

October 30, 2017

Glen Dickinson, Director  
Legislative Services Agency  
State Capitol  
LOCAL

Dear Mr. Dickinson:

This letter provides an update on the centralized debt collection program for the quarter ending September 30, 2017. This report is required quarterly by Iowa Code Chapter 421.17(27) (h.) and (j.) regarding collection results, costs, and positions added.

### Centralized Collection Program Implementation

The Centralized Collection Unit (CCU) provides collection services to the Department of Human Services Child Support Recovery Unit (DHS CSRU), Department of Natural Resources (DNR), Iowa College Aid, and the Iowa Department of Revenue (IDR). Each agency placing accounts with the CCU may also undertake additional collection efforts beyond those reflected in this report.

As of September 2017, the CCU began providing collection services to Iowa College Aid.

### Collections by Quarter

The attached tables show quarterly revenues that were generated by the CCU. Collections for the September 2017 quarter totaled \$8.04 million, a decrease of \$2.83 million compared to the same quarter last year (see table 2). When compared to the same quarter of FY 2017, the DNR collections increased by \$0.04 million. IDR Tax Receivables and DHS CSRU experienced a decrease in collections. No comparison for FY17 is available for Iowa College Aid.

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 Cost as a Share of Amount Collected, FY 2015-2017**

<u>Fiscal Year</u>	<u>Cost as a Share of Amount Collected</u>
2017	7.14%
2016	6.84%
2015	7.44%

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 2017	December 2017	March 2018	June 2018	FYTD 2018
CCU - IDR Tax Receivables	\$7,866,014				\$7,866,014
CCU - DHS CSRU	\$121,123				\$121,123
CCU - DNR	\$50,136				\$50,136
CCU - College Aid	\$4,463				\$4,463
<b>Total</b>	<b>\$8,041,737</b>				<b>\$8,041,737</b>
	<b>September 2016</b>	<b>December 2016</b>	<b>March 2017</b>	<b>June 2017</b>	<b>FY 2017</b>
CCU - IDR Tax Receivables	\$8,851,840	\$10,138,260	\$9,589,103	\$7,898,242	\$36,477,445
CCU - DHS CSRU	\$167,953	\$171,912	\$158,912	\$115,048	\$613,825
CCU - DNR	\$9,015	\$13,178	\$13,514	\$9,842	\$45,549
CCU - Court	\$1,627,190	\$1,577,870	\$1,047,439	\$1,373,616	\$5,626,115
CCU - IWD	\$212,391	\$162,297	\$116,433	\$91,860	\$582,981
<b>Total</b>	<b>\$10,868,388</b>	<b>\$12,063,518</b>	<b>\$10,925,401</b>	<b>\$9,488,607</b>	<b>\$43,345,915</b>
	<b>September 2015</b>	<b>December 2015</b>	<b>March 2016</b>	<b>June 2016</b>	<b>FY 2016</b>
CCU - IDR Tax Receivables	\$8,957,198	\$9,365,762	\$8,370,619	\$6,735,025	\$33,428,605
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 - Court	\$5,031,483	\$4,280,084	\$2,385,138	\$2,105,038	\$13,801,743
CCU - IWD				\$247,920	\$247,920
<b>Total</b>	<b>\$14,112,840</b>	<b>\$13,788,091</b>	<b>\$10,927,602</b>	<b>\$9,233,699</b>	<b>\$48,062,233</b>

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



Figure 1. Centralized Collection Unit Quarterly Collections

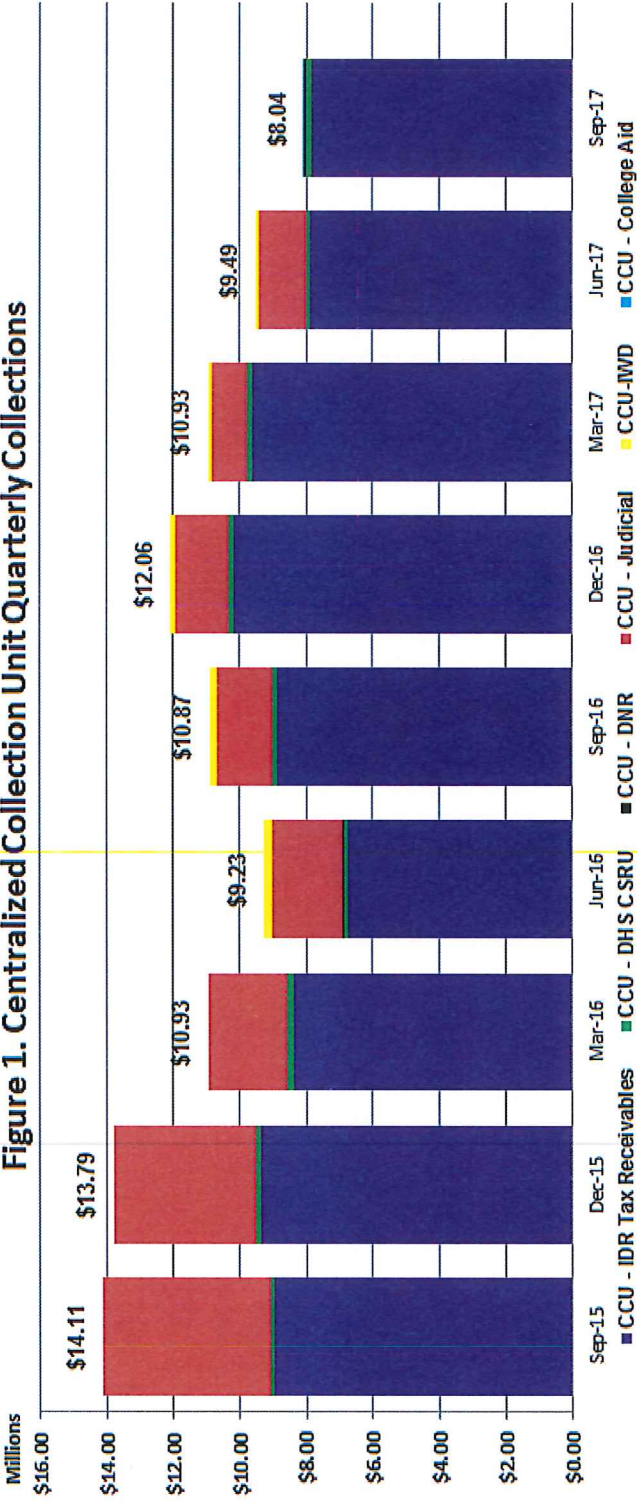


Figure 2. Subset of Centralized Collection Unit Quarterly Collections

