March 14, 2017

Glen Dickinson, Director
Legislative Services Agency
State Capitol
LOCAL

Dear Mr. Dickinson:

I am writing to update you on the centralized debt collection program for the quarter ending September 30, 2016. This report is required quarterly by Iowa Code Chapter 421.17(27) (h.) and (j.) regarding collection results, costs, and positions added.

Central Collections Program Implementation
The Centralized Collection Unit (CCU) provides collection services to the Judicial Branch (Court), Department of Human Services Child Support Recovery Unit (DHS CSRU), Department of Natural Resources (DNR), Iowa Department of Revenue (IDR), and Iowa Workforce Development (IWD) through the efforts of the IDR vendor. Each agency placing accounts with CCU may also undertake additional collection efforts beyond those reflected in this report.

As of July 2015, the Court stopped placing accounts with CCU. In July 2016, CCU returned all Court accounts that were not in an existing payment plan.

CCU began providing limited collection services to IWD beginning April 2016.

Collections by Quarter
The attached tables show quarterly revenues that were generated by the CCU. Collections for the September 2016 quarter totaled $10.87 million, a decrease of $3.24 million compared to the same quarter last year (see Table 2). This decrease was mostly due to reduced Court collections. When compared to the same quarter of FY 2016, Court collections had a decrease of $3.40 million, tax collections had a decrease of $0.11 million, DHS CSRU collections and DNR had a slight increase. No comparison with FY 2016 is available for Iowa Workforce Development.

The tables and figures below reflect only the efforts of the Centralized Collection Unit.

Cost/Benefit

The Centralized Collection Unit is self-supporting and charges for all direct and indirect costs that are properly allocable to CCU activities. No new positions were added this quarter. Fiscal year costs as a share of CCU collections are provided in Table 1 below.

Table 1. Centralized Collection Unit Costs as a Share of Collected, FY 2014-2016

Fiscal Year	Costs as a Share of Amount Collected
2016	6.84%
2015	7.44%
2014	7.08%

If you have any questions regarding this information, please let me know.

Yours truly,

Courtney M. Kay-Decker
Director

Table 2.Centralized Collection Unit Quarterly Collections

Program	Collections for Quarter Ending				
	September 2016				**FYTD 2017**
CCU - IDR Tax Receivables	$8,851,840				$8,851,840
CCU -Court	$1,627,190				$1,627,190
CCU - DHS CSRU	$167,953				$167,953
CCU - DNR	$9,015				$9,015
CCU - IWD	$212,391				$212,391
Total	**$10,868,388**				**$10,868,388**
	September 2015	**December 2015**	**March 2016**	**June 2016**	**FY 2016**
CCU - IDR Tax Receivables	$8,957,198	$9,365,762	$8,370,619	$6,735,025	$33,428,605
CCU -Court	$5,031,483	$4,280,084	$2,385,138	$2,105,038	$13,801,743
CCU - DHS CSRU	$122,570	$140,616	$158,602	$128,827	$550,616
CCU - DNR	$1,589	$1,628	$13,243	$16,888	$33,348
CCU - IWD				$247,920	$247,920
Total	**$14,112,840**	**$13,788,091**	**$10,927,602**	**$9,233,699**	**$48,062,233**
	September 2014	**December 2014**	**March 2015**	**June 2015**	**FY 2015**
CCU - IDR Tax Receivables	$6,382,680	$7,734,553	$8,324,393	$7,689,791	$30,131,417
CCU -Court	$8,850,356	$7,782,107	$8,161,439	$7,242,924	$32,036,825
CCU - DHS CSRU	$91,943	$104,694	$131,688	$157,774	$486,099
CCU - DNR	$2,622	$2,273	$10,601	$3,408	$18,903
Total	**$15,327,600**	**$15,623,626**	**$16,628,121**	**$15,093,897**	**$62,673,244**

Fiscal year totals may not equal the sum of quarterly numbers due to rounding.

Figure 1. Centralized Collection Unit Quarterly Collections

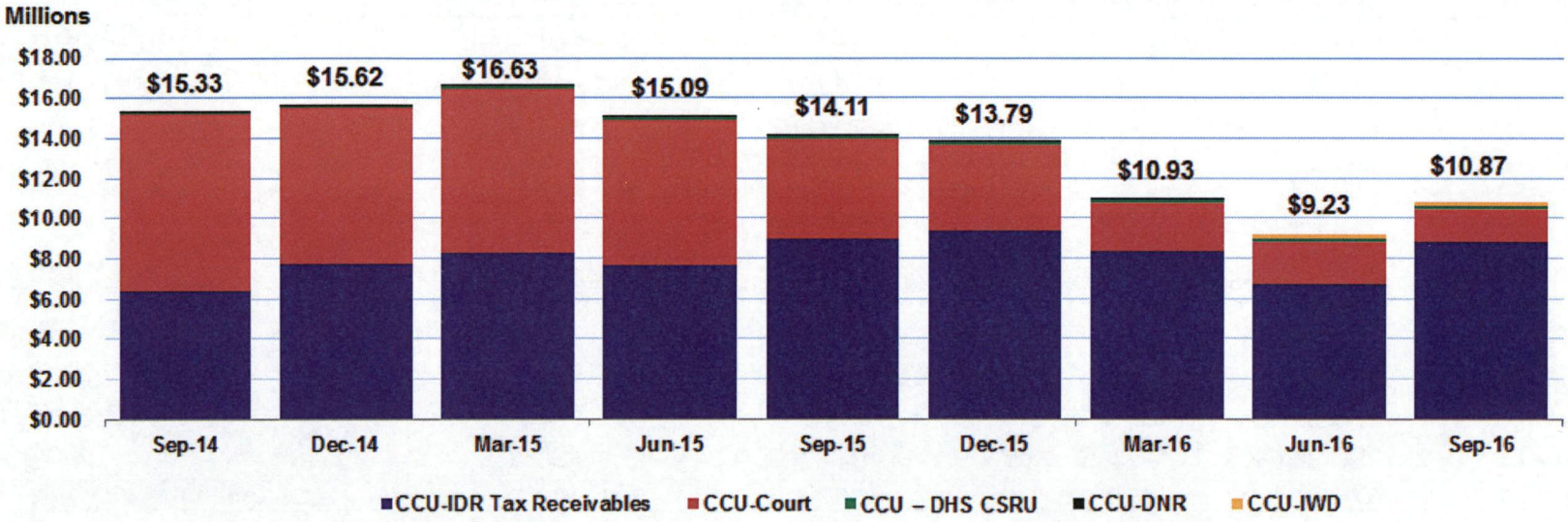
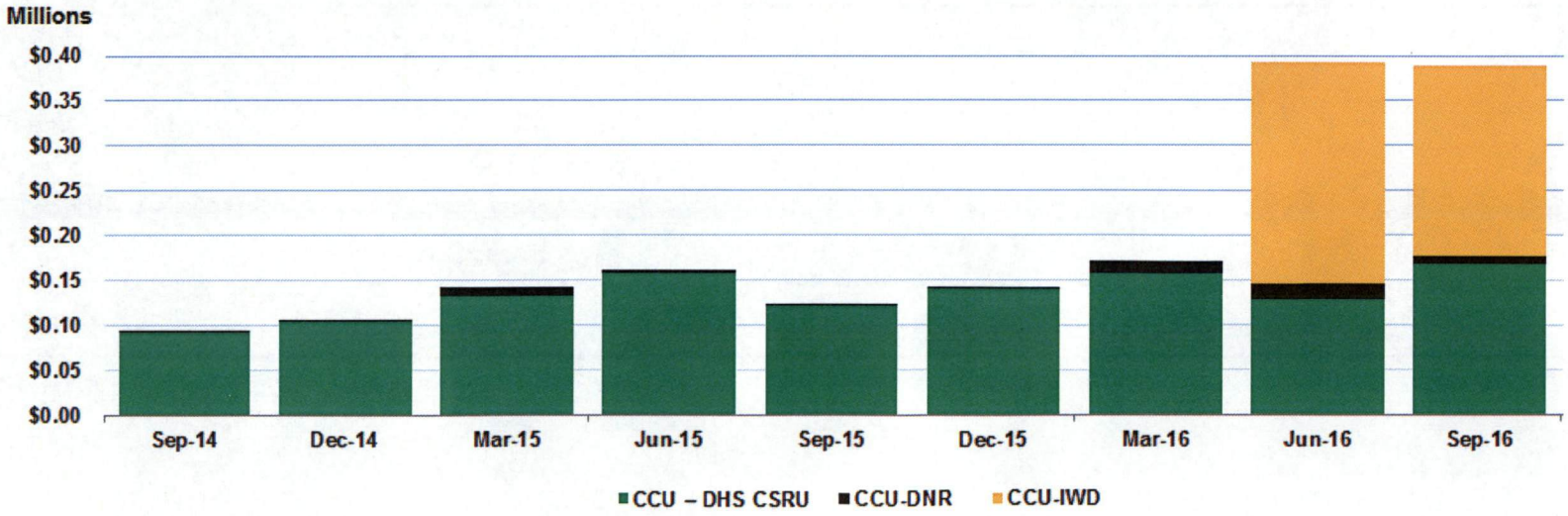
Figure 2. Subset of Centralized Collection Unit Quarterly Collections