

## **Collections Reporting Template Glossary**

**Accounts Receivable (A/R):** An accounts receivable is a set of account receivables if paid in installments, that are not paid forthwith.

**Adjustments:** An adjustment is any change in the total of debt due after the initial determination of the amount of outstanding delinquent debt. Non-cash adjustments include the suspension of all or a portion of bail, fines, fees, penalties, forfeitures, or assessments. Alternative payments may include community service in lieu of a fine and post sentence service of time in custody in lieu of fine; dismissals include dismissing all or a portion of the debt. Cash adjustments include fees added for payment by an insufficient funds check (NSF) or a correction to the initial assessment amount.

**Alternative Sentence:** This refers to a different option for resolving court-ordered debt, such as community service in lieu of bail or fines, designed for an individual who demonstrates an inability to pay.

**Case:** For the purposes of the Collections Reporting Template, a case is a set of official court documents filed in connection with an infraction, misdemeanor, or felony violation. A case may include multiple violations but is filed as one case.

**Community Service:** This refers to the hours of service that are converted to a monetary value and applied to the fines, fees, forfeitures, penalties, and assessments and reduce the imposed amount.

**Comprehensive Collection Program:** A program that collects eligible delinquent court-ordered fines, fees, forfeitures, penalties, and assessments on infraction, misdemeanor, and felony cases, as authorized by Penal Code section 1463.007.

**Continuance:** A continuance is the postponement of a hearing, trial, or other scheduled court proceeding at the request of either or both parties in a court dispute, or by the judge. For purposes of the Collections Reporting Template, a continuance is the postponement, stay, or withholding of payment under certain conditions for a temporary period.

**Cost of Collections:** The costs of operating a collections program that are allowed to be offset against collected delinquent revenues prior to distribution under Penal Code section 1463.007.

**County Collection Program:** A collection program administered by the county.

**Court Collection Program:** A collection program administered by the local superior court.

**Default:** A default occurs when an individual fails to make a payment on the date specified by a court or as agreed to under the terms and conditions of an installment payment or accounts receivable (A/R) plan set by a court or collecting entity. For purposes of complying with GC68514, Item 8, a delinquent account that is set-up on an installment payment plan as part of the collections process is considered “defaulted on” if the individual fails to fulfill their payment obligation (i.e., payment(s) are not made as promised based on agreement terms) and the plan was not reinstated, at the end of the fiscal year.

**Delinquent Account:** A delinquent account results when an individual has not appeared in court as promised or has not complied with a court order for payment of fines, fees, penalties, forfeitures, and assessments. For cost recovery, once the debt becomes delinquent, it continues to be delinquent and may be subject to collection by a comprehensive collection program. An account is considered delinquent the day after the payment is due.

**Discharged Account:** An account that has been deemed uncollectible and discharged from accountability. The actual discharge is based on established criteria by an authorized body, pursuant to Government Code sections 25257–25259.95.

**Dismissal:** A judgment that disposes a matter in a case. For the purposes of the Collections Reporting Template, this term refers to a criminal action dropped without settling the involved issues or based on statutory change. The initial court-ordered debt no longer exists.

**Enhanced Collections:** Enhanced collections are non-forthwith collection activities related to enhancing collection programs where costs are incurred and paid directly by or reimbursed by the county and are not cost recoverable. These collections are also included in the Collections Reporting Template.

**Forthwith Payments:** This collections category involves payment on the same day as the court order and generally involves no “extra cost” because the account is paid in full. Forthwith payments are distinguished from enhanced collections primarily by the timing of the payments. Any of these associated costs should not be reported as an enhanced or delinquent collection cost. Forthwith payments are included, together with nondelinquent installment payments, as a separate category on the Collections Reporting Template. Installment and accounts receivable plans are not forthwith payments.

**Franchise Tax Board Court-Ordered Debt (FTB-COD) Program:** The Franchise Tax Board collection program authorized under Revenue and Taxation Code section 19280.

**Franchise Tax Board Interagency Intercept Collections (FTB-IIC) Program:** A program of the Franchise Tax Board authorized by Government Code section 12419.10(a)(1) to collect court-ordered fines, fees, forfeitures, assessments, and penalties from Franchise Tax Board refunds, unclaimed property, or California State Lottery winnings. Report collections information related to the IIC program in rows 9 and 18 and not in “Other”.

**Gross Revenue Collected:** Monies collected toward the satisfaction of a court-ordered debt by collection programs prior to any reductions.

**Installment Payment:** A scheduled payment agreed upon by the defendant and the court or county collection program. Generally, cost recovery does not apply when an individual is paying a fine, fee, penalty, assessment, or forfeiture through time payments unless the account is delinquent. A delinquent account may be reinstated to installment payments, and costs associated with collection activities on this reinstated account are eligible for cost recovery. A court or county may claim costs associated with the administration of a nondelinquent installment plan processed through the online ability-to-pay tool or paper form (Govt. Code, Section 68645.2). Claimed costs shall not exceed thirty-five (\$35) dollars per approved nondelinquent installment plan.

**Intra-branch Program:** An Intra-branch Program is a court, or a county collection service provided under a written Memorandum of Understanding (MOU) to another court or county.

**Net Revenue:** Gross revenue collected less any reductions (i.e., allowable cost offsets pursuant to Penal Code section 1463.007).

**Nondelinquent Collections:** All nondelinquent revenue collected during the reporting period, including bail forfeitures, forthwith payments, and current payments made on accounts receivables and installment payment plans; recorded on row 3, column D of the Annual Financial Report worksheet.

**“Other” Program:** This refers to the “Other” row, rows 10 and 19 of the Annual Financial Report worksheet and captures revenue that cannot be broken out or attributed to a single collecting entity (e.g., court, county, private agency, the FTB or an Intra-branch Program). Any amount reported on this row should be explained in the Program Report worksheet.

**Penal Code section 1463.007:** This statute specifies the criteria for a comprehensive collection program and allows the county and/or court to deduct, and deposit in the county treasury or trial court operations fund, the cost of operating a comprehensive collection program prior to distributing revenues to other governmental entities.

**Private Agency:** A private entity employed or contracted to collect court-ordered fines, fees, forfeitures, assessments, and penalties.

**Referral:** A referral is a newly established delinquent court-ordered debt submitted to a collection program during the reporting period.

**Suspensions:** Amounts that are reduced or eliminated because of a judicial order.

**Value of Cases:** The value of a case is the amount of court-ordered debt that is owed and is deemed collectible. For closed cases, the value is the sum of (gross) debt collected, dismissals, alternative payments, suspensions, and discharged accounts.

**Victim Restitution:** Victim restitution is an amount that is owed to a victim who incurs any economic loss because of a crime and that is payable directly from a defendant convicted of the crime as a condition of probation; see Penal Code section 1202.4(f). The restitution fine under Penal Code section 1202.4(b) is also court-ordered, but it is not paid directly to the victim.