



Accounts Receivable Management

Business Challenge

Tax and Revenue agencies continue to strive for ways to improve their ability to locate taxpayers, identify assets and improve overall compliance and collections management. As their accounts receivable grows, agencies are asked to collect more with less resources. Management requires the ability to track collector progress, monitor changes to their accounts receivable and ensure timely collection actions against liabilities. In an effort to operate more effectively and efficiently, many Tax and Revenue agencies are relying on improved technology and consolidation of data to help increase collections. To achieve these higher levels, agencies are looking for technical and business solutions centered on the consolidation of data, enabling a data-driven approach to case management and risk-based scoring to manage their accounts receivable.

Solution

RSI's Accounts Receivable Management practice line offers a range of products and services from collections case management solutions to business process consulting services which utilize internal and external data sources to dramatically improve an agency's ability to prioritize, manage and report on their accounts receivable. Each solution focuses on integration with the data necessary for skip-tracing, asset identification, responsible officer management and management reporting. RSI's collections case management solution, DiscoverTax® Collections Workbench, includes a single point of access for collectors to effectively manage their inventories; allowing for better identification of addresses, taxpayer assets and potential responsible officers, while providing external offset capabilities with external agencies. Online reporting capabilities allow supervisors to view their collectors' cases and productivity in real time, with the ability to filter and sort on specific attributes, enabling them to quickly identify potential issues. RSI's Accounts Receivable Management practice also provides consulting services and best practices ranging from Business Process Re-engineering/Improvement (BPR/BPI) to system and process enhancements all directed towards providing Tax and Revenue agencies with a significant ongoing lift to collections.

Revenue Management and Compliance Management Specialists

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DiscoverTax - Case Summary

Quick Search: ID Type: [] ID: [] Search Clear

Primary Info Case ID: 002

Name: AUTOBODY INC	Case Type: Collections	User: USER01
SSN: XX-0000001	Case Sub Type: Field Office	Dept: Unit 1
Address: PO BOX 0009 SAMPLE, MA 00001-0009	Case Status: Open	Worklist: Assigned
Details: View...	Priority: 1	Case Balance: \$16,920.00
Home Pfx: 800-888-8888		Created: 12/02/2006
Work Pfx: 800-888-8888		Parent Case ID: 001
Email: user@rsmail.com		

Case Summary Totals

Liability	Collection	Balance
Tax: \$15,000.00	\$0.00	\$15,000.00
Penalty: \$1,000.00	\$0.00	\$1,000.00
Interest: \$900.00	\$0.00	\$900.00
Cost/Fee: \$20.00	\$0.00	\$20.00
Total: \$16,920.00	\$0.00	\$16,920.00

Case Detail

Bankruptcy: N	Case OIC: N	Lien:	Hold Status: N	Current Step: ASSIGNED
Deceased: N	Waiver Req: N	Levy: N	Hold Reason: N	Next Step: SUPERVISOR REVIEW
Appeal: N	Case OBI: N	Seizure Revert: A	Hold Exp: A	Ref ID Type: NON-FILER
Audit: N	Last Comm: 02/01/2008	Case Balance: \$16,920.00	Case Source: VM-NON-FILER	Ref ID: 4613213405421
PPA:		Created: 12/02/2006	POA:	

Buttons: Reopen Case, Close Case, Edit Case

Group	Related Cases	Entity Relationship	History	Notes	Content	Contacts	Current Staging	Case Plan	Approvals	Assets	
Group Type	Period Begin Date	Period End Date	Status	Tax	Penalty	Interest	Cost/Fee	Liability	Collection Balance	20% Status	
NON-FILER	01/01/2001	01/31/2001	A	\$15,000.00	\$1,000.00	\$900.00	\$20.00	\$16,920.00	\$0.00	\$16,920.00	Y

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PAID

RSI's approach focuses on quick-hit initiatives, or high return on investment initiatives, to help fund the overall project.

RSI's approach focuses on quick-hit initiatives, or high return on investment initiatives, to help fund the overall project. By doing so, agencies experience actual benefits early in the project instead of waiting for the final solution to be implemented. Experienced RSI staff work directly with the agency using a proven methodology to determine which aspects of the project will provide a significant early return on investment, as well as determine the criteria in which to measure these benefits.

Collection Case Management Solution

RSI's Collections Workbench provides a robust set of case management functions tailored specifically to the needs of Tax and Revenue agency collectors and management. The solution provides up-to-the-minute detailed status of all "in-progress" cases based on a set of comprehensive case tracking and review features, all of which are part of an electronic case folder. The case folder contains the complete contents of the case, including all taxpayer history, financials, assets and taxpayer submitted records. From the case, the collector may issue or release a lien or levy, establish a payment plan or transfer specific periods to bankruptcy as part of the bankruptcy management process. All case log entries, contact details, approval history, correspondence, notes and document attachments are maintained in the case folder and can be reviewed online by staff authorized to review the case.

RSI's Collections Workbench provides several utilities for managing work across the department, including case assignment, workflow, messaging, approval rules, next steps, case closure types, appointment tracking and time recording for field collectors. Collections Workbench supports and enhances the detailed review of taxpayer data by collectors, creating a comprehensive "holistic" view of taxpayer information through seamless integration with an agency's tax system; eliminating the need to manually re-enter taxpayer demographics, filed return data and other data required for the case. What follows is a breakdown of the specific areas of functionality for RSI's collections case management solution.

Consolidation of Data

It all starts with the consolidation of internal and external agency data as the foundation of an effective collections system. RSI's Collections Workbench focuses on integration with the data sources collectors use most by building comprehensive taxpayer "portfolios" and allowing both the users and system to leverage those data sources to drive collections management. This includes a summary view of all case information, financials, contact information, banks, wages, licenses, real property and responsible officer data.

Risk-Based Scoring

Risk-based scoring allows agencies to more effectively prioritize and work their accounts receivable, by assessing the likelihood of taxpayer behavior such as payment on a receivable at the time it enters collections. As new information is added or current information is modified, predictive scores are updated for each account. RSI's scoring solution incorporates highly sophisticated and proven algorithms, producing optimum prioritization of accounts for assignment to the most appropriate collections treatment strategies. Refer to RSI's Decision Analytics brochure for detailed information on our decision analytics solutions.

Research and Skip-Tracing

As is the case of any collection operation, taxpayer research and skip-tracing are mission critical components to ensure successful account resolution. These steps also, if done manually, consume a significant portion of collector's time working a case. RSI's Collections Workbench identifies and consolidates those data sources necessary for the collector to search for asset information such as bank, wage and property information, as well as license and address information.

Inventory Management

Utilization of workflow technology and data to better perform inventory management allows supervisors to assign cases to certain users or user groups and target specific segments of the inventory (e.g., age, balance, tax type or risk). With data-driven prioritization of cases, based on policy and procedure, management can ensure that the right collection action is being taken on the right taxpayer at the right time. Inventories are prioritized based on agency business rules and collectors have the ability to sort and filter their inventories, or have the system determine the "next best case" to work. Strategies may also be driven by agency objectives such as the implementation of special enforcement projects to generate additional revenue. In addition, system alerts can be sent to staff based on activity that has occurred on taxpayers assigned to them. Examples might include: taxpayer change in address, a new receivable has entered collections or new asset information exists for the taxpayer.

Bankruptcy Details									
BK Case ID:	1100011	Follow Up:		POC Sent:		Judge Code:	45454	Court Phone 1:	800-123-4567
Chapter:	7	BK History:	View...	B/C Date:		Court:	Anytown County	Court Phone 2:	
Petition Date:	12/10/2007	Claims ID:	4561654	Conv Date:		Court Address:	1212 Main Street Anytown, SC 22222	Court Email:	
BK Status:	Open	POC Due:	06/10/2008						

Counsel and Trustee Details					
Debtor Counsel:	John Counsel	Counsel Phone 1:	800-789-4561	Trustee Code:	
Counsel Address:	123 Main Street Anytown, SC 22222	Counsel Phone 2:		Trustee:	
		Counsel Email:	jcounsel@counsel.com	Trustee Address:	
				Trustee Phone 1:	
				Trustee Phone 2:	
				Trustee Email:	

Bankruptcy Periods								
Period Begin Date	Period End Date	Pre / Post Petition	Tax Type	Tax	Penalty	Interest	Cost/Fee	Balance
01/01/2001	01/31/2001	PRE	SALES	\$1,000.00	\$50.00	\$500.00	\$20.00	\$1,570.00
02/01/2001	02/28/2001	PRE	SALES	\$500.00	\$25.00	\$300.00	\$20.00	\$845.00
01/01/2008	01/31/2008	POST	SALES	\$1,000.00	\$50.00	\$50.00		\$1,100.00

Noticing and Billing

Incorporated into the automated case flows are notice and billing functionality. While maintaining the ability to manually generate notices, implementing automated noticing and billing functionality allows for collection through configurable agency workflow rules and account criteria, postponing user intervention until absolutely necessary.

Responsible Person and Taxpayer Relationship Management

For the collection of business taxes, the ability to identify and manage taxpayer relationships is an essential part of effectively resolving that tax liability. Businesses may be unable to pay their tax liability, however there will always be responsible person(s) for the taxes owed on that business. For personal income taxes, it can be difficult to determine which spouse was responsible for which tax liabilities. Identifying those persons, the liabilities in which they are responsible for and tracking individual payments against those liabilities ensures that the proper collection activity is being performed against each taxpayer. RSI's Collections Workbench manages taxpayer relationships at the detailed level so that all liabilities may be included as part of enforced collection activities.

Enforcement Functionality

Through data interfaces and data aggregation methods, RSI's Collections Workbench facilitates enforcement activity through searches, both automated and manual, to identify attachable assets. Once the asset identification process is complete, liens and levies can be manually or automatically generated. For liens, the system allows for issuance, release, management and reporting of all liens to the appropriate external agencies.

In addition, Collections Workbench manages the bankruptcy process through interfaces to and from state courts, where available. Bankruptcy cases are automatically created and the appropriate correspondence, such as Proof of Claims, are generated and submitted. Periodic updates back from the court are processed to verify bankruptcy status. These automated functions free up agency staff to focus on revenue generating initiatives.

Outside Collection Agency Management

Through RSI's outside collection agency management functionality, agencies can more effectively manage their outsourced accounts receivable. This functionality incorporates business rules for

The screenshot shows two sections of the software interface. The top section is titled "Levy Summary" and contains a table with the following data:

Levy ID	Levy Amount	Levy Date	Release Date
12345	\$5,300.00	03/31/2008	10/15/2018

The bottom section is titled "Levy Details" and contains two sub-sections. The first is "Levy Periods" with a table:

Period Begin Date	Period End Date	Tax Type	Tax	Penalty	Interest	Cost/Fee	Balance
01/01/2004	12/31/2004	PIT	\$5,000.00	\$100.00	\$100.00	\$100.00	\$5,300.00

The second sub-section is "Levy Sources" with a table:

Source Name	Type	Address	Phone	Account Number	Routing Number
Bank of America	Checking	123 Main Street	(123) 456-7890	1234567890	9876543210

The screenshot shows two sections of the software interface. The top section is titled "Lien Inventory" and contains a table with the following data:

Lien ID	Manual	Taxpayer ID	Total Lien Amount	Request Date	Recordation
00000000234	Y	xxx-xx-2360	\$10,000.00	06/18/2008	Y
123456789812	Y	xxx-xx-2360	\$200.00	06/10/2008	Y

The bottom section is titled "Detailed Lien Information" and displays the following details:

Lien ID: 00000000234
Total Lien Amount: \$10,000.00
Requested By: RSI
Taxpayer SSN: xxx-xx-2360
Taxpayer Name: JOE SMITH
Doing Business As:
Related Taxpayer ID:
Related Taxpayer Name:
Address: 123 MAIN STREET
ANYTOWN, MA 99999-9999

Comments: THREE PAGE LIEN FILED AT SOS ONLY

The interface also includes buttons for "Add New Lien", "Release Lien", and "Manage Recordation".

automatically placing delinquent accounts with the appropriate outside collection agency. The business rules employ metrics to allow for extensive reporting and tracking, allowing for up to date analysis of vendor productivity on those outsourced accounts.

System Administrator

No longer do configuration changes such as the timing of next case actions, adding correspondence templates, changing user security or the implementation of special inventory initiatives to name a few, require significant IT programming efforts. The agency's management team can simply use the Collections Workbench's system administrator facility to configure business rules and content.

Payment Agreement Monitoring

Payment agreement monitoring is a time consuming activity for collectors if not automated. Often times, a taxpayer may be paying less than the agreed to terms, making every other payment or have new debt that has not been consolidated with the existing case. RSI's enhanced approach to monitoring automatically recognizes defaults, or potential defaults, based on agency defined business rules and applies the appropriate case treatment. This may entail, automatically or manually, placing an account back into the case flow for review, generating a notice to the taxpayer or simply notifying the collector that new debt has been added for this taxpayer.

Recommended Payment Agreements (system generated)										
Select	Down Payment	Payment Amount	Duration	Tax Amount	Penalty	Interest	Cost/Fee	20%	Balance	Begin Date
<input type="checkbox"/>	\$2,000.00	\$500.00	24	\$11,000.00	\$1,000.00	\$1,000.00	\$500.00	\$500.00	\$14,000.00	01/01/2008

Proposed Payment Agreements (customized)										
Frequency:	Monthly	Down Payment:	\$3,000.00	Duration:	24	Amount:	\$200.00			
Ballon Amount:	\$6,200.00	Begin Date:	01/01/2008	EFW:	<input type="checkbox"/>					
						Calculate	Clear			

Proposed Payment Agreements											
Select	Down Payment	Payment Amount	Duration	Tax Amount	Penalty	Interest	Cost/Fee	20%	Balance	Begin Date	EFW
<input type="checkbox"/>	\$2,000.00	\$500.00	24	\$11,000.00	\$1,000.00	\$1,000.00	\$500.00	\$500.00	\$14,000.00	01/01/2008	
<input type="checkbox"/>											
<input type="checkbox"/>											

Consulting Services

Revenue Generation Studies & Business Process Improvements

Many organizations are looking for opportunities to improve upon their collections process without replacing their current collections system. RSI provides professional consulting services that range from short duration Revenue Generation Studies to more in depth Business Process Improvement or Re-engineering projects. Each initiative involves an assessment of the organization's current state, identification of opportunities for gaining additional collections lift and a proposed plan for implementing those improvements.

There are several critical steps for evaluating a process and identifying improvements. For each major function, through a partnership with agency staff, RSI begins to identify how the process could be re-engineered, what technology or data may be needed to enable the re-engineered process, the changes required in organization/personnel to affect the new process and any impact or changes to infrastructure required. Research of enabling technologies, as well as associated options and costs, are taken into consideration in order to effectively estimate the potential return on investment for each recommendation. In the final analysis, a "Could Be" state is presented including recommendations, estimated efforts/costs and associated barriers or issues, including organizational change adoption.

A partial list of the recommendations, which RSI has implemented through successful partnerships with Tax and Revenue agencies, include:

- Collections Risk-Based Strategy Rules and Implementation of New Collections Treatment Strategies;
- Consolidation of Collections Research for Asset Identification and Skip-tracing;

- Collector Inventory Alerts for new Assets or Demographic Information;
- Identification and Management of Responsible Officer Offsets;
- Lien Management Solutions for Issuance and Release with County Registry of Deeds;
- Improved Analysis and Understanding of Accounts Receivable Reporting;
- Collections Executive Dashboard Analysis and Reporting;
- Inventory Re-prioritization and Monitoring; and,
- Automated Identification of Asset, Bank and Wage Levy Sources.

Summary

RSI's Accounts Receivable Management practice line is devoted to working with Tax and Revenue agencies to address the complexities of accounts receivable administration and provide these agencies measurable efficiency gains through the intelligent use of data, enhanced case tracking, data-driven inventory management and performance measurement management reporting. RSI's Accounts Receivable Management practice provides agencies, collectors and supervisors with a powerful case management solution and consulting services designed to increase productivity by providing collectors with the information they need to more effectively identify taxpayer information and collect outstanding accounts receivable.

Contact an RSI representative today at (888) 826-1541 to see how RSI's Accounts Receivable Management products and services can help your agency.

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