00	\$0.00	\$0.00	\$1,478,750.00		
		Subtotals - Health & Safety	\$3,252,640.00	\$658,970.00	\$0.00	\$0.00	\$2,393,670.00	\$0.00	0.00%
	Human Resources	Unearned Leave Payout	\$6,825.00	\$2,356.00	\$0.00	\$0.00	\$4,469.00	\$4,469.00	100.00%
		TOTALS - Labor and Workforce Development	\$734,997,238.00	\$33,448,697.00	\$0.00	\$690,113,641.00	\$11,434,898.00	\$690,060,533.88	10.74%

DEPARTMENT	DIVISION/PROGRAM	TYPE OF DEBT	Total Outstanding Debt	Total Exempt 0-90 Old	Total Exempt State	Total Exempt Non-State	Total Debt Eligible for Collection	Transferred to DOR	Compliance Rate
Law & Public Safety	Alcoholic Beverage Control	Overpaid Salaries & Wages	\$2,467.94	\$0.00	\$2,467.94	\$0.00	\$0.00	\$0.00	N/A
	State Police	Overpaid Salaries & Wages	\$17,044.89	\$0.00	\$17,044.89	\$0.00	\$0.00	\$0.00	
		Fees (per company via MOU)	\$31,621.57	\$29,020.54	\$569.03	\$0.00	\$2,032.00	\$2,032.00	
		Subtotals - State Police	\$48,666.46	\$29,020.54	\$17,613.92	\$0.00	\$2,032.00	\$2,032.00	100.00%
	Criminal Justice	Overpaid Salaries & Wages	\$1,538.22	\$0.00	\$0.00	\$0.00	\$1,538.22	\$1,538.22	
		Discovery Fees*	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		Subtotals - Criminal Justice	\$1,538.22	\$0.00	\$0.00	\$0.00	\$1,538.22	\$1,538.22	100.00%
	Juvenile Justice	Overpaid Salaries & Wages	\$91,864.16	\$0.00	\$0.00	\$0.00	\$91,864.16	\$91,864.16	100.00%
	Office of Attorney General	Overpaid Salaries & Wages	\$3,455.83	\$0.00	\$0.00	\$0.00	\$3,455.83	\$0.00	0.00%
	Victim of Crimes Compensation Office	Overpaid Salaries & Wages	\$2,827.79	\$0.00	\$0.00	\$0.00	\$2,827.79	\$0.00	
		Overpaid Claims*	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		Subtotals - VCCO	\$2,827.79	\$0.00	\$0.00	\$0.00	\$2,827.79	\$0.00	0.00%
	Racing	Overpaid Salaries & Wages	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
	Law	Overpaid Salaries & Wages	\$8,380.88	\$0.00	\$0.00	\$0.00	\$8,380.88	\$0.00	
		Overpaid Disposition Fees	\$103.54	\$0.00	\$0.00	\$0.00	\$103.54	\$0.00	
		Unpaid Traffic & Parking Tickets	\$53.00	\$0.00	\$0.00	\$0.00	\$53.00	\$0.00	
		Subtotals - Law	\$8,537.42	\$0.00	\$0.00	\$0.00	\$8,537.42	\$0.00	0.00%
	Civil Rights	Overpaid Salaries & Wages	\$4,679.81	\$0.00	\$0.00	\$0.00	\$4,679.81	\$4,679.81	100.00%
	Office of Highway	Overpaid Salaries & Wages	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
	State Athletic Control Board	License Fees, Penalties, & Costs (Non-Revoked)	\$115.00	\$5.00	\$0.00	\$0.00	\$110.00	\$0.00	0.00%
	Consumer Affairs	Overpaid Salaries & Wages	\$16,208.84	\$0.00	\$0.00	\$0.00	\$16,208.84	\$16,208.84	
		License fees, penalties & costs (non-revoked)	\$46,445,172.37	\$928,541.24	\$0.00	\$0.00	\$45,516,631.13	\$44,593,752.45	
		Subtotals - Consumer Affairs	\$46,461,381.21	\$928,541.24	\$0.00	\$0.00	\$45,532,839.97	\$44,608,961.29	97.97%
	Gaming	Overpaid Salaries & Wages	\$1,328.09	\$0.00	\$0.00	\$1,328.09	\$0.00	\$1,328.09	
		Tuition Reimbursement	\$1,310.85	\$0.00	\$0.00	\$1,310.85	\$0.00	\$0.00	
		Unpaid Phone Bills	\$175.46	\$0.00	\$0.00	\$175.46	\$0.00	\$175.46	
		Subtotals - Gaming	\$2,814.40	\$0.00	\$0.00	\$2,814.40	\$0.00	\$1,503.55	N/A
		TOTALS - Law & Public Safety	\$46,626,810.02	\$957,566.78	\$20,081.96	\$2,814.40	\$45,646,346.98	\$44,710,040.81	97.95%
Lottery	NJ Lottery	Receipts	\$3,398,628.94	\$383,322.34	\$1,927,421.28	\$0.00	\$1,048,886.21	\$1,001,832.23	86.82%
Military & Veterans Affairs	Vineland	Patient Funds & PRV	\$106,132.36	\$2,151.74	\$0.00	\$0.00	\$103,980.62		
		PRT Only	\$349,886.10	\$21,099.23	\$0.00	\$0.00	\$328,786.87		
		Patient Funds Only	\$10,038.70	\$0.00	\$0.00	\$10,038.70	\$0.00		
		Current Receivables	\$197,971.93	\$197,971.93	\$0.00	\$0.00	\$0.00		
		Subtotals - Vineland	\$664,029.09	\$221,222.90	\$0.00	\$10,038.70	\$432,767.49		
	Menlo	Resident Room & Board	\$195,138.08	\$73,986.50	\$0.00	\$0.00	\$121,151.58		
	Paramus	Room & Board/Misc	\$1,072,692.00	\$391,333.00	\$0.00	\$74,221.00	\$607,138.00		
		TOTALS - Military and Veterans Affairs	\$1,931,859.17	\$686,542.40	\$0.00	\$84,259.70	\$1,161,057.05	\$792,507.92	68.26%

* DOR groups as one code on computer system

DEPARTMENT	DIVISION/PROGRAM	TYPE OF DEBT	Total Outstanding Debt	Total Exempt 0-90 Old	Total Exempt State	Total Exempt Non-State	Total Debt Eligible for Collection	Transferred to DOR	Compliance Rate
Office of Public Defender	Public Defender	Trial Clients	\$292,211,058.54	\$2,518,570.44	\$0.00	\$0.00	\$289,692,488.10	\$289,692,488.10	
	Human Resources	Over usage of benefit time	\$13,808.22	\$0.00	\$0.00	\$0.00	\$13,808.22	\$13,808.22	
		TOTALS - Office of Public Defender	\$292,224,866.76	\$2,518,570.44	\$0.00	\$0.00	\$289,706,296.32	\$289,706,096.32	100.00%
Public Advocate	Rate Counsel FY09	Industry Assessment	\$5,000.00	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00	
	Rate Counsel FY08	Industry Assessment	\$3,500.00	\$0.00	\$0.00	\$0.00	\$3,500.00	\$3,500.00	
		TOTALS - Public Advocate	\$8,500.00	\$0.00	\$0.00	\$0.00	\$8,500.00	\$8,500.00	100.00%
State	Archives & Records Management	Micrographics	\$448,813.15	\$118,752.81	\$330,080.34	\$0.00	\$0.00	\$0.00	
		Record Storage Fees*	\$383,956.30	\$0.00	\$383,956.30	\$0.00	\$0.00	\$0.00	
		Subtotals - Archives & Records Management	\$842,769.45	\$118,752.81	\$724,016.64	\$0.00	\$0.00	\$0.00	
	State Museum	Auditorium Rental	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		Museum Rental	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		School Programs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		Scouting Merit Badge	\$140.00	\$0.00	\$0.00	\$0.00	\$140.00	\$0.00	
		TYCTWD	\$36.00	\$36.00	\$0.00	\$0.00	\$0.00	\$0.00	
		Subtotals - State Museum	\$176.00	\$36.00	\$0.00	\$0.00	\$140.00	\$0.00	
		TOTALS - State	\$842,945.45	\$118,788.81	\$724,016.64	\$0.00	\$140.00	\$0.00	0.00%
State Parole Board	State Parole Board	Polygraph exam fees	\$1,015.00	\$690.00	\$0.00	\$0.00	\$325.00	\$0.00	
	Human Resources	Overdrawn leave balances	\$5,475.79	\$0.00	\$0.00	\$0.00	\$5,475.79	\$5,475.79	
		Tuition reimbursement	\$472.82	\$0.00	\$0.00	\$0.00	\$472.82	\$472.82	
		TOTALS - State Parole Board	\$6,963.61	\$690.00	\$0.00	\$0.00	\$6,273.61	\$5,948.61	94.82%
Treasury	Property Management	Delinquent Payments on Lessees of State Property	\$8,789.00	\$173.00	\$8,616.00	\$0.00	\$0.00	\$0.00	N/A
	Treasury Human Resources	Overdrawn benefit time at separation	\$153,041.39	\$0.00	\$0.00	\$0.00	\$153,041.39	\$153,041.39	100.00%
	Governor's Office	Overdrawn benefit time at separation	\$2,800.34	\$0.00	\$0.00	\$0.00	\$2,800.34	\$2,800.34	100.00%
	Public Advocate	Overdrawn benefit time at separation	\$3,396.79	\$0.00	\$0.00	\$0.00	\$3,396.79	\$3,396.79	100.00%
	Office of Administrative Law	Overdrawn benefit time at separation	\$1,399.03	\$0.00	\$0.00	\$0.00	\$1,399.03	\$1,399.03	100.00%
	Risk Management - Subrogation Unit*	Tort action claims	\$0.00	\$0.00	\$0.00	\$0.00	\$1,123,044.96	\$1,123,044.96	100.00%
	Division of Revenue								
		Dishonored Checks	\$81,373.00	\$0.00	\$0.00	\$0.00	\$81,373.00		
		Credit Card Chargebacks	\$40,434.62	\$0.00	\$0.00	\$0.00	\$40,434.62		
		Dishonored Checks Administrative Fees	\$33,250.00	\$0.00	\$0.00	\$0.00	\$33,250.00		
		Dishonored Checks Administrative Fees	\$14,700.00	\$3,050.00	\$0.00	\$0.00	\$11,650.00		
		Subtotals - Division of Revenue	\$169,757.62	\$3,050.00	\$0.00	\$0.00	\$166,707.62	\$166,707.62	100.00%
		TOTALS - Treasury	\$338,984.17	\$3,223.00	\$8,616.00	\$0.00	\$1,486,190.13	\$1,450,190.13	100.00%
Transportation		AMC (Annual Maintenance Fees)	\$51,178.42	\$0.00	\$0.00	\$0.00	\$51,178.42		
		AUD (Audit Disposition)	\$4,100,773.84	\$7,139.00	\$0.00	\$4,093,634.84	\$0.00		
		FEE (Permit, Fees, Fines, Equipment Damages)	\$58,888.02	\$14,381.13	\$0.00	\$0.00	\$44,506.89		
		GAS (Fuel Usage)	\$140,136.27	\$85,901.02	\$0.00	\$0.00	\$54,235.25		
		OVP (Overpayments)	\$84,432.22	\$0.00	\$0.00	\$84,432.22	\$0.00		
		SAH (State Authority Handbook)	\$418,667.00	\$418,667.00	\$0.00	\$0.00	\$0.00		
		SAL (Re-Sale of Equipment)	\$94,148.61	\$0.00	\$0.00	\$0.00	\$94,148.61		
		TCD (Traffic Control Devices)	\$12,051.16	\$0.00	\$0.00	\$0.00	\$12,051.16		
		TPC (Third Party Contract)	\$25,073,641.48	\$20,055,955.51	\$0.00	\$5,017,685.97	\$0.00		
	Human Resources	SOIL	\$329,789.72	\$330.59	\$0.00	\$0.00	\$329,459.13		
		TOTALS - Transportation	\$30,341,706.74	\$20,580,354.25	\$0.00	\$9,175,753.03	\$585,598.46	\$585,598.46	100.00%
		Key Totals	\$2,108,303,013.10				\$578,619,442.82		

EXPLANATION OF REPORT COLUMNS

Total Outstanding Debt

- > Total debt owed to the General State Fund and/or Non-State Sources

Total Exempt 0-90

- > Debt owed to the General State Fund and/or Non-State Sources that are less than 90 days old
- > The State agency is required to pursue these debts for the 1st 90 days; therefore, these debts are not required to be sent to DOR for collection activities

Total Exempt State

- > Total debt amount owed to the General State Fund that is exempt from non-tax debt collection
- > Reasons for exemption include, but may not be limited to: debt is being disputed, debtor is making payments and is current, under litigation/settlement negotiations, etc.

Total Exempt Non-State

- > Total debt amount owed to Non-State sources that is exempt from non-tax debt collection
- > Reasons for exemption include, but may not be limited to: debt is being disputed, debtor is making payments and is current, under litigation/settlement negotiations, etc.

Total Debt for Collection

- > Amount of the debt that is due and owing and is required to be submitted to DOR for collections under the Non-Tax debt program
- > Total Outstanding Debt less Total Exempt 0-90 less Total Exempt State less Total Exempt Non-State

Transferred to DOR

- > Total debt amount transferred to the Division of Revenue for collections and is still due and owing as of 6/30/09

Compliance Rate

- > Compliance Rate=Debt Transferred to DOR / Total Debt for Collection

APPENDIX B
N.J.S.A. 52:18-40 and 41

(UPDATED THROUGH P.L. 2009, ch. 127 and JR 7)

TITLE 52 STATE GOVERNMENT, DEPARTMENTS AND OFFICERS

52:18-40 Regulations, procedures to manage collection of debt; report of inventory of total debt.

52:18-40 Regulations, procedures to manage collection of debt; report of inventory of total debt.

3. a. The Department of the Treasury shall promulgate regulations and procedures to effectively manage the collection of debt. The regulations and procedures shall include: the designation of the Division of Revenue in the Department of the Treasury as State government's centralized debt management agency; and a requirement that a State agency in the executive branch that is unable, within 90 days of the recording of the delinquency, to collect such a debt owed to the agency, shall transfer the delinquent account no later than at the end of the 91st day following the recording of the debt to the Division of Revenue, which shall manage the delinquent account on behalf of the transferring agency and credit to the appropriate account of the transferring agency any debt collected.

b. In order to assist the Division of Revenue in its centralized debt management responsibilities, the chief administrative officer of each State department or agency, or their designee, within 45 days following the conclusion of each fiscal year, shall provide to the Director of the Division of Revenue in a format as the director shall determine, a certified report of the inventory for the fiscal year of the total debt owed to the department or agency so recorded on the department's or agency's records, debt owed to and collected by the department or agency, debt owed but not collected within 90 days of recording of the delinquency, the amount of that delinquent debt not transferred to the division, and the amount of the debt determined to be owed to the department or agency during the last 90 days of the fiscal year.

L.2008, c.24, s.3.

52:18-41 Report to Governor, Legislature.

4. The Director of the Division of Revenue in the Department of the Treasury shall, within 90 days following the conclusion of each fiscal year, report to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature on the division's debt management in the concluded fiscal year. In the report the director shall present for each State department or agency for which the division manages debt the cumulative amount of outstanding receivable balances at the end of the concluded fiscal year, the amount of new receivables balances transferred to the division's custody in the concluded fiscal year, the amount of receivable balances collected by the division in the concluded fiscal year, and the amount of receivable balances written off as uncollectible in the concluded fiscal year. In addition, the director shall list every State department or agency of whose noncompliance with the provisions of section 3 of P.L.2008, c.24 (C.52:18-40) the director is cognizant.

L.2008, c.24, s.4.

52:18A-1. "Department" defined

There is hereby established in the executive branch of the State Government a principal department which shall be known as the Department of the Treasury.

As used in this act, unless the context clearly indicates otherwise, the word "department" means the Department of the Treasury established herein.

L.1948, c. 92, p. 511, s. 1.

APPENDIX C
N.J.A.C 17:48

CHAPTER 48

CENTRALIZED NON-DEBT TAX COLLECTION RULES

SUBCHAPTER 1. CENTRALIZED NON-DEBT TAX COLLECTION RULES

17:48-1.1 Definitions

The following words and terms, as used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

“Delinquent debt” means a fee, fine, cost, penalty or assessment that has been due and owing a State department or agency for 91 days or more. “Delinquent debt” does not include inter-agency debts and debts associated with loans, notes, grants, and contracts.

“Debtor” means any individual or business entity owing money to or having a delinquent account with any State department or agency which obligation has not been adjudicated or satisfied by court order, set aside by court order or discharged in bankruptcy.

“Debtor file” means the listing of all delinquent debts for which the State agency has exhausted its collections methods within the 90-day billing cycle. A minimum of \$25.00 for total debts per individual per State agency will be established. Accounts involving more than one debtor must be broken down individually and the debt allocated to each individual by a State agency. The list must be provided in an electronic format that is acceptable to the Division of Revenue.

“Division” means the New Jersey Division of Revenue, Department of the Treasury.

“State department or agency” means all executive branch departments or agencies, but does not include an independent authority or instrumentality that is independent of the operational and budgetary control of the department to which it is allocated.

17:48-1.2 Collection actions to be taken by agency

(a) Agencies shall make every effort to collect amounts due associated with fines, fees, penalties and other assessments (non-tax debt). At a minimum, the following steps must be taken:

1. Agencies shall develop and establish written procedures and guidelines to be followed by all staff assigned to the debt collection function; and
2. Within 90 days of an amount becoming due and owing, agencies shall attempt to collect by taking, at a minimum, the following steps:
 - i. Issue and send an initial bill (invoice) by regular mail or electronic means if available;
 - ii. If the amount is not paid after 30 days, send a written reminder letter via regular and/or certified mail; and
 - iii. If the amount is not paid after 60 days, send a second reminder letter via regular and/or certified mail.

17:48-1.3 Mandatory transfer of non-tax debt to the Division

(a) If an agency is unable to collect a debt within 90 days, the debtor file shall be transferred to the Division in an electronic format on the 91st day for further collection efforts. The Division will specify what constitutes an acceptable electronic format.

(b) At a minimum, the debt files must include the data fields below pertaining to the debtor (either individual or business). The Division will specify the format for the data fields and the medium to be used to transfer the data.

1. Debtor name (first, middle initial, last, designations if applicable) or company name and contact person;
2. Home or company address;
3. Home or company/contact telephone number;
4. Social Security number or Federal identification number;
5. Nature of debt;
6. Date of debt;
7. Original amount of debt;
8. Payment(s) amount(s);
9. Payment(s) date(s); and
10. Balance due.

17:48-1.4 Exceptions to the mandatory transfer rule

(a) If a debt has reached the 90-day cutoff point, but has been submitted by the agency for litigation, the account shall not be submitted to the Division until such litigation has been concluded and the debt remains due and owing. If the debt remains unpaid for 90 days after an agreed upon court order for payment, the debt shall be referred to the Division in accordance with the rules set forth in N.J.A.C. 17:48-1.3.

(b) If a State agency submits a debt for judgment sometime during the 90-day collection period, the agency will submit the debt no later than 20 days after the judgment has been obtained from the courts.

17:48-1.5 Annual certified non-tax debt inventory report and report to the Governor and Legislature

(a) The chief administrative officer of each agency, or his or her designee, must submit a certified report of the agency's non-tax debt inventory within 45 days following the conclusion of each fiscal year, in a format provided by the Division. At a minimum, the report shall include the following information:

1. The amount of total debt owed to the General Fund;
2. The amount of debt owed to the General Fund submitted to the Division;
3. The amount of total debt owed to non-state sources;
4. The amount of debt owed to non-state sources submitted to the Division;
5. The amount of total debt outstanding; and
6. The amount of total debt outstanding not submitted to the Division.

(b) Within 90 days following the conclusion of each fiscal year, the Division shall submit to the Governor and the Legislature a cumulative report reflecting the inventory information supplied by each agency. In the report, the Division shall also indicate which agencies, if any, have failed to comply with requirements of this chapter and N.J.S.A. 52:18-40.

APPENDIX D
CIRCULAR LETTER 06-03-OMB



Department of the Treasury
STATEWIDE NON-TAX DEBT COLLECTION AND WRITE-OFF

ORIGINATING NO.: 06-03-OMB

AGENCY: OFFICE OF MANAGEMENT AND BUDGET

EFFECTIVE DATE: 07-11-05

EXPIRATION DATE: INDEFINITE

SUPERSEDES: 03-06-OMB

SUBJECT: STATEWIDE NON-TAX DEBT COLLECTION AND WRITE-OFF

ATTENTION: DIRECTOR OF ADMINISTRATION AND CHIEF FISCAL OFFICERS

FOR INFORMATION CONTACT: ALBERTHA HYCHE

PHONE: (609) 633-9056

This policy sets forth the basic responsibilities, principles, and general instructions for all State agencies adequately manage the collection of unpaid and overdue amounts associated with fines, fees, penalties and other assessments (non-tax debt) to ensure all efforts are expended to maximize revenue and operational efficiency. Agencies shall make every effort to collect amounts due. If an agency is unable to collect a debt within 90 days, the account shall be transferred to the Department of the Treasury, Division of Revenue, Accounts Receivable and Collections Bureau for further collection efforts. The Division of Revenue was established for the purpose of consolidating and streamlining State government's revenue management functions including receipt processing and debt collection. The Division of Revenue is a centralized collection agency that provides assistance to all State agencies in the recovery and resolution of non-tax debt.

This policy also sets forth the general instructions for the removal of uncollectible non-tax debt from an agency's records, and the subsequent write-off of such debt that may appear in the State's general ledger. non-tax debt that is deemed uncollectible and eligible for write-off by the Division of Revenue must be submitted to the Department of the Treasury, Division of Administration, Office of Fiscal and Resources Special Administrative Services Unit for write-off consideration. The Special Administrative Services Unit will review and evaluate the request and, if appropriate, forward the request to the Director, Office of Management and Budget for final approval. Only when such approval has been obtained may those accounts be removed from the books of the State and/or agency.

NON-TAX DEBT COLLECTION

AGENCY RESPONSIBILITY

Each agency is responsible for ensuring their internal systems for debt collection are adequate to effectively collect the amounts due. These internal systems shall include a computerized database that is designed and utilized to track and report on open accounts. The computerized database must be designed and utilized to accurately capture all of the information listed below.

For accounts involving individuals, the information shall include:

- First name, last name, middle initial and if applicable, designations (e.g., "Jr.", "Sr.", "III")
- Home address
- Home telephone number
- Office telephone number
- Social security number
- Nature of debt
- Date of debt
- Amount of debt
- Payment(s) amount(s)
- Payment(s) date(s)
- Balance due

For accounts involving businesses, the information shall include:

- Company name
- Company address
- Contact(s) name(s)
- Contact(s) telephone numbers(s)
- Federal identification number
- Nature of debt
- Date of debt
- Amount of debt
- Payment(s) amount(s)
- Payment(s) date(s)
- Balance due

All accounts, whether they involve individuals or companies, shall be assigned account numbers that are consistent and logical for the agency.

The agency shall develop and establish written procedures and guidelines to be followed by all staff assigned to the debt collection function. These procedures and guidelines shall include, at a minimum, the following:

- Initial billing (invoice)
- First dunning letter via regular and/or certified mail after 30 days
- Telephone call after 45 days
- Second dunning letter via regular and/or certified mail after 60 days
- Telephone call after 75 days
- Transfer account to Division of Revenue at 91 days

The agency shall contact the Division of Revenue at (609) 777-1020 to arrange for the account transfer.

ACCOUNTS RECEIVABLE AND COLLECTIONS BUREAU

All account records transferred to the Division of Revenue shall be in compliance with the following:

- **Record Content** - Each account record transferred to the Division shall individually identify each debtor and provide all information regarding the debtor and the debt as outlined above. To the extent possible, each record should also include any information that will facilitate collection operations such as employer source and asset data. In cases where social security numbers are unavailable, the agency must submit a written explanation to the Division.
- **Record Format** - Account records transferred shall be in a generic electronic format such as a text or a file produced by commonly used spreadsheet program, which is acceptable to the Division.

Once account records are transferred, the Division shall be the legal custodian thereof and shall be responsible for conducting all collection operations on the accounts using all available methods. The Division will also be responsible for the maintenance and disposition of all transferred account records as required by State law, and for safeguarding the records through enforcement of standardized anti-browse and confidentiality controls.

The Division is empowered to conduct cross agency record searches, using all available records, and to match/merge data derived from such searches for the purpose of non-tax debt collection. In this regard, the Division will have unlimited access to statewide information that will assist in the resolution of all outstanding cases. The Division is to act as a clearinghouse for non-tax debtor location and asset information for all State agencies.

Any debt collected by the Division on behalf of an agency shall be credited to the appropriate account(s) of the Executive Branch Department that transferred the debt to the Division.

The Division may classify an account as uncollectible if all appropriate collection options have been exercised and the debt remains unpaid.

NON-TAX DEBT WRITE-OFF

All documentation of the efforts made to collect on non-tax debt accounts, including all correspondence received, must be retained until the accounts are either paid or approved for write-off. An account shall be deemed uncollectible and eligible for write-off only if the Division of Revenue deems the account uncollectible and if the account meets one of the following criteria:

1. Any debt of \$250 or less, which is delinquent at least six months with no contact or no payment from the debtor for at least six months.
2. Any debt greater than \$250, but no more than \$1,000 that is delinquent at least nine months with no contact or no payment from the debtor for at least nine months.
3. Any debt greater than \$1,000 that is delinquent at least one year with no contact or no payment from the debtor for at least one year. A judgment against the debtor must be obtained.
4. Any debt that is owed by a debtor that is deceased and there are no assets in his or her estate from which to collect the sum owed. A copy of the death certificate is required.
5. Any debt or portion thereof that is discharged in bankruptcy. A copy of the discharge notice is required.
6. Any debt that is owed by a corporation that is no longer in business or has been dissolved and there are no assets from which to collect the sum owed. Written documentation is required.
7. Any debt that is determined to be uncollectible by the Attorney General, his designee, or other legal counsel. Written documentation is required.

Having pursued a diligent but unproductive collection effort, the Division of Revenue will notify the agency that the account(s) is/are uncollectible. Subsequently, the agency will then submit the uncollected account(s) for write-off. Permission to write-off accounts must be formally requested through the submission of Form AR900A for agency internal records only, or Form AR900 for State accounting records, whichever is appropriate. The forms may be obtained at www.state.nj.us/treasury/forms.html. The agency must submit the request along with a cover letter and a letter from the Division of Revenue deeming the account(s) uncollectible to:

Department of the Treasury
Division of Administration
Office of Fiscal and Resources
Special Administrative Services Unit
P.O. Box 211
Trenton, New Jersey 08625-0211

DIVISION OF ADMINISTRATION

OFFICE OF FISCAL AND RESOURCES

SPECIAL ADMINISTRATIVE SERVICES UNIT

The Special Administrative Services Unit has been delegated the authority to review and evaluate each write-off request, whether it concerns agency internal records only or the State's central accounting system. This review shall permit the on-site inspection of agency records. This review shall also permit assessment of the agency's internal systems for debt collection and the agency's written collection procedures and guidelines. The Special Administrative Services Unit's recommendations will be recorded in the space provided on the AR900A or AR900 form. The form(s), together with documentation of the agency's collection effort and results thereof, shall be transmitted to:

Department of the Treasury
Director, Office of Management and Budget
P.O. Box 221
Trenton, New Jersey 08625-0221

The Director, Office of Management and Budget, in accordance with the duties and authorities as outlined in N.J.S.A. 52:24-4 and 52:27B-33 et. seq. shall review the recommendations of the Office of Fiscal and Resources, Special Administrative Services Unit and make a formal determination as to the disposition of each account in question. All requests for write-off, after review and determination by the Director, will be forwarded to the Accounting Bureau, Office of Management and Budget and will serve as the basis for recording the appropriate entries on State and agency records. Where the write-off has been approved and the account appears on the State's central accounting system, the Accounting Bureau will remove it; if the account is solely on the agency's internal records, the copy of the approved request will serve as official authorization to remove the account from the agency's books.

The completed request form will be returned to the Office of Fiscal and Resources, Special Administrative Services Unit for notification to the agency of the final determination of the uncollected accounts.

Charlene M. Holzbaur
Director

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