

## **B OARC Collections Unit**

The Office of Accounts Receivable and Collections (OARC) Collections Unit is responsible for determining the participant's liability for the value of any overissuance and the appropriate collection method.

Upon receipt of the [FA-529](#), the Collections Unit completes the following:

- Contacts the household by letter informing them of the overpayment and the necessity of repayment.
- Establishes a repayment schedule or negotiates for repayment with the household.
- Gives the household the option of repayment in cash or recoupment.
- Functions as the Central Unit for monitoring recoupment.

Additional responsibilities of the OARC Collections Unit include the following:

- Maintaining an accounting system to monitor all active overpayments.
- Recording the amounts collected from all overpayments.
- Maintaining correspondence with the household from whom collections are being made.
- Determining when an overpayment collection action should be suspended or terminated.
- Locating and contacting nonparticipants against whom collection action must be taken and for whom there is not a currently known location.
- Stop collection action, and remove overpayments from ARICS, when an appeal decision notice indicates the overpayment is remanded to the local office for correction.
- Determine the method used to collect the overpayment and the circumstances that result in suspension or termination of collection action.
- Identify those situations in which an amount not yet restored to a household was used to offset an overpayment owed by the household.

- Identify those households that have failed to make installment payments on their overpayment.
- Document how much money was collected in payment of an NA overpayment and the amount submitted to FNS.
- Send repayment agreement letters relating to all overpayments except Agency error overpayments under the [referral limit](#) when the participant is not currently receiving benefits.
- Send collection notices.
- Coordinate interstate overpayment collection.
- Record the value of funds collected from all overpayments, including the following:

The total value of offsetting

The total value of allotment reduction to collect overpayments

NA benefits returned to repay overpayments