

ALL THINGS FINANCIAL

A collaboration between the Consolidated Collections Unit &
the Court Operations Unit

August 2024

CONSOLIDATED COLLECTIONS UNIT

AGENDA

- **FARE- Fines, Fees, and Restitution Enforcement**
- **DSO- Debt Set-off**
- **FARE CAP- Compliance Assistance Program**
- **IRC- Inmate Release Court Program**

WHAT IS FARE?



- The Fines/Fees and Restitution Enforcement (FARE) Program is a statewide initiative of the Arizona Judicial branch
- The program was developed in 2003 to assist Arizona courts with the compliance of monetary court orders
- Courts are given the ability to assign outstanding debt associated with civil traffic, criminal traffic, criminal violations, as well as GJ civil cases
- The program is a public/private partnership between the Administrative Office of the Courts (AOC), Arizona courts, a private vendor, and other state agencies

FARE AUTHORITIES

ACJA §5-205:

Outlines the administration
of the FARE and DSO
Programs

Administrative Order 2003-26:

Establishes the FARE
Program

Administrative Order 2023- 195 (current) :

Establishes the date for amended
code to take effect and how
courts shall implement the
amendment

ACJA §5-205

Extraordinary Circumstances

Recall/Suspend/Waive

Delinquency Fee & Special Collection Fee (SCF)




ELIGIBILITY REQUIREMENTS

- All charges must be disposed (except FTA warrant charges)
- No payment since final disposition/sentencing or is past due (90 days)
- Cases cannot be sealed
- All court mandates must be completed (unless determined by the court)
- Case cannot be on an active payment contract
- Must have a minimum balance of \$20/maximum balance of \$2.8 million



Legacy & Enhanced FARE: What is the difference?



	Legacy FARE August 2003-August 2018	Enhanced FARE September 2018-current
 <p>Delinquency Fee When is the Delinquency Fee assessed? (Added per case, NOT per charge)</p>	<p>The \$35 Delinquency Fee is assessed when the case is submitted to FARE.</p>	<p>The \$49 Delinquency Fee is assessed when the case is submitted to FARE.</p>
 <p>Special Collections Fee When is the Special Collections Fee assessed? (Calculated on amount due. Includes Delinquency Fee)</p>	<p>The 19% Special Collections Fee is assessed when the case is submitted to FARE.</p>	<p>The 19.5% Special Collections Fee is assessed 15 days after the second notice is sent.</p>
 <p>FARE Reentry Will fees change if a case defaults after previously being in FARE?</p>	<p>No. Legacy FARE Fees remain. Fees will not reflect Enhanced FARE Fees.</p>	<p>No. Enhanced FARE Fees remain. Fees will not reflect Legacy FARE Fees.</p>

Case Submitted to FARE	Notice 1	Notice 2	Notice 3	Notice 4	Notice 5
\$49 Delinquency Fee added.	Notice of delinquent account. Sent when case submitted to FARE.	Warns of collection action. TTEAP hold placed. 19.5% SCF added 15 days after sent.	Notice that case is now in collections. Total balance includes SCF fee.	Warns of outbound calling.	Final notice and outbound calling begins.

*Notices are sent every 30 days

Enhanced FARE Process

FARE Compliance Assistance Program (CAP):

FARE CAP was designed to encourage defendants to re-engage with the court by entering a payment plan that will cease collection activities and reduce the collection fees, if eligible.

\$150 Presumptive Down
Payment

TTEAP hold released

Removed from TIP

Special Collections
balance *waived*

Court determines
eligibility and frequency to
re-enter FARE CAP after
defaulting

FARE TRAINING

(IN-PERSON AND VIRTUALLY)

Please submit a remedy to help@courts.az.gov for:

- Training requests
- Questions/issues related to FARE
- Access to your court's FARE Mailbox
(FARExxxx@courts.az.gov)

Training Topics:

- ✓ FARE Overview
- ✓ FARE in AJACS
- ✓ FARE CAP
- ✓ FARE Noticing
- ✓ Bankruptcy
- ✓ TTEAP
- ✓ Chargebacks
- ✓ Online Case Payment (OLCP)
- ✓ Offsite Cash Payment
(PayNearMe)

DEBT SETOFF (DSO) PROGRAM



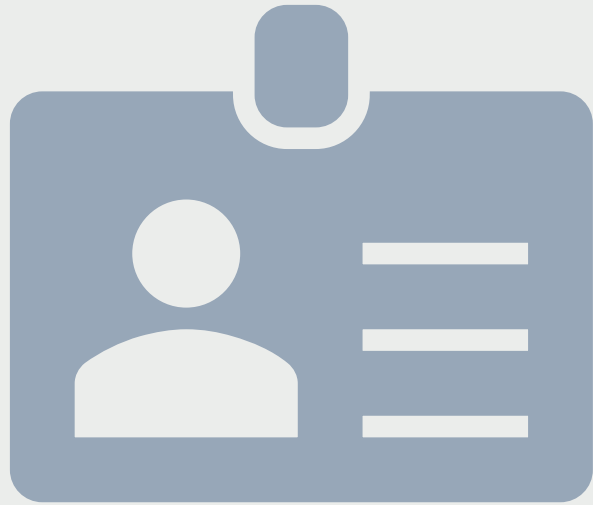
The DSO Program was established to hold offenders accountable for financial obligations owed to Arizona courts and other state agencies. The Arizona Department of Revenue intercepts Arizona state tax refunds, the Arizona Lottery intercepts lottery winnings and the Arizona Department of Gaming intercepts event wagering/fantasy sports winnings on behalf of Arizona courts and other state agencies.

AUTHORITIES

- **ARS §42-1122:** Allows participants to intercept Arizona state income tax refunds.
- **ARS §5-575:** Allows interception of Arizona Lottery winnings
- **ARS §5-1208(E):** Allows interception of Fantasy Sports Betting
- **ARS §1320(F):** Allows interception of Event Wagering winnings
- **ACJA §5-205:** Outlines the administration of FARE and DSO

DSO PARTICIPANT TYPES

- **Auto TIP:** DW/ CCR submits new claims that qualify for DSO. Updates are automatically sent every Monday & Wednesday by the courts CMS (most LJ AJACS courts)
- **Non-TIP:** Submits new and/or updated claims and finalizations via FTP Monday-Friday (MCJC, Phoenix MC, Tempe MC)
- **TIP-Manual:** Manually enters new claims and updates existing claims in the TIP database (most Superior Courts)



CASE REQUIREMENTS

- **Must have a social security number (SSN)**
- **Must have a first and last name**

DSO TRAINING

(Virtually)

Tax Intercept Program (TIP)

- MUST be completed for credentials

TRANSUNION/ NPRS

- Person searches
- Address/DOB/SSN look-ups

Coffee & DSO Talk with Kele

- Opportunity to ask questions unique to your court

Please submit a remedy to help@courts.az.gov for training requests, questions, or issues related to TIP/DSO.



The **Inmate Release Court (IRC) Program** is a statewide initiative of the Arizona Judicial Branch which was first piloted in 2021 and was officially adopted in 2023 to assist currently incarcerated individuals, including those who will potentially be homeless, an opportunity to have their misdemeanor and civil traffic matters resolved prior to release.

AUTHORITIES

Administrative Order [2023-223](#) - Establishing the Inmate Release Court Program

Administrative Directive [2024-03](#) – Adopted the IRC Participant Agreement Form

A.R.S. §§ 13-824 & 28-1604 - Community restitution in lieu of monetary obligation

A.R.S. §§ 13-825 & 28-1603 - Mitigation of fines and surcharges

A.R.S. § 13-808 - Time and method of payment of fines; conditions of probation; no limitation on restitution and other assessments

WHO IS INVOLVED?



AZ Limited Jurisdiction
Courts



Municipal Court or Justice Court
Defendant Name _____ DOB _____ Scheduled Release Date _____

SECTION 1: DEFENDANT'S REQUEST TO PARTICIPATE IN THE INMATE RELEASE COURT (IRC) PROGRAM

I understand the requirements of and agree to complete the Second Chance Center (SCC) Program and all required classes. I understand that if I do not complete the program or any required classes, outstanding financial obligations will remain outstanding and any warrant that was quashed or driver license suspension that was lifted will be reinstated. I understand there may be additional cases that will remain open and are not listed on this form. I further understand that restitution and any financial obligation not mitigated or satisfied by way of community restitution must be paid to conclude my case(s) below.

Defendant Signature _____ Date _____
Mailing Address _____
City, State, Zip Code _____
Email Address _____ Telephone _____

SECTION 2: COURT ORDER

- A. The defendant's request to participate in the IRC program is DENIED.
- B. The defendant's request to participate in the IRC program is GRANTED.
1. APPEARANCE: The defendant must appear on: _____ (date/time)
a. by video by telephone in-person (Link, number, address in box)

Note: If the defendant requires an interpreter, please contact the court _____ days before the appearance date.

- 2. WARRANTS: Any outstanding warrant is quashed for cases listed in: Section 3(A) Section 3(B).
- 3. DRIVER LICENSE SUSPENSION: The Motor Vehicle Division (MVD) shall be notified to lift the driver license suspension for cases listed in: Section 3(A) Section 3(C).
- 4. COMMUNITY RESTITUTION: The defendant is authorized to complete community restitution in lieu of monetary payment for cases listed in Section 3(D).
- 5. MANDATORY COUNSELING/SCREENING EDUCATION: The defendant must complete the outstanding mandatory counseling/screening education (box).
The defendant may provide proof of completion for credit for completion.

SECTION 3(A): LIST OF OUTSTANDING COURT CASES

Case Number	Outstanding Balance	DL Suspension	Warrant	Case Number	Outstanding Balance	DL Suspension	Warrant
		<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>

SECTION 3(B): QUASHING OUTSTANDING WARRANTS
Case Numbers _____

SECTION 3(C): LIFTING DRIVER LICENSE SUSPENSION
Case Numbers _____

SECTION 3(D): COMMUNITY RESTITUTION

Case Number	Hours Authorized	\$ Credit on Completion	Case Number	Hours Authorized	\$ Credit on Completion

Judicial Signature _____ Date _____

Please return the form to: InmateReleaseCourt@courts.az.gov

IRC PARTICIPANT AGREEMENT FORM (PAF)

(AD No. 2024-03)



Judicial Order

Manzanita Piestewa Phoenix West

Municipal Court or Justice Court _____

Defendant Name _____ DOB _____ Scheduled Release Date _____

Program Completed Yes No Hours Completed _____

SECTION I: COURT ORDER

- A. THE COURT ORDERS accepting the defendant's Second Chance Completion Certificate and will credit the cases listed below showing the amount mitigated or credited through community restitution.
- The defendant has no outstanding balance remaining on the case, including restitution.
 - The defendant has an outstanding balance remaining on the case, including restitution. The defendant must contact the court and establish a payment plan for the remaining amount.

By this date _____ by telephone by video in-person _____

(Link, number, address)

Case Number	Amount Mitigated	Community Restitution \$ Credited	Restitution Amount Owed	Remaining Amount Owed

- B. THE COURT FURTHER ORDERS:
- WARRANTS: Any outstanding warrant for cases listed below is quashed.

a. Case Numbers - Warrants Quashed

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- DRIVER LICENSE SUSPENSION: The Motor Vehicle Division (MVD) shall be notified to lift the driver license suspension for cases listed below.

a. Case Numbers - Lifting Driver License Suspensions

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- MANDATORY COUNSELING/SCREENING EDUCATION: The defendant completed the outstanding mandatory counseling/screening education. The mandatory counseling/screening education is deemed satisfied.

Judicial Signature _____ Date _____

Please return the form to: InmateReleaseCourt@courts.az.gov

IRC JUDICIAL ORDER

*SCC Completion Certificate will be attached

POSSIBLE OUTCOMES



Mitigation of eligible monetary obligations upon proof of completion of the SCC Program



Completion of community restitution at the SCC in lieu of monetary payment



Quashing of warrants and release of suspensions prior to completion of the SCC Program



Credit for outstanding court-ordered programs, screening, and education



Payment contract for outstanding any monetary obligation not mitigated (at least 60 days from the inmate's release)

THANK YOU

CONSOLIDATED COLLECTIONS UNIT

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IRC Program Coordinator: Janita Zendejas, jzendejas@courts.az.gov

IRC Program: inmatereleasecourt@courts.az.gov

FARE/DSO Business Analyst: Angelica Burris, aburris@courts.az.gov

COURT OPERATIONS UNIT

Purpose of the Minimum Accounting Standards (MAS)

- **Standardize Accounting Practices & Procedures**
- **Establish Sound Internal Controls**
- **Secure Public Monies**
- **Create an Audit Trail**

What YOU need to know



- Administrative
- Safeguarding
- Reporting

ADMINISTRATIVE

Policies and Procedures

MAS Checklist

MAS Exception

Independent Review by
Auditors

Operational Review

Policies and Procedures-See handout in binder for list

MAS Checklist-Yearly; due to PJ by Jan.31st

MAS Exception-Good for 1 year; temporary

Independent Review-Due every 3 years

Op Review-Conducted by AOC; about every 7 years

Posted Payment Policy Requirements

Posted Policy must include:

- AZCourtPay and PayNearMe
- Payment Methods
 - *Credit Cards*
 - *Cash*
 - *Checks, Money Orders*
 - *Receipt for every payment made in person*
 - *Receipt is proof of payment*
 - *Dishonored policy*

Local Fees

- *Ordinance*
- *Resolution*

Additional Financial Requirements

Priority of Payment
ACJA § 3-401 & 4-301

Criminal Restitution
Orders (CRO)
A.R.S. § 13-805

Fine Mitigation
ARS § 13-825 and
16-954(A)

Contracts and Services

SAFEGUARDING

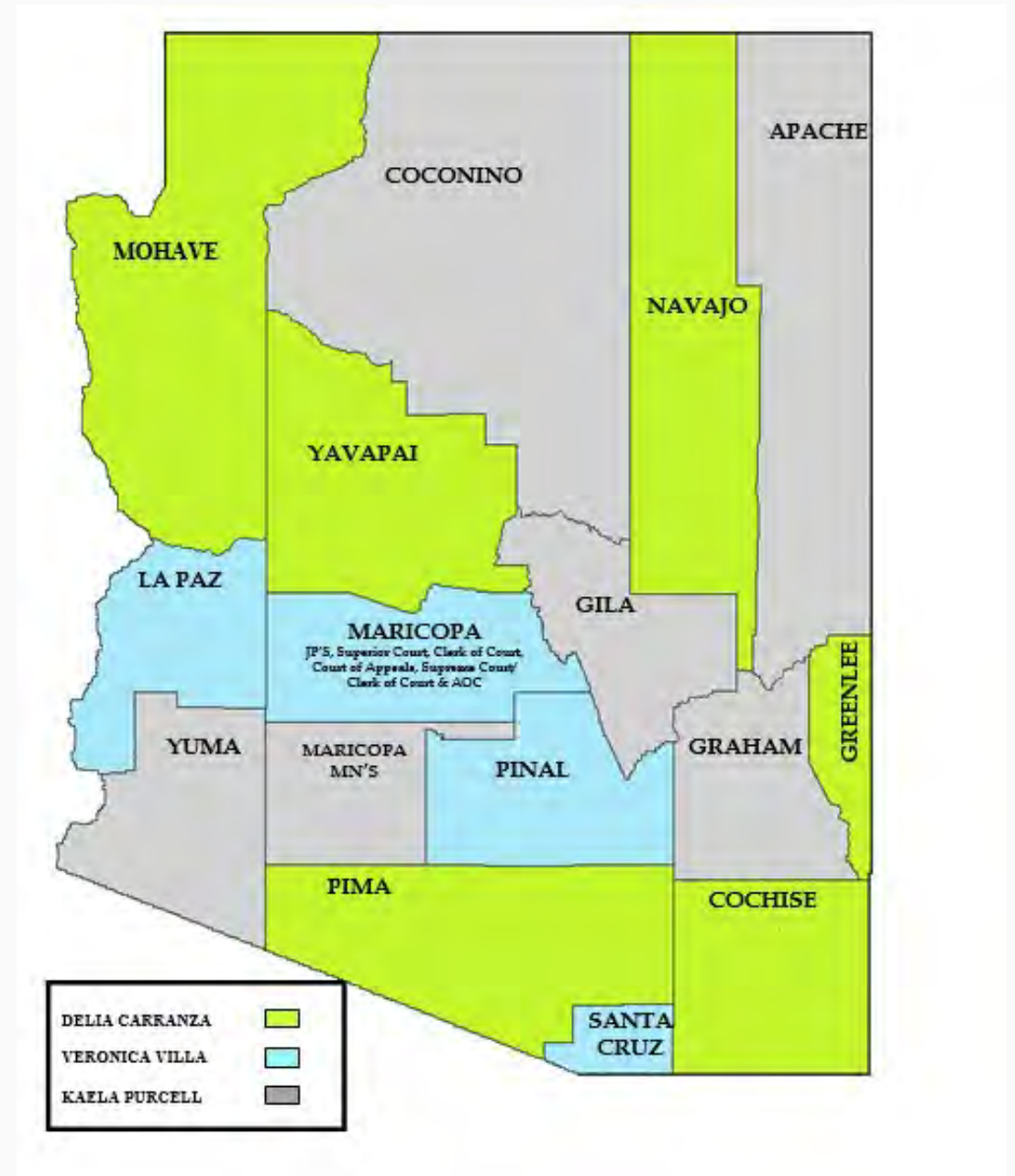


- Segregation of duties
- Designated back ups
- No commingling court monies with other monies
 - *City/town monies*
 - *Personal/shared group funds*
 - *Individual cash drawers*

Reporting

- Remittance
 - State, County and City/Town
 - 5% Set Aside (ACJA § 5-103)
 - ARIZONA CODE OF JUDICIAL ADMINISTRATION (azcourts.gov)
- Submission Due Date
- Acknowledgment
- Excel Form
 - Arizona State Treasurer Remittance Form

Financial Specialists Assigned Counties



THANK YOU

COURT OPERATIONS UNIT

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