




DEPARTMENT OF THE TREASURY
BUREAU OF THE FISCAL SERVICE
WASHINGTON, DC 20227

October 19, 2015

MEMORANDUM FOR ALL CFOS, DEPUTY CFOS and Chief Credit Management Officials

FROM: Jeffrey Schramek, Assistant Commissioner 
Debt Management Services, Bureau of the Fiscal Service

SUBJECT: DMS Annual Requirements for FY 2015 Year-End and CY 2016 Activities

The U.S. Department of the Treasury's Bureau of the Fiscal Service serves as the government's centralized debt collection agency and manages the programs and tools used to collect federal nontax delinquent debt owed to government agencies. The purpose of this memorandum is to communicate two upcoming Debt Management Services (DMS) requirements related to 1) FY 2015 year-end Treasury Report on Receivables reporting and 2) CY 2016 annual debt certification.

The *Treasury Report on Receivables and Debt Collection Activities (TROR)* is the primary means for federal agencies to report information on receivables and delinquent debt due from the public. All federal agencies who report TROR data must also provide a year-end certification and verification. TROR certification confirms that the reported delinquent debt information is accurate and debts are legally enforceable. TROR verification confirms that the ending receivables balance on the TROR reconciles to your agency financial statements.

For the upcoming calendar year, agencies are also required to enter into the annual *Agreement to Certify Federal Nontax Debts* which covers referrals of delinquent debt to the Cross-Servicing Program and Treasury Offset Program (TOP) for delinquent debt collection purposes. When an agency refers a debt to either Cross-Servicing or TOP as required by the Debt Collection Improvement Act of 1996, it is certifying that the debt is valid and legally enforceable, that there are no bars to collection, and that due process has been completed.

Attached to this memorandum are more details about the two requirements. We appreciate the opportunity to work with you to increase government-wide collections and ensure the continued success of the delinquent debt collection programs. Additionally, thank you for your efforts to comply with the 120-day administrative offset referral provision of the Digital Accountability and Transparency Act of 2014 and the new TROR reporting provisions that will be effective for 1st quarter FY 2016 reporting.

Enclosure

DMS Annual Requirements for FY 2015 Year-End and CY 2016 Activities

1. Combined Fiscal Year End TROR Certification and Verification

The certification and verification of the TROR for activity reported as of September 30, 2015 is due to DMS by December 16, 2015. The requirements and instructions will be posted on the DMS internet site at http://fiscal.treasury.gov/fsservices/gov/debtColl/rsrscsTools/debt_dmrpts_tror.htm

If an agency cannot verify and certify the accuracy of its receivables and debt collection information, the Chief Financial Officer or the agency head must provide an explanation and identify the bureaus or divisions that are unable to validate this information. The signed document should be scanned and sent via email or faxed to:

Email: john.white@fiscal.treasury.gov
Fax: (202) 874-7292
DMS/Portfolio Management and Analysis Branch
Attn: John White

Please contact John White at john.white@fiscal.treasury.gov or (202) 874-7131 if you have any questions.

2. Annual Agreement to Certify Federal Nontax Debts for CY 2016

The CY 2016 Agreement to Certify Federal Nontax Debts is due to DMS by December 11, 2015. The requirements for this agreement have been communicated to your designated agency points of contact for debt management by our agency relationship managers and are posted on the DMS internet site at http://fiscal.treasury.gov/fsservices/gov/debtColl/rsrscsTools/debt_forms.htm.

This agreement must be received in order for the Fiscal Service to collect on new delinquent debts referred in 2016. Signed Agreements should be scanned and sent via email or faxed to the following:

Email: DMS.Certifications@fms.treas.gov
Fax: (205) 912-6383
DMS/Agency Relationship Management Division
Attn: Valencia Thompson

Please contact Valencia Thompson at valencia.thompson@fiscal.treasury.gov or (205) 912-6327 if you have any questions.

Verification

All 4th quarter (year-end) reports must be verified by the submitting Agency/Department's Chief Financial Officer (CFO) or equivalent.

Verification of the Receivables Report means that the report has been reconciled to the agency's Audited Financial Statements to the Governmentwide Treasury Account Symbol Adjusted Trail Balance System (GTAS).

Only one verification at the Agency or Department level is to be submitted. The verification is to be submitted by the Agency/Department CFO or equivalent.

The verification should state that the information presented in Part I, Section A, Ending Balance line of the "Report on Receivables Due from the Public" was reviewed and is reconciled to the receivable balances in the agency's (a) Form and Content -Audited Financial Statements, i.e., the Balance Sheet and (b) GTAS. If the report is not reconciled to the Balance Sheet and GTAS, the verification should so state, with an explanation as to why verification is not possible. Agencies should also disclose the audit opinion of the Financial Statements or any issues regarding the pertinent accounts.

The Bureau of Fiscal Service (BFS) acknowledges that there will be differences among the balances reported since the Receivables Report presents the gross book value of receivables as opposed to the net present value presented on the Audited Financial Statements and in GTAS. Agencies are requested to define these differences and disclose any discrepancies in a separate document to be returned with the signed Certification/Verification.

Note: Report accrued interest on this report the same as it is reported in GTAS and the financial statements, up to 180 days of delinquency. If interest is accrued on debts over 180 days delinquent and is included in GTAS submissions and on the audited financial statements, report it in the TROR with a footnote.

Include in the TROR all receivables for programs that are administered by the agency. Receivables are reported with the program that first generated the receivables unless there was a transfer by book entry to another entity.

Certification

All 4th quarter (year-end) reports must also be certified by the submitting agency's CFO or equivalent. Certification means that the delinquent debt information reported on the Receivables Report for cross servicing and offset in Part II, Section B, is correct and legally enforceable.

Only one certification at the Agency or Department level is to be submitted. The certification is to be submitted by the Agency/Department Chief Financial Officer or equivalent.

Questions:

Questions concerning the certification/verification process should be directed to:

Bureau of the Fiscal Service
Telephone Number: (202) 874-6810
Fax Number: (202) 874-7292

Only one Certification/Verification form **per Agency or Department** is to be submitted. The Certification/Verification form is submitted separately from the Receivables Report itself.

Due Date

The Certification/Verification form is due to Debt Management Services by December 16, 2015.

DMIS System Access

To receive access to the DMIS System to view your agency's reports, call (202) 874-8933 and a user ID will be issued.

Where to Send

Once the Certification/Verification form has been completed and signed, please fax it to:

Certification/Verification Team
Bureau of the Fiscal Service Debt
Management Services
Portfolio Management and Analysis Branch
Attn: John White
Fax: (202) 874-7292

TROR Certification/Verification Form TREASURY REPORT
ON RECEIVABLES DUE FROM THE PUBLIC FOR THE
FISCAL YEAR ENDING SEPTEMBER 30, 2015

- I. I have reviewed the information presented in the Treasury Report on Receivables and Debt Collection Activities (TROR) submissions for the fiscal year ending September 30, 2015. In my opinion, **all** of the receivables information specifically presented in the TROR are accurate and consistent with the agency accounting systems and the delinquent debt information reported in Part II, Section B is accurate and legally enforceable.

Chief Financial Officer (signature)
(Or Agency Head)

Date

Chief Financial Officer (printed)
(Or Agency Head)

Agency

OR

- II. I have reviewed the information presented in the Treasury Report on Receivables and Debt Collection Activities (TROR) submissions for the fiscal year ending September 30, 2015. The receivables or delinquent debt information presented in the TROR is not consistent with the agency accounting systems.

Attached is a list identifying the reporting entities and the parts of the form that I am **unable** to certify/verify with an explanation as to why certification is not possible, and a target date for when such certification can be submitted to the Department of the Treasury-Bureau of the Fiscal Service.

TROR Receivables (*Part I, Section A, Line 7*) \$ _____

Reconciliation Amount \$ _____

Amount Unable to Verify \$ _____

Financial Statement Receivables \$ _____

Chief Financial Officer (signature)
(Or Agency Head)

Date

Chief Financial Officer (printed)
(Or Agency Head)

Agency