

Creative Delivery and Funding of Government Debt Collection

CREATING AFFORDABLE, RIGHT-FIT SOLUTIONS

CGI's end-to-end collection suite, Collections 360™ for Government, offers a full and flexible range of managed services and support that can be customized to each organization's individual needs to:

- Dramatically increase collections and reduce the cost to collect each dollar with a consolidated, efficient, effective platform that supports any and all government debts
- Take advantage of the leading government collection solution, CACS®-G, which has supported more than 20 state agencies in the management of delinquent government debt
- Avoid the cost of training staff to maintain a new application by contracting with CGI to provide 24x7 operations and maintenance

INCREASING REVENUES WITHOUT RAISING TAXES

In difficult financial times, strategies that increase government revenues without increasing taxes deserve close attention. Many government agencies have debt collection responsibilities: tax departments collect taxes, motor vehicle agencies collect registration fees, courts collect fines and labor departments are responsible for unemployment insurance. In addition, departments of transportation, social services agencies and state universities also typically collect government debts.

Maximizing debt-collection through centralization

While some agencies may consider debt collections to be part of their core competency, the mission of most of these agencies is to provide services, not collect debt. CGI's experience shows that without a debt-collection focus and a critical mass of debts, these agencies are collecting significantly less than they could with increased focus and authority. As a result, states, large cities and counties are losing tens, if not hundreds, of millions of dollars each year.

Significant new revenues can be realized through the implementation of advanced collection case management and workflow tools and centralized collection of non-tax debt.

Eliminating upfront investment costs

Frequently, jurisdictions cannot direct scarce dollars to pay for the upfront costs of technology improvements, even where there is a 10:1 or even a 100:1 payback. The good news is that CGI has helped numerous government agencies solve this puzzle. Our strategies are designed to eliminate upfront investment prior to achieving the revenue increase. Using a benefits-funded approach, CGI is only paid out of a portion of the increase in collections, allowing clients to spread the upfront costs over a period of years.

The First Step: Assessment

CGI recommends that collection program improvement efforts begin with an assessment of existing operations. We have the planning and operational review expertise to offer an evaluation of your collection program to identify improvement strategies. The scope of our evaluation includes:

- Your current collection business processes
- Your current staff capabilities and capacities
- Opportunities for improvement
- Enhanced revenue estimate

When an assessment is completed, you will be in a position to determine the viability of alternative collection program improvement strategies and to select the right strategy for your organization.

Proven “benefit-funding” strategies

While many agencies prefer the traditional approach of acquiring, installing and maintaining new IT capabilities themselves, some jurisdictions are finding this approach to be problematic in today’s environment due to a lack of available government funding.

Fortunately, there is a proven strategy that many tax and revenue agencies have used to address the lack of available upfront funding, if needed. The approach is commonly referred to as “benefit funding.” Under this approach, your business partner is only paid out of increased revenues, thus guaranteeing that general funds and department budgets are not negatively affected.

CGI has helped tax and revenue agencies generate nearly \$1.6 billion in new revenues through “benefit funding.”

COMPANY PROFILE

Founded in 1976, CGI Group Inc. is one of the largest independent information technology and business process services firms in the world. CGI and its affiliated companies employ approximately 26,000 professionals.

We deliver built-for-government IT solutions that maximize revenue while minimizing costs. As a full service systems integrator and managed services provider, CGI has the industry know-how, tools and technologies to address business challenges across the public sector spectrum. CGI provides state and local governments with creative IT solutions that drive efficiencies, effectiveness and cost containment—all while achieving your short term needs and maintaining your long-term vision.

For more information on Collections360 for Government and our other tax, revenue and collection services and solutions, email us at tax.solutions@cgi.com

