



Legislation Text

File #: 12-0047, **Version:** 1

Chief Administrative Office recommending that the Board adopt revised Board of Supervisors Policy B-4, Collections - Recovery of Public Funds.

Fiscal Impact/Change to Net County Cost: No change to Net County Cost. Improved policies and procedures related to collection processes should result in increased revenues to the County.

Background: From 1988 to 2004, County Counsel had primary responsibility for the collection of county debts. In 2004 the Revenue Recovery Division (RRD) and the responsibility for collection of debts was transferred from County Counsel to the Treasurer-Tax Collector's Office. Subsequently, in October 2008, the RRD was transferred to the Department of Child Support Services with the adoption of the FY 2008-09 Budget.

The RRD is responsible for collecting delinquent fines and fees owed to El Dorado County Departments and to the Superior Court. County departments and the Court initially attempt to collect their own debts and if they are unsuccessful, the accounts are then referred to RRD for collection.

Reason for Recommendation: The language in the current Board of Supervisors Policy B-4 is outdated and no longer accurate. Debt collection methods and business processes have improved significantly since Policy B-4 was last revised in 2002. Staff in Child Support Services, Revenue Recovery Division, initiated an update to the policy to reflect the current organizational assignment of the Revenue Recovery Division and to provide better guidelines for processes related to revenue recovery activities. This revision was developed in consultation with the Chief Administrative Office, County departments, the Superior Court and other counties.

Due to the number and nature of changes in the revised policy, it was not possible to provide a "strike-through" version of the policy document. A summary of the recommended changes has been provided as an attachment to this item. Significant revisions include:

- The current policy states that debts not paid within 60 days shall be referred to County Counsel for legal proceedings and enforcement. (3c) Debts in this category have not been referred to County Counsel for several years. Enforcement of these obligations is the responsibility of the RRD.
- Additionally, the current policy requires that repayment agreements, lien forms, and referral forms must be approved by County Counsel. The RRD is currently responsible for these processes and forms.
- The current policy contains several pages of detail on the collection of Health Services debts. That type of specific detail is more appropriately documented in the department's procedure manuals and has therefore been removed from the proposed policy.

- The current policy does not provide enough specific information about accounts that qualify for Discharge of Accountability. That detail has been included in the proposed policy.
- The proposed policy also contains a provision for the ability to assign or sell accounts receivable pursuant to Government Code Section 16585 and 26220(a). This provision was not included in the current B-4 policy.

Action to be taken following Board approval:

The revised Policy B-4 will be distributed and implemented.

Contact: Terri Knowlton, Chief Administrative Office
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Concurrences: Pursuant to Board of Supervisors Policy A-1, all departments directly affected by the revised policy had an opportunity to review the proposed revisions prior to submission to the Board Clerk. Additionally, the revised Policy B-4 was reviewed and approved by County Counsel and Risk Management.