



NORTH CAROLINA LOCAL GOVERNMENT

DEBT SETOFF CLEARINGHOUSE

2017 Training Workshop




2017 Training Workshops (17th Year)



Western – Week #2

- Oct. 16 • Asheboro
- Oct. 17 • Hickory
- Oct. 18 • Waynesville

Eastern – Week #1

- Oct. 9 • Wilmington
- Oct. 10 • Washington
- Oct. 11 • Raleigh

Tentative Schedule

- 1:00 – 2:20 p.m.
 - NC Assoc. of County Commissioners
 - NC League of Municipalities
 - NC Department of Revenue
 - Five Star Computing
- 2:20 – 2:30 p.m. – Questions/Break
- 2:40 – 3:30 p.m. – Client Software Demonstration
 - Five Star Computing

Today's Agenda

- SSN Lookup Service
- Security
- Hearings
- Avoiding Disaster
- Due Process
- 2018 Participation Form
- Debts
- Dept. of Revenue Report
- Email Types
- Client Software
- Year-end Cleanup

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Social Security Lookup

- **Status:**
 - Due to the contractual liabilities the Clearinghouse will not be offering this service
- **Options:**
 - Local governments can pursue their own contractual agreements
 - Possible group contract available in the future

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Hearings (1 of 5)

- **Hearing Officer:**
 - Rarely needed (most debtors do not respond)
 - Is identified on the annual participation form
 - Can be the Debt setoff coordinator
 - Attorney is recommended
 - Each participating department should know who is the Hearing Officer



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Hearings (2 of 5)

- **Hearing Officer Requirements:**
 - Knowledgeable about debt(s)
 - Authority to compromise the debt
 - No conflict – be impartial
- **Hearing Officer Considerations:**
 - Permit parties to be represented by counsel
 - Follow the same process equally for all protest/appeals



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Hearings (3 of 5)

- **Hearing Officer Pre-Hearing Duties:**
 - Receive protest letter from the Debt Setoff Coordinator
 - Schedule the hearing
 - Create rules of procedure
 - Create opening script stating purpose, rules of order, and parties; closing script to conclude the proceedings
 - Set stage for hearing (simulate courtroom)



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Hearings (4 of 5)

- **Hearing Officer Hearing Duties:**
 - Follow the rules of procedure
 - May record proceedings
 - Swear in witness (standard oath)
 - Require all comments directed to hearing officer and speak when appropriate
 - Only allow issues raised in protest letter
 - Exercise control



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Hearings (5 of 5)

• Hearing Officer Post-Hearing Duties:

- At conclusion, render a decision, after reviewing all evidence. May use reasonable time to review all evidence prior to making decision
- Do not reopen hearing to take further evidence unless all parties notified
- Consider only evidence presented at hearing to render decision
- Provide written decision to all parties



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Due Process (1 of 4)

• Letters:

- Must be sent to last known address
 - Even if know letter will be returned
 - Should forward to new address if obtained
- Does not have to be sent certified
- Do NOT send before 60 days delinquent



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Due Process (2 of 4)

• Letters:

- Only have to be sent ONCE
 - Regardless of time left in for collection
 - Amount can change, due to interest/fees
 - If send again or include with a new debt, debtor may believe they have new appeal period

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Due Process (3 of 4)

- **Letters:**

- Letterhead/envelope
 - Must be of local government's, not third-party
 - Contact information must be for local government
 - Local government can refer callers to third-party
- Spanish version not required

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Due Process (4 of 4)

- **Letters:**

- Retain a copy of the letter for future proof, if necessary
- Pdf recommended and saved to external media and saved according to retention records

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Debts (1 of 15)

- **Debt Requirements:**

- Must be delinquent at least 60 days
- Must be an individual debt, not corporate, etc.
- Must be \$50 or greater
- Debts \$50 or more need to be submitted separately
- Debts can be combined to meet the \$50
 - Do not combine tax debts with non-tax debts
 - Clearinghouse DOES NOT combine debts!

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Debts (2 of 15)

- **Debt Characteristics:**

- Compliance Date (start) – date local government certifies that due process letter generated/sent and at least 30 days passed
- Expiration Date (end) – date local government chooses to cease the attempt to collect for this debt in the debt setoff program

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Debts (3 of 15)

- **Statute of Limitations:**

- Clearinghouse requires that debts submitted to the debt setoff program adhere to the following:
 - When the due process letters are generated and sent, there is some type of proven activity (invoice/bill, payment) within 3 years for non-tax debts and 10 years for tax debts
 - If so, debt does not have to expire
- Local government has discretion to be more restrictive and choose not to submit debts as far back or keep in for as long

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Debts (4 of 15)

- **Fees:**

- Clearinghouse adds \$15 to EACH debt BEFORE sending weekly to the Dept. of Revenue (who forwards every two weeks to Lottery)
- Once a \$15 fee has been taken in a calendar year, no additional fee is added (reset to \$15 next year)
- DOR and Lottery legislated to take \$5 each setoff
- Local governments cannot add their own fees

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Debts (5 of 15)

- **Priority:**
 - New debts (by SSN/ITIN and Uniqueld) are marked with date and time and as long as remain above \$50 retain their priority, regardless of debt amount
 - Debts below \$50 are deleted at year-end thus losing priority

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Debts (6 of 15)

- **Details for Dept. of Revenue (Lottery):**
 - Each SSN/ITIN sent as one debt
 - One First Name, Middle Initial, Address and Debt Amount
 - Uses first submission of the Name with SSN/ITIN
 - Not always the correct Name with SSN/ITIN but Dept. of Revenue provides lists from May - Dec

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Debts (7 of 15)

- **Example of Debts for a Debtor:**
 - 5 debts (2 counties, one municipality)

SSN	First Name	Mid Init	Last Name	Address	City	State	Zip	Debt Amount	Debt Type	Date Loaded	LG
1 949-12-3456	Jane	Q	Public	101 Main St	Central	NC	28999	\$00.00	TAX YR 2013	01/15/2015	County 1
1 949-12-3456	Jane	Q	Public	101 Main St	Central	NC	28999	\$00.00	TAX YR 2014	01/15/2015	County 1
1 949-12-3456	Jane	P	Smith	1650 East Elm St	Central	NC	28999	\$00.00	UTL 2014	02/13/2016	County 2
4 949-12-3456	Jane	P	Smith	1651 East Elm St	Central	NC	28999	\$00.00	UTL 2015	12/15/2016	City 1
5 949-12-3456	John	A	Adamson	3109 Screaming Eaj	Richburr	NC	29676	\$00.00	PKG 101021	01/13/2017	City 2

- Combined in preparation for Dept. of Revenue

SSN	First Name	Mid Init	Last Name	Address	City	State	Zip	Debt Amount
1 949-12-3456	Jane	Q	Public	101 Main St	Central	NC	28999	\$00.00

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Debts (8 of 15)

• Example of Debts for a Debtor:

▪ Original debts

SSN	First Name	Mid Init	Last Name	Address	City	State	Zip	Debt Amount	Debt Type	Date Loaded	LG
1 949-12-3456	Jane	Q	Public	101 Main St	Central	NC	28999	100.00	TAX YR 2013	01/15/2015	County 1
2 949-12-3456	Jane	Q	Public	101 Main St	Central	NC	28999	100.00	TAX YR 2014	01/15/2015	County 1
3 949-12-3456	Jane	P	Smith	1650 East Elm St	Central	NC	28999	100.00	UTL 2014	02/13/2016	County 2
4 949-12-3456	Jane	P	Smith	1651 East Elm St	Central	NC	28999	100.00	UTL 2015	12/15/2016	City 1
5 949-12-3456	John	A	Adamson	3109 Screaming Eay Richburn	NC	29676		100.00	PKG 101021	01/13/2017	City 2

▪ Combined and fees (5 x \$15) for Dept. of Revenue

SSN	First Name	Mid Init	Last Name	Address	City	State	Zip	Debt Amount (w/ fees)
1 949-12-3456	Jane	Q	Public	101 Main St	Central	NC	28999	\$75.00

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Debts (9 of 15)

• Example of Debts for a Debtor:

▪ Setoff occurs for \$500.00 from Dept of Revenue

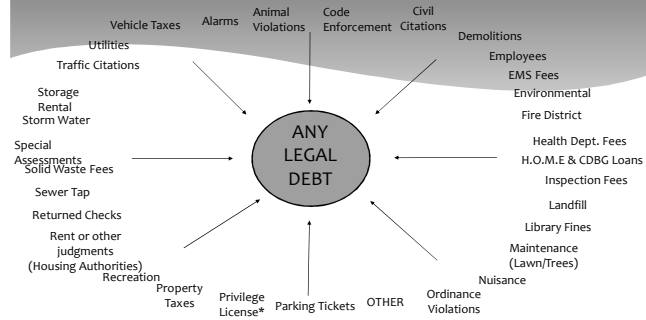
SSN	First Name	Mid Init	Last Name	Address	City	State	Zip	Debt Amount	Debt Type	Date Loaded	LG	Paid Amt	Fee	Balance	Remains
1 949-12-3456	Jane	Q	Public	101 Main St	Central	NC	28999	100.00	TAX YR 2013	01/15/2015	County 1	100.00	15.00	0	385.00
2 949-12-3456	Jane	Q	Public	101 Main St	Central	NC	28999	100.00	TAX YR 2014	01/15/2015	County 1	100.00	15.00	0	270.00
3 949-12-3456	Jane	P	Smith	1650 East Elm St	Central	NC	28999	100.00	UTL 2014	02/13/2016	County 2	100.00	15.00	0	155.00
4 949-12-3456	Jane	P	Smith	1651 East Elm St	Central	NC	28999	100.00	UTL 2015	12/15/2016	City 1	100.00	15.00	0	40.00
4 949-12-3456	John	A	Adamson	3109 Screaming Eay Richburn	NC	29676		100.00	PKG 101021	01/13/2017	City 2	60.00	0.00	40	0.00

▪ Remaining debts

SSN	First Name	Mid Init	Last Name	Address	City	State	Zip	Debt Amount (w/ fees)		
5 949-12-3456	Jane	Q	Public	101 Main St	Central	NC	28999	75.00 PKG 101021	01/13/2017	City 2

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Debts (10 of 15)



Debts (11 of 15)

- **Requirements:**

- Must be Delinquent at least 60 days
- Must be an individual debt, not corporate, etc.
- Must be \$50 or greater
- Debts can be combined to meet the \$50
 - Do not combine tax debts with non-tax debts

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Debts (12 of 15)

- **Submission:**

- Can be submitted daily, file overwrites and remains
- Recommend at least weekly (Friday by 5pm suggested)
- Processed beginning Friday evening
- Status results provided by email

○

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Debts (13 of 15)

- **Import Status Report:**

- Debtors (added/updated/rejected)
- Debts (added/updated/rejected)
- Debts Non-compliant
- Debts Expired
- Debt Amount (previous/current/difference)

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Debts (14 of 15)

• Import Status Report: Client software users

The following is a status report of all debt transactions for M City of processed on 09/10/2017

Debts Added:	89
Debts Updated:	8,378
Debts Deleted:	163
Debts Rejected:	11,693
Debts Not Yet Compliant:	2
Debts Expired:	340
Debts Expired:	1
Amount Rejected:	\$392.50
Previous Debt Amount:	\$1,611,002.96
Current Debt Amount:	\$1,623,016.45
Net Amount:	\$12,013.49

To view the Error Report, use the client software and select:
Reports menu - Import Status Error Report - Print - OK - Print

7026 PKY Debt imported with future compliance date: 10/12/2017 Debt Amount: 85.00 Acct #: 9038548
863 UTL ATTENTION: Debt rejected: Invalid SSN, not nine digits JOHN Acct #: 2054555
9846 UTL Debt rejected: Expired: 1/4/2017 Debt Amount: 95.46 Acct #: 18323

Check this email report to avoid disaster!

- Includes ALL departments for users of the client software
- Current Debt Amount should match Summary Report for ALL departments

Debts (15 of 15)

• Import Status Report: Non-client software

The following is a status report of all debt transactions for C County processed on 09/05/2017

Debts Added:	0
Debts Updated:	1
Debts Deleted:	0
Debts Rejected:	0
Debts Not Yet Compliant:	0
Debts Expired:	0
Amount Rejected:	\$0.00
Previous Debt Amount:	\$5,049,636.18
Current Debt Amount:	\$5,049,207.08
Net Amount:	\$429.10

File name is identified along with Auto Purge/Reload setting

Includes only the department in this import file

ASCII Excel file name submitted: \\\county_ems \$ 29 2017.xlsx
Auto Purge/Reload: NO

Email (1 of 4)

• Type 1:

- File Upload Confirmation/Password Expiration

Files Uploaded Confirmation

Your Password Has Expired and Must Be Changed Now

Email (2 of 4)

- **Type 2:**

- Notification of Funds Received/Import Status Report

NC Local Govt Debt Setoff Clearinghouse has processed a file from Dept of Revenue & Education Lottery

N.C. Local Govt. Debt Setoff Clearinghouse has successfully imported your data file: C043XMIT.txt

Note: we send maximum 90 per hour to reduce being identified as Spam

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Email (3 of 4)

- **Type 3:**

- Newsletter/Technical Bulletins
- Workshop Notifications/Reminders
- Miscellaneous

Note: we send maximum 90 per hour to reduce being identified as Spam

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Email (4 of 4)

- **To update:**

- Software option
- Send email to ncsetoff@ncsetoff.org with additions, edits or deletions

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Year-end Clean-up/Expired Debts

- Clearinghouse will provide an Excel file of already expired debts or those that will expire by 12/31/2017
 - Only last four of SSN/ITIN is provided
 - Client software users can view entire SSN/ITIN (with access rights) using Report-Expiration
 - We will send an email, with instructions, after placing in your secure folder (automatically deleted after 10 days but can be restored)
 - All Departments in same file
 - sort/separate/distribute if necessary
 - Estimated availability– November 30, 2017

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Year-end Clean-up/Rejected SSNs

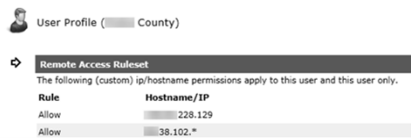
- Clearinghouse will provide an Excel file of SSNs and Names that do not match from the NC Dept. of Revenue
 - Entire SSN is provided
 - We will send an email, with instructions, after placing in your secure folder (automatically deleted after 10 days but can be restored)
 - All Departments in same file
 - Estimated availability– November 30, 2017

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Security

• Secure Folder Access by IP Addresses

- Submit IP addresses to ncsetoff@ncsetoff.org
- Contact us to review and/or modify



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Security – Protecting Identifiable Information

- Masked Social Security Numbers in ALL provided Excel files
 - Exceptions:
 - all nine digits in rejected SSNs/Names from Dept of Revenue
 - all nine digits in SSN lookup service result file
- 90 day password requirements (14 day notice before locked requiring Clearinghouse)
- No Excel files allowed directly from local governments
 - EXCEPT when importing into client software
 - Vendors allowed to send encrypted to their own secure folders
- Data Entry at Clearinghouse using secure hardcopy fax forms (100 or less debts)

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Security - Client Software

- **Encryption of critical data**
 - Social Security Numbers/Individual Tax Identification Numbers
 - Usernames
 - Passwords
 - URL to secure site: <https://setoff.fivestarccomputing.com>
- **Other Security Issues**
 - Ability to hide SSNs online and/or print by user
 - Ability to export Excel files with full (if authorized) or masked SSN

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Security - Client Software

- Counties: 77
- Agencies: 20
- Municipalities: 207 (includes 1 in progress)
- Housing Authorities: 2
- Total: 306 of 441 (69% of active participants)

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Security – Clearinghouse (FREE) Data Entry*

- Counties: 0
- Agencies: 5
- Municipalities: 88
- Housing Authorities: 15
- Total: 108 of 441 (25% of active participants)

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Security - Changing Passwords

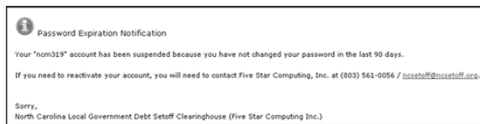
- At 76 days since password last changed, an email is sent to all emails in **My Account** area of the secure folder
 - Client software users cannot connect to transmit (import or export)
 - Cannot import setoff file – even though received email stating setoff file was processed by Dept. or Revenue or Education Lottery
- Only needs to be done by one person



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Security - Changing Passwords

- After 90 days since password last changed, an email is sent to all emails in **My Account** area of the secure folder
- Five Star must unlock – cannot be done by user



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Security - Changing Passwords

- ASCII/Excel Users: choose suggested or create own
- Client Users: must change in secure folder AND admin account must change in Tools-Administrator-Account Info

Change Your Password
 Your password was last changed 72 days ago. You will be asked to change your password in 4 days. If you do not change your password within 18 days, your account will be locked.

Enter Your Old Password:

Suggested Password: 12b=8kG: [8 f aX

New Password: ☐ Use Suggested Password
☐ Type Custom Password

Now press the "Change Password" button.

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Avoiding Disaster/Refunds (1 of 2)

- Check Weekly Import Status Reports
 - Substantial increase or decrease
- Transmit Updated Balances to Clearinghouse after Setoffs OR changes to balances
 - Export to Clearinghouse-Debtor Information
 - Clearinghouse stops tracking setoff downloads in May
- Check/reconcile Capital Mgt. deposits with Setoff Reports

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Avoiding Disaster/Refunds (2 of 2)

- Use caution when importing into Client Software (if don't use Clearinghouse staff via remote support session)
- If Auto Purge and Reload is ON and Submit partial new file or vendor file
- Let us know if you contract with vendor for all debts and/or particular department(s)

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Avoiding Refunds Scenario (1 of 2)



- Debtor comes in to pay balance on a Monday
- Local government TRANSMITS balances to Clearinghouse next day (Tuesday)
- Clearinghouse processes local government balance file on Friday
- Clearinghouse creates weekly file for Dept. of Revenue on following Monday

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Avoiding Refunds Scenario (2 of 2)



- Clearinghouse transmits to Dept. of Revenue prior to the weekly Tuesday deadline (1 pm)
- Dept. of Revenue loads Clearinghouse file Tuesday evening
- Debtor who paid balance the previous Monday can now file tax refund (9 days later)
- Debtor who paid balance the previous Monday can now claim a \$600+ lottery ticket

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2018 Participation Form (1 of 5)

2018 Annual Participation Form

- 2018 PARTICIPATION FORM NOW AVAILABLE AS OF OCTOBER 1, 2017
- 2018 PARTICIPATION FORM CHANGE COMING - ELECTRONIC SIGNATURE BEING IMPLEMENTED IN MID-OCTOBER 2017

- ALLOWS FOR DEBT SUBMISSION FROM OCTOBER 1, 2017 - DECEMBER 31, 2018
- ONLY ONE FORM NEEDED FOR A LOCAL GOVERNMENT ENTITY - COVERS ALL DEPARTMENTS
- THE COORDINATOR AND CONTACT CAN BE THE SAME PERSON
- [CLICK HERE TO ENTER UP TO 10 NAMES AND EMAIL ADDRESSES - IF ANY CHANGES](#)
- [CLICK HERE TO VIEW THE 2018 PARTICIPATION FORM INSTRUCTION GUIDE](#)

1) Date

2) Local Government Name

3) Type of Participant

☐ City/Town/Village

☐ County

☐ Water & Sewer (3328 Art. 1)

☐ Joint Regional Agency (3328 Art. 2)

☐ Public Health Authority (3328 Art. 5, Part 18)

☐ Metropolitan Sewerage District (3428 Art. 5)

☐ Sanitary District (3328 Art. 2, Part 2)

☐ Housing Authority (337)

☐ Reg. Solid Waste Auth. (3328 Art. 22)

4) Coordinator Name

5) Coordinator Phone Number

6) Coordinator Email address

7) Coordinator Email address (re-enter for verification)

8) Coordinator Mailing Address

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2018 Participation Form (2 of 5)

9) Contact Name

10) Contact Phone Number

11) Contact Email Address

12) Contact email address (re-enter for verification)

13) Hearing Officer and Title/Position

14) Name and/or Department for Debtors to be referred to when calling the Interactive Voice Response (IVR)

15) Telephone Number for Debtors to be referred to when calling the Interactive Voice Response (IVR)

16) Would you like different contacts and phone numbers for different department(s)/types of debt?

☐ No - just 1 needed
☐ Yes - please contact Coordinator to discuss
☐ Already Set-up- No changes needed at this time
☐ Already Set-up- Have changes, please contact Coordinator

17) Current Method for Transmitting Debts (if already participating) or Choice (if not yet participating)

☐ Client Software: Encrypted Data and Encrypted File Transfer (No Cost)
☐ Secure Web Access: Encrypted File Transfer: ASCII ONLY (No Cost)
☐ Hardcopy Forms by Secure Fax (No Cost depending on number of debtors/debts)

18) Type of Debt(s) currently being submitted (for information only)

☐ Taxes - Property
☐ Taxes - Vehicle
☐ Utilities
☐ GPS
☐ Health
☐ Alarms
☐ Animal violations
☐ Assessments
☐ Civil citations
☐ Code enforcement
☐ Handicaps
☐ Employees
☐ Environmental
☐ Fines (Library/other)
☐ Hearing
☐ Inspections
☐ Landfill
☐ Loans
☐ Maintenance (Sewer/lines)
☐ Substance
☐ Ordinance violations
☐ Parking tickets
☐ Privilege license (debts prior to 6/30/2015)
☐ Reclamation
☐ Returned checks
☐ Sewer tap
☐ Solid waste
☐ Storage rental
☐ Storm water
☐ Traffic citations

19) Other types of debts not listed above

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2018 Participation Form (3 of 5)

19) Type of Debt(s) not currently being submitted but planned for order future (for information only) (OPTIONAL)

☐ Taxes - Property
☐ Taxes - Vehicle
☐ Utilities
☐ GPS
☐ Health
☐ Alarms
☐ Animal violations
☐ Assessments
☐ Civil citations
☐ Code enforcement
☐ Handicaps
☐ Employees
☐ Environmental
☐ Fines (Library/other)
☐ Hearing
☐ Inspections
☐ Landfill
☐ Loans
☐ Maintenance (Sewer/lines)
☐ Substance
☐ Ordinance violations
☐ Parking tickets
☐ Privilege license (debts prior to 6/30/2015)
☐ Reclamation
☐ Returned checks
☐ Sewer tap
☐ Solid waste
☐ Storage rental
☐ Storm water
☐ Traffic citations

20) Other types of debts not listed above

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2018 Participation Form (4 of 5)

21) Name of Person completing this form

22) Title of Person completing this form

23) Email Address of person completing this form

Instructions for Completion and Submission:

a) Complete Items 1 - 23 above

b) Click "Print this Form" (OPTIONAL)

c) Click "Submit Form" (REQUIRED) which will submit and clear all entries.

d) An official 2018 Participation form will be electronically mailed to the email in #23. The form must be electronically signed by a local government official. A signed original NO LONGER needs to be mailed.

Print This Form (optional)

Submit Form

Electronic signature new for 2018

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2018 Participation Form (5 of 5)

Modified

Submit Form

- Once the online 2018 Participation form clicked the Clearinghouse soon receives an email
- An email with the electronic signature form will be sent to the Debt Setoff Coordinator (from the 2018 form) who can complete or forward to the Official who will complete

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Department of Revenue Report

- N.C. Department of Revenue Local Government Division (Cindy Matthews)
 - Cindy.matthews@ncdor.gov
 - Debt Setoff Unit (919) 814-1119

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Department of Revenue Accuracy and Timing

- The accuracy of the data (debtor and debt) submitted to Department of Revenue is critical for the possibility of being setoff
 - SSN (critical)
 - Last Name (critical) – suffix (Sr., Jr., etc. also helpful)
 - First Name (important)
- In addition, the time frames of when data is submitted is very important
 - Submit as early as mid December to guarantee ready for new tax year

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Department of Revenue Joint Returns – Proration Example

- **Withholding:**
 - Husband withholding: \$1,000.00 (67%)
 - Wife withholding: \$500.00 (33%)
 - Total withholding: \$1,500 (100%)
- **Refund (Joint):**
 - Husband's portion of refund: \$1,340.00 (67%)
 - Wife's portion of refund: \$660.00 (33%)
 - Total refund: \$2,000.00 (100%)
- **Debt scenario #1:**
 - Wife owes County \$300.00
 - Result: \$320.00 setoff (\$300.00 to County; \$15 to Clearinghouse; \$5 Dept. of Revenue)
- **Debt scenario #2:**
 - Wife owes County \$800.00
 - Result: \$660.00 setoff (\$640.00 to County; \$15 to Clearinghouse; \$5 Dept. of Revenue)

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Department of Revenue Corporations/Bankruptcy

- Setoffs of corporations against N.C. tax refund
 - Not yet implemented
- Bankruptcy
 - on a case by case basis – contact to discuss

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Department of Revenue Average Time for Refund Processing

- **Average Time for Refunds**
 - Taxpayers expect to receive a refund in approximately 6 weeks after filing
 - When processed, several scenarios:
 - If debt submitted by Local Govt. Clearinghouse but no match on SSN and the first 4 characters of the last name
 - ✓ a report is compiled and the Setoff Unit manually reviews each of these accounts
 - ✓ once reviewed, a determination is made by a DOR user to either send money to the agency or to the taxpayer
 - ✓ If sent to local govt. please process and update debtor balances quickly (often amended returns submitted soon afterwards and may cause additional unnecessary setoffs)

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Department of Revenue Refunds/Fraudulent Returns

- **Reasons for Dept. of Revenue requesting funds be returned from local governments:**
 - Taxpayer and/or preparer filed fraudulent return
 - May not be a valid refund:
 - Garnishment overpayment
 - Bill overpayment

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Department of Revenue Refund Request

- **Why is a Local Government required to return funds to the Department of Revenue on a legitimate debt?**
 - Due to the General Statute (G.S. 105-259) regarding confidentiality, the Department of Revenue cannot disclose the reason(s) for the return of funds
 - Please return funds as soon as possible as interest may apply

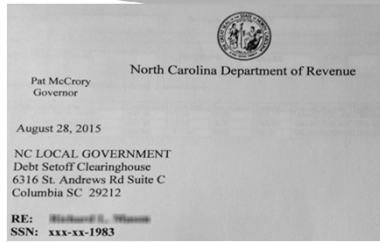
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Department of Revenue Refund Request

- **If the Department of Revenue requests a refund:**
 - NOT OPTIONAL or for investigation against other debts
 - Department of Revenue cannot and will not explain due to privacy laws
 - Local governments receives a copy of the official letter from Department of Revenue along with detailed instructions from NCACC or NCLM
 - Local government must return the amount the Clearinghouse deposited into the local government account
 - Department of Revenue returns their \$5 fee
 - Clearinghouse returns their fee
 - Outstanding refunds more than 30 days may be subject to interest fee
 - Debt can and should be restored for possible future collection

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Department of Revenue Refund Request - Sample



Department of Revenue Refund Request - Sample

A refund was included on your February 2 through February 15, 2015 listing for the above referenced taxpayer was sent to your agency in error.

Please return \$1,530.00 the net proceeds along with the copy of this letter to the address noted below within 30 days. If you have refunded the taxpayer please notify us in writing. We apologize for any inconvenience.

Sincerely,

Cindy Matthews

Cindy Matthews
Local Government Division
Distribution Unit
919) 814-1120

Provided by the
Clearinghouse

Mecklenburg County
Setoff: 2/17/2015
Mecklenburg County refund: \$ 1515.00
Clearinghouse refund: \$ 15.00
Total refund: \$1530.00

Department of Revenue Refund Request

- NC League of Municipalities
 - Pays entire Dept. of Revenue refund request amount
 - Local government refund
 - Clearinghouse fee
 - Invoices local government for their amount
- NC Association of County Commissioners
 - Emails information and instructions to county/agency from information from by Dept. of Revenue and Clearinghouse
 - Once payment received from county/agency, NCACC sends funds along with Clearinghouse fee (if any) to Dept. of Revenue

Refunds and Surpluses (1 of 2)

- **Refunds are when requested through NCACC or NCLM on behalf of the Dept. of Revenue**
 - Local government returns amount received (can restore debt amount)
 - NCACC/NCLM returns fee (if taken)
 - Dept. of Revenue returns \$5.00 fee
- **Surpluses are when more than amount owed by debtor was taken**
 - Debtor files multiple tax refunds in short period of time
 - Debtor claims more than one lottery winning of \$600 or more in short period of time
 - Debtor pays debt too soon (even AFTER) filing tax refund/claiming lottery winning
 - Surpluses (except \$15 fee only) provided in separate excel file with setoff information
 - Includes Department of Revenue address
 - Verify before sending surpluses
 - Cannot apply surplus to other debts that haven't been given due process!

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Refunds and Surpluses (2 of 2)

- Clearinghouse provides information regarding surpluses
- Excel file: surplus.xlsx

Click this information if surplus/refund is required

SSN	LAST NAME	FIRST NAME	INIT	AMOUNT	FEE	UNIQUE KEY	DEPT OF REVENUE ADDRESS	CITY	STATE	ZIP	Dept
***-**-2725	AUSTON	JOHN	J	343.00	15.00	11276	301 WASHINGTON ST	CENTRAL	NC	29560-3628	UTL
***-**-0140	AUBART	MADELEINE	I	124.40	15.00	5330	34300 BELMONT BLVD	RICHFIELD	NC	29562-4800	TAX
***-**-7597	BIRKHARDT	HENRY	H	52.52	15.00	11467	3402 WEDGEWOOD DR	HAMPTONVILLE	NC	29562-7724	UTL

- If a surplus.xlsx is provided be sure someone downloads and researches
- Probably no need to refund the Clearinghouse fee – unless local government made an error, if so probably need to refund Dept. of Revenue legislate \$5 fee

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Clearinghouse Technical Support

- **Monday – Friday: 8:30 a.m. to 5 p.m. (excluding holidays)**
 - Live toll-free support: (866) 265-1668
 - Conference calls (3 way) with Dept. of Revenue, vendors, I.T., etc.
 - Free remote support using Cisco WebEx
 - Debtor Inquiries – current and past years (2010 – 2017)
 - Client Software Support
 - Change TRANSMIT password
 - Import ASCII/Excel files from internal and/or vendors
 - Generate notification letters and pdfs
 - Change Expiration Dates
 - Install software and upgrades
 - Training new users
 - Transfer encrypted database to new server (certification keys maintained by Clearinghouse)

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Contact Information

Name	Contact Info
Rob Shepherd N.C. League of Municipalities Assistant Director, Business & Member Services	rshepherd@ncmlm.org www.ncmlm.org (919) 715-9767
Matt Gunnet N.C. Association of County Commissioners Membership Services Coordinator	matt.gunnet@ncacc.org www.ncacc.org (919) 715-2354
Bill Walsh President, Five Star Computing Operations Manager, NC Local Government Debt Setoff Clearinghouse	ncsetoff@ncsetoff.org www.ncsetoff.org (866) 265-1668
Cindy Matthews N.C. Department of Revenue Manager, Distribution Unit - Local Government Division	Cindy.Matthews@ncdor.gov (919) 814-1120

Questions?



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Break

- Resume in 10 minutes
- Discussion and demonstration of latest version of the Client Software
- Conclude at 3:30 p.m.

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Client Software - Benefits

- SSNs are encrypted and view/print controlled
- Report of Dept. of Revenue name/address differences
- Allows for departments to manage entry and update of debts differently
 - ASCII/Excel (must adhere to required layouts)
 - Manual data entry
- Vendor/third-party can provide debts for one or more departments

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Client Software - Implementation

- **Clearinghouse will at no cost:**
 - Install software (server and workstations)
 - Work with your Information Technology staff/vendors
 - Convert your existing data
 - Set up departments
 - Set up users and rights to functions and departments
 - Assist in generating notification letters and pdfs, including letterhead logos
 - Provide training all users via telephone and remote software
 - Provide link to online training guide and pdf

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Client Software – Encryption Sample

ssn	lastname	firstname
0x00DB4C20AE2A228CD.A065C3C65540EED010000001820CC...	Abbing	Anthony
0x00DB4C20AE2A228CD.A065C3C65540EED0100000041576AE...	Abbott	Eugene
0x00DB4C20AE2A228CD.A065C3C65540EED01000000636C081...		
0x00DB4C20AE2A228CD.A065C3C65540EED01000000BCBF6A0...		
0x00DB4C20AE2A228CD.A065C3C65540EED010000002D37CA0...		
0x00DB4C20AE2A228CD.A065C3C65540EED0100000019D75BB...		
0x00DB4C20AE2A228CD.A065C3C65540EED01000000B83F7FD...		
0x00DB4C20AE2A228CD.A065C3C65540EED01000000A81ABA7...		
0x00DB4C20AE2A228CD.A065C3C65540EED01000000AE1B8D...		
0x00DB4C20AE2A228CD.A065C3C65540EED01000000C6192A8...		
0x00DB4C20AE2A228CD.A065C3C65540EED01000000E30F866...		
0x00DB4C20AE2A228CD.A065C3C65540EED01000000D8BC049...	Aldworth	Charles
0x00DB4C20AE2A228CD.A065C3C65540EED01000000BEE5EE6...	Alexan...	William
0x00DB4C20AE2A228CD.A065C3C65540EED01000000E2C30C3...		

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Client Software - Demonstration

Begins Now



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Client Software – Sign-on

TIP: Press
<ENTER> twice
instead of clicking
Login

- User Name:
 - admin OR
 - I.T. assigned
- Password:
 - Admin – expires in 90 days (14 day warning)
 - I.T. assigned – doesn't expire – but can be changed by admin or Five Star

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Client Software – Menu Options



- Use mouse to highlight menu option
- Use mouse to click icon
- Use keyboard combinations **Alt** and 1st character of menu option:
 - Debtors Reports Import/Export Maintenance
 - Transmit Letters Address Help

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Client Software – Tools

• Administrator

• Users

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Client Software – Tools Administrator Account Information

- Encrypted:
 - User ID
 - Smart Password (change every 90 days)
 - Internet Location
- Controls connection to Clearinghouse secure folder

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Client Software – Tools Administrator Account Codes

- Unlimited Number of separate departments/Accounts codes:
 - Change – allows for transfer debts to a new or different code

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Client Software – Tools

Administrator Account Codes - Configure

- Build customized letter information for each separate account code
- Control Interest Accrual
- Set detailed description of type of debt

Department:	Sample County Revenue		
Contact:	Wanda Watson		
Signature:	Wanda Watson		
Title:	Tax Collector		
Phone Number:	(991) 253-2714		
Address 1:	PO Box 29		
Address 2:			
City:	Central	State:	NC
Zip Code:	28999-0123		
Years before Expires:	10	Interest Accrual:	Yes
Description:	delinquent taxes		

Appears in due process letter

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Client Software – Tools

Administrator Account Codes - Configure

- Set customized letter parameters for window envelope
- Number of debts before additional page(s)
- Import customized letterhead logo

Letters/Addresses			
Top Margin:	220	Left Margin:	50
Date Margin:	157	Date/Name Spacing:	2
Debts:	5	Line Spacing:	1
Letter Font:	11	PDF Font:	11
Left Margin PDF:	0	Top Margin PDF:	0
Logo Width PDF:	590	Logo Height PDF:	130
Carryover Desc:	See next page for additional charges		
Logo Filename:	X:\Customers\LogosfromLocalGovts\BrunswickCountyTax.jpg		
Utilize Logo:	<input checked="" type="checkbox"/>		

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Client Software – Tools

Administrator - User Setup

- Set customized functions
- Protect SSN view for online and print page(s)
- Set access or restrict by account code

Tools	Interest	Help
Administrator	Account Information	
Users	Account Code	
FiveStar	Change Account Codes	
	User Setup	

Last Name	First Name	Login Name
Administrator	Admin	Admin
Tester	Sam	Tester
User	John	User
Admin	John	Admin

Debts	Reports	Imports	Maintenance	Transmit	Letter
<input checked="" type="radio"/> Update	<input checked="" type="radio"/> Yes	<input checked="" type="radio"/> Yes	<input checked="" type="radio"/> Yes	<input checked="" type="radio"/> Yes	<input checked="" type="radio"/> Yes
<input type="radio"/> View	<input type="radio"/> No	<input type="radio"/> No	<input type="radio"/> No	<input type="radio"/> No	<input type="radio"/> No

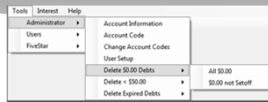
Address	Tools	Interest	Setup	Report	Online
<input type="radio"/> Yes	<input type="radio"/> Yes	<input checked="" type="radio"/> Yes	<input type="radio"/> Yes	<input type="radio"/> Full SSN	<input type="radio"/> Full SSN
<input checked="" type="radio"/> No	<input checked="" type="radio"/> No	<input type="radio"/> No	<input type="radio"/> No	<input type="radio"/> Partial SSN	<input type="radio"/> Partial SSN
				<input checked="" type="radio"/> No SSN	<input type="radio"/> No SSN

Account Code	Account Description	Access
HLT	HEALTH	RESTRICTED
REA	REAL ESTATE	ACCESS
TAX	TAXES	ACCESS
UTL	UTILITIES	RESTRICTED

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Client Software – Tools Administrator - Year-end Cleanup

- Suggest **ONLY** doing after last setoff file of the year has been processed
- Contact Five Star if need assistance or only for specific account codes



Does for ALL account codes!

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Client Software – Tools User – Change SSN

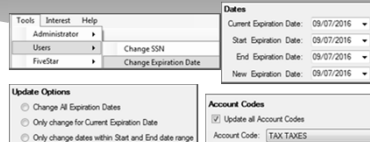
- **ONLY** method for changing an existing SSN to a non-existing SSN
- If New SSN does not yet exist, all debt(s) from Old SSN are moved to New SSN
- If New SSN exists, debts must be added manually (or delete debtor with NEW SSN first, then do Change SSN)



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Client Software – Tools User – Change Expiration Date

- Powerful option to globally change ALL; one date; or a range of dates
- Can do ALL account codes or just one



Statute of Limitations applies to the age of the debt or established activity (invoice/bill or payment) NOT the amount of time attempting to collect. Ten years for taxes, 3 years for all others but discuss with your attorney. For example: Delinquent 2000 tax bill that notices were sent to last known address through 2007 could be submitted to debt setoff (9 years within last activity). Other non-Tax delinquent 2010 debt with no invoices/bills or payments since 2012, cannot be submitted (no activity in 3 years).

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Client Software – Tools User – Change Compliance Date

- Powerful option to globally change ALL; one date; or a range of dates
- Can do ALL account codes or just one

Compliance Dates should be AT LEAST 30 days after letters have been mailed to last known address via regular postal mail. Do not send letters prior to debts being delinquent 30 days. Debts can be submitted to Clearinghouse prior to Compliance Date as they are not submitted to Department of Revenue until the Compliance Date has passed. Similar to post dating a check but establishes an earlier time/date stamp priority.

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Client Software – Tools User – Change City

- Powerful option to fix any city/town name. Probably the result of a Clearinghouse database creation from debts submitted by ASCII files (layout for city is 10 characters)
- Will do for all account codes

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Client Software – Tools User – Printer Selection

- Select a different printer for various reasons.
- Be sure to select **Apply**
- If still doesn't print, may have to select **Set as Default Printer**
- Then change back to normal default printer

Client Software – Tools User – System Settings

- ALL Users
 - Search cursor
 - Debt Controls
 - Letter Addresses #
 - Report Security Option*
- By User:
 - Operating System

If not set for individual account codes
* No longer used - set by individual user

Client Software – Debtors Debtor Information - Search

- Enter choice and click
- For Last Name or First Name can enter a partial name and will return matching results

Last Name:

SSN	Last Name	First Name	Address	City	State
999-00-1000	Anderson	Albert	201 Douglas Swamp Rd	SELMA	NC
999-00-2178	Anderson-Jernett	Carla	385 Lexington Road	CHARLOTTE	NC
999-00-5195	Anderson	Henry	3541 Goldstone Road	SILER CITY	NC
999-00-0344	Anderson	Wes	124 S Florence St	Whiteville	NC
999-00-1493	Anderson	Arden	1371 N C North Hwy Rd	ASHESVILLE	NC

Double-click the desired person

Client Software – Debtors Debtor Information - Search

Added	Original Amount	Date	Amount	Self	Self	Code	Account Number	Expiration Date	Compliance Date	Interest	Base	Base	Total
10/1/10	441.95	0.00				TAX	T2014-19864	12/31/2015	01/15/2010	%	441.95	0.00	0.00
7/4/10	790.25	0.00				TAX	T2009-01912	12/31/2015	12/31/2013	Y	790.00	43.25	43.00

Debtor Demographics and debts appear with options

Search Add Debtor Edit Debtor Delete Debtor Add Debt Edit Debt Delete Debt Sum Debts Setoff History General History Debt History Exit

Client Software – Debtors

Debtor Information – Search Quick View

Search Quick View Quick View Quick View - Abbrev

Unencrypting - may take several minutes ...

May take too long for large databases

- Search Quick View
 - Displays ALL debtors based on user access and SSN appears if have view full SSN rights

SSN	Last Name	First Name	Address	Account Number	Debt Amt	Self Amt	Self Date	Acct Code
999-00-6455	ABBING	RHONDA	40 HERITAGE LOOP	TX 101	0.00	0.00		TAX
999-00-6455	ABBING	RHONDA	40 HERITAGE LOOP	ES9-9161213	0.00	100.00	09-16-2014	EMS
999-00-6455	ABBING	RHONDA	40 HERITAGE LOOP	U-UT-10	40.00	88.50	09-11-2014	UTL
999-01-1449	ABBINGTON	JAMES	101 NORTH BRAVE ST	U-00028	0.00	100.00	09-02-2014	UTL
999-01-1449	ABBINGTON	JAMES	101 NORTH BRAVE ST	U-00028	0.00	125.00	09-02-2014	UTL
999-01-1449	ABBINGTON	JAMES	101 NORTH BRAVE ST	U-00028	25.00	125.00	09-02-2014	UTL
999-00-2792	ABBOTT	ROSEMARIE	5012 BELFORD CT	T2014-11073	1604.53	100.00	02-09-2013	TAX
999-01-1066	ABBOTTS	JOEVENA	101 S PETERSBURG	U-01531	0.00	315.00	08-04-2014	UTL
999-01-1066	ABBOTTS	JOEVENA	101 S PETERSBURG	U-01531	104.00	0.00		UTL
999-70-8054	ABBY	JOHN	453 LEANING TREE RD	U-00023	0.00	0.00		UTL
999-00-4887	ABEYON	Samuel	2476 East Street	T2014-10-90123	0.00	0.00		TAX
999-00-4887	ABEYON	Samuel	2476 East Street	T2014-10-90123	1345.00	0.00		TAX
999-00-4887	ABEYON	Samuel	2476 East Street	T2014-09-90562	0.00	1410.75	08-04-2014	TAX

Client Software – Debtors

Debtor Information – Search Quick View

Quick View

Acct Code selected

- Search Quick View
 - Click any of the nine (SSN to Acct Code) column descriptions to SORT by that description

SSN	Last Name	First Name	Address	Account Number	Debt Amt	Self Amt	Self Date	Acct Code
999-00-6455	ABBING	RHONDA	40 HERITAGE LOOP	U-UT-10	40.00	88.50	09-11-2014	UTL
999-01-1449	ABBINGTON	JAMES	101 NORTH BRAVE ST	U-00028	0.00	100.00	09-02-2014	UTL
999-01-1449	ABBINGTON	JAMES	101 NORTH BRAVE ST	U-00028	0.00	125.00	09-02-2014	UTL
999-01-1449	ABBINGTON	JAMES	101 NORTH BRAVE ST	U-00028	25.00	125.00	09-02-2014	UTL
999-01-1066	ABBOTTS	JOEVENA	101 S PETERSBURG	U-01531	0.00	315.00	08-04-2014	UTL
999-01-1066	ABBOTTS	JOEVENA	101 S PETERSBURG	U-01531	104.00	0.00		UTL
999-70-8054	ABBY	JOHN	453 LEANING TREE RD	U-00023	0.00	0.00		UTL
999-00-4887	ABEYON	Samuel	2476 East Street	T2014-10-90123	0.00	0.00		TAX
999-00-4887	ABEYON	Samuel	2476 East Street	T2014-09-90562	0.00	1410.75	08-04-2014	TAX

Client Software – Debtors

Debtor Information – Search Quick View

Quick View

Acct Code selected

- Search Quick View
 - Click same column description AGAIN to SORT in reverse order

Double-click the desired person

SSN	Last Name	First Name	Address	Account Number	Debt Amt	Self Amt	Self Date	Acct Code
999-00-6455	ABBING	RHONDA	40 HERITAGE LOOP	U-UT-10	40.00	88.50	09-11-2014	UTL
999-01-1449	ABBINGTON	JAMES	101 NORTH BRAVE ST	U-00028	0.00	100.00	09-02-2014	UTL
999-01-1449	ABBINGTON	JAMES	101 NORTH BRAVE ST	U-00028	0.00	125.00	09-02-2014	UTL
999-01-1449	ABBINGTON	JAMES	101 NORTH BRAVE ST	U-00028	25.00	125.00	09-02-2014	UTL
999-01-1066	ABBOTTS	JOEVENA	101 S PETERSBURG	U-01531	0.00	315.00	08-04-2014	UTL
999-01-1066	ABBOTTS	JOEVENA	101 S PETERSBURG	U-01531	104.00	0.00		UTL
999-70-8054	ABBY	JOHN	453 LEANING TREE RD	U-00023	0.00	0.00		UTL
999-00-4887	ABEYON	Samuel	2476 East Street	T2014-10-90123	0.00	0.00		TAX
999-00-4887	ABEYON	Samuel	2476 East Street	T2014-09-90562	0.00	1410.75	08-04-2014	TAX

Client Software – Debtors

Debtor Information – Search Quick View Abbrev.

Quick View - Abbrev.

- Search Quick View – Abbrev.
 - Displays ALL debtors regardless of user access and no SSNs appear

Very fast because doesn't have to unencrypt SSNs

Last Name	First Name	Address 1	Address 2	City	State	Zip Code
ABINGTON	JAMES	40 HERITAGE LODGE APT.	Apt 108	BURLINGTON	NC	28176-1
ABINGTON	JAMES	101 NORTH BRAVE ST		CHARLOTTE	NC	28270
ABRAHAM	Eugene	302 Wheat Street		CHARLOTTE	NC	27520
ABROTT	ROSSMORE	5012 BELFORD CT		CHARLOTTE	NC	28226-7
ABROTT	JOHN	101 S PETERSBURG BLVD		CORNELIUS	NC	28034
ABBY	JOHN	403 LEAVING TREE RD		CHARLOTTE	NC	28208
ABRAHAM	Samuel	2478 East Street	Apt 1A	CHARLOTTE	NC	28206
ABRAHAM	JACOB	2901 CLEVELAND BLVD		CHARLOTTE	NC	28212
ABRAHAM	Abraham	3302 Pennell Street		KANAWHA	NC	28081
ABRAMS	LOUIS	1608 REMOUNT RD		CHARLOTTE	NC	28216
ABRAHAM	CORA	109 F COACHMAN		HARRISBURG	NC	28109
ABRAHAM	JOHN	208 LEAVING TREE RD		CHARLOTTE	NC	28224
ABRAHAM	SUSAN	8032 TRYON SQUARE		ROCKY MOUNT	NC	28750
ABRAHAM	David	345 ROBIN HOOD RD		CHARLOTTE	NC	28216
ABRAHAM	MOHAMMED	411 LANGFORD RD		CHARLOTTE	NC	28277

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Client Software – Debtors

Debtor Information – Search Quick View Abbrev.

Quick View - Abbrev.

- If double click on a debtor that do not have access rights to their debt(s) – ONLY demographics are displayed

SSN: 111-111-1111

First Name: JAMES Middle Initial: Last Name: ABINGTON

Address 1: 101 NORTH BRAVE ST

Address 2:

City: CHARLOTTE State: NC Zip Code: 28270

Added: 11/08/2013 Updated: 09/10/2014 Letter Period:

Original Amount	Debt Amount	Debt Amt	Debt Date	Code	Account Number	Expiration Date	Compliance Date	Interest Amount	Base Interest	Total Interest
*										

IF entry identifies interest, check ALL INTEREST TO C/O Entry removed appropriate

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Client Software – Debtors

Debtor Information – Add Debtor

Add Debtor

WJ Add New Debtor

SSN: 111-111-1111

First Name: Middle Initial: Last Name:

Address 1:

Address 2:

City: State: NC Zip Code:

Debt Amount: 0.00 Account Code: 050 Debt Self: Account Number:

Compliance Date: 09/10/2014 Expiration Date: 09/10/2014 Interest Amount: 0.00 Base Interest: 0.00

SSN/TIN must be nine digits and not a business number or drivers license

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Client Software – Debtors Debtor Information – Edit Debtor

Edit Debtor Information

SSN: 999-00-2353
 First Name: Ingeborg Middle Initial: C Last Name: Andersson
 Address 1: 640 Pine Grove Road
 Address 2:
 City: Central State: NC Zip Code: 27999

Cannot change SSN here – must use Tools-Users-Change SSN option

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Client Software – Debtors Debtor Information – Add Debt

Add Debt

Debt Amount:
 Account Code: TAX Taxes
 Account Number: 000 Debt Setup
 Compliance Date: 09/08/2016
 Expiration Date: 09/08/2041
 Interest Accrual: [Y]
 Base Amount:
 Base Interest:

- Debt Amount – delinquent amount to local government*
- Expiration Date years setting in Account Code configuration
- Interest Accrual must be checked ☒
- Base Amount – amount used to calculate interest each month (principal)
- Base Interest – amount of fees, penalties, interest when entering

* No collection fee may be added unless stated at time of service.

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Client Software – Debtors Debtor Information – Edit Debt

Edit Debt

Debt Amount: 434.00
 Account Code: TAX Taxes
 Account Number: T2014-19964
 Compliance Date: 01/15/2010
 Expiration Date: 12/31/2015
 Interest Accrual: [Y]
 Base Amount: 400.00
 Base Interest: 25.00

In this example \$3 per month interest has been accumulated for three months

- Debt Amount – current debt amount
- Any information can be updated, even Compliance and Expiration

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Client Software – Debtors

Debtor Information – Edit Debt vs. Delete Debtor

- Debtor either:
 - demands to be removed
 - pays debt in full
 - wrong person (Jr./Sr.)
- Debtor may have already filed taxes or claimed lottery
 - Unique Id/debt rejected and needs to be added back for balancing (if use software)
 - Delete at least month later (OK)
 - Delete after last setoff of year (BEST)

Debt Amount: 0.00 ☒


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Client Software – Debtors

Debtor Information – Sum Debts

- Click for a total of all debts

Debt Amount	Setoff Amt	Setoff Date	Code	Account Number
434.00	0.00		TAX	T2014-19964
785.25	0.00		TAX	T2008-U1912

 Total Debt Amount: \$1,219.25

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Client Software – Debtors

Debtor Information – Setoff History

Setoff Date	Debtor Name	Original Amt	Setoff Amt	Fee Amt	Balance	Account Number
2014-09-11	ARTEGA, RAVINE ...	2817.50	2500.00	15.00	317.50	8320107
2014-09-17	ARTEGA, RAVINE ...	2817.50	317.50	0.00	0.00	8320107
2014-09-17	ARTEGA, RAVINE ...	317.50	40.00	0.00	277.50	EMS-01122012

Only shows setoffs since using the client software

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Client Software – Debtors Debtor Information – General History

General History

Date	Operator	Action	Description
2013-09-09		Debt Added ...	Debt Amount: 000743.25 Type: TAX Account Number: T2008-U1912 Expir...
2013-09-09		Letters ...	Notification Letter Printed: 09/09/2013
2013-09-17		Interest ...	Interest of 05.25 accrued - 09/17/2013
2016-09-08	FiveStar ...	Debt Updated ...	Debt Amount from: 441.95 to: 434.00 Base Amount from: 441.95 to: 400.00...
2016-09-08	FiveStar ...	EXCEL ADD ...	Debtor added from EXCEL ADD
2016-09-08	FiveStar ...	EXCEL ADD ...	Debt of 100 with Account Number: U-1234 added from EXCEL ADD

Information on ALL debts. Great audit log information

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Client Software – Debtors Debtor Information – Debt History

Debt History

Original Amount	Debt Amount	Setoff Amt	Setoff Date	Code	Account Number	Expiration Date	Compliance Date
100.00	0.00	0.00		UTL	U-1234	12/31/2026	08/01/2016

Date	Operator	Action	Description	Account Number
2016-09-08	FiveStar ...	EXCEL ADD ...	Debt of 100 with Account Number: U-1234 added from EXCEL ADD	U-1234
2016-09-08	FiveStar ...	Debt Update ...	Debt Amount from: 100.00 to: 0.00	U-1234

Shows only for one particular highlighted (if multiple) debt

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Client Software – Debtors Debtor Information – Debts less than \$50

- Only debts over \$50 are submitted to the Dept. of Revenue and Lottery

Original Amount	Debt Amount	Setoff Amt	Setoff Date	Code	Account Number	Expiration Date	Compliance Date	Interest Accrued	Base Amt	Base Interest	Total Interest
43.00	43.00	0.00		UTL	2015-1202	09/24/2020	09/24/2017	IN	0.00	0.00	0.00
47.50	47.50	0.00		UTL	2016-0612	09/24/2020	09/24/2017	IN	0.00	0.00	0.00

The above debts WILL NOT be submitted – Debt Amount is less than \$50

Original Amount	Debt Amount	Setoff Amt	Setoff Date	Code	Account Number	Expiration Date	Compliance Date	Interest Accrued	Base Amt	Base Interest	Total Interest
47.50	90.50	0.00		UTL	2015-1202-2016-06	09/24/2020	09/24/2017	IN	0.00	0.00	0.00

The above combined debts WILL BE submitted – Debt Amount is \$50+

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Client Software Reports

- **Adjustments**
List of any debtors/debts resulting from the EDIT DEBTS option for a date range and either a selected or ALL account codes
- **Aged Debts**
List of Debts Setoff or NOT Setoff for a date range and either a selected or ALL account codes. Based on Compliance Date
- **Audit**
Selective list of any debtors/debts added/edited or marked or not marked as Interest Accruable with a date range and either a selected or ALL account codes
- **Compliance**
List of debtors/debts for a Compliance date range and either a selected or ALL account codes

Reports Import/Export Maintenance
 Adjustments
 Aged Debt Report
 Audit Report
 Compliance Report
 Composite Report
 Expiration Report
 Import Status Error Report
 Setoff Report
 Selective Report
 Summary Report
 Totals Report
 User/Debtor Activity

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Client Software Reports

- **Expiration**
List of debtors/debts for an Expiration date range and either a selected or ALL account codes
- **Import Status Error**
List of debtors/debts of rejected identified on the Import Status report email. Identifies the Account Code
- **Setoff**
List of any debtors/debts setoff for a date range and either a selected or ALL account codes
- **Selective**
List of debtors/debts by current debt amount range or by date added date range. Great for determining debts \$0.00 or debts less than \$50!
- **Summary**
One page of debt amounts, setoff amounts and percentages for either a selected or ALL account codes
- **Totals**
Long list of ALL debtors/debts with debt amounts, adjusted amount and setoff amount
- **User/Debtor Activity**
Audit log of debtors or a single debtor with option of a date range. Also audit log of a User with option of a date range.

All reports appear online with option to print. Zoom and multi-page views available.

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Client Software – Generating Letters

Choose Recipients: ☒ All Debtors ☐ New or Updated ☐ Only New ☐ Select Individual SSN: _____ ☒ Sum Debts ☐ Single Debt

☒ Name Order ☐ SSN Order ☐ Zip Order ☐ Account Number Order

PDF File Name: _____

Account Codes:
 ACC ANIMAL CONTROL
 AMB AMBULANCE SERVICES
 CTY PARKING TICKETS
 DISO Debt Setoff
 EMS EMS
 ENV ENVIRONMENTAL
 FILE HEALTH

Must do ONE account code at a time. May have different contact information, margins and/or logos.

RUTHERFORD COUNTY
Emergency Medical Services

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Client Software – Generating Letters

Choose Recipients: ☐ All Debtors ☒ New or Updated ☒ Name Order ☒ Sum Debts

PDF File Name: LTRS HLT 2016-0907 Account Codes: HLT HEALTH List Recipients

SSN	First Name	Last Name	Mode	Self Amount	Current Amount	Account Number	Type
999-00-7461	Anders	Andersson	J	0.00	80.37	H45535466	HLT
999-00-4098	Nelle	Becker	E	0.00	50.00	H4842490	HLT
999-00-2135	Kat	Behr	H	0.00	50.00	H45966503	HLT
999-00-4576	Nourian	Brakes		0.00	90.00	H47504105	HLT
999-00-2200	Maria	Cavan	E	0.00	50.00	H44877805	HLT
999-00-8045	Laurence	Gevey		0.00	75.00	H46777393	HLT
999-00-3564	Sharon	Ginski		0.00	100.00	H4785319	HLT

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- Displays a scrollable list in chosen order (Name) of those to be printed and/or a pdf generated
- Pdf suggested with account code and date

Client Software – Generating Letters

Merge Recipients → Print Test Print Load Letters PDF Only Print Labels

- First select LOAD LETTERS to produce the letters and display the first letter contents
 - PRINT will send directly to default printer – all letters
 - TEST PRINT displays a print preview of one letter – can be sent to printer
 - PDF ONLY creates the pdf file in the REPORT folder

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Client Software – Generating Letters

Demographics and Debt Detail

Date: 09/07/2016

Anders Andersson
537 1/2 North Ham Rd I
ASHEVILLE, NC 27569

RE: Notice of Debt to: Sample County Health Department
Intent to setoff debt against N.C. STATE TAX REFUND for: Anders Andersson

Our records indicate that you owe the following past due amount of \$80.37 to Sample County Health Department for:

HLT-delinquent services	H-5535466 \$80.37
-------------------------	-------------------

From Account Code Configuration

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Client Software – Generating Letters Approved Standard Legal Content

As authorized by North Carolina General Statutes, Chapter 105A, The Setoff Debt Collection Act, Sample County Health Department intends to submit the above debt(s) to the North Carolina Department of Revenue for collection by applying the debt(s) against any income tax refund in excess of \$50.00 that you may be entitled to receive. Additionally, as authorized by North Carolina General Statute 18C-134, if applicable, the local agency intends to submit the above debt(s) against certain lottery prizes to which you may become entitled.

Additionally, you are further advised that in accordance with this Act, a local collection assistance fee of \$15.00 per debt will be added to the obligation or account(s) described above if submitted for setoff.

You have the right to contest this action by filing a written request for a hearing with Sample County Health Department. Your request must be filed at the following address no later than 30 days from the postmarked date of this letter. Your request for a hearing may be filed within the specified time by delivering it to the Sample County Health Department or by delivering it for mailing with postage prepaid and properly addressed to the following address:

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Client Software – Generating Letters Contact Information and Closing

Sample County Health Department
ATTN: Jane Smith
1300 West Main St
Central, NC 29123

From Account Code Configuration

Failure to request a hearing within the 30 day time limit will result in the setoff of the above debt(s), and the addition of the applicable local collection assistance fee. This is a very serious matter, should you have any questions please contact Jane Smith at (991) 555-1212.

Sincerely,

Lynn Z. Williams
Director

From Account Code Configuration

From Account Code Configuration

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Client Software – Mark Letters as printed

- Remember to do this option once letters have been printed and have been approved to send
- Keeps from sending repeat letters to debtor already sent a letter
- Contact Five Star if you did not Mark prior letters and need assistance

114

Client Software – Import Excel

- Replacing ALL Health Dept debts with a replacement file
- If debtors exist, Excel file will overwrite names and addresses

Must use required Excel header row

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
SSN	First	Middle	Last	Street	City	State	Zip	Debt	Agency	Expiration	Debt	Debt	Debt	Debt	Base	Debt
Name	Initial	Name	Address				Code	Amount	Code	Date	Compliance	Account	Unique	Account	Base	Debt

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Client Software – Import Excel

North Carolina Debt Setoff Program C016: Sample Local Government Excel File Import Status Report Date: 09/30/2016					
DEBTORS ADDED	DEBTS ADDED	DEBT AMOUNT ADDED	ERRORS DEBTORS	ERRORS DEBTS	
37	37	3,292.35			

SSN	NAME	ERROR	ACCOUNT NUMBER	DEBT AMOUNT
-----	------	-------	----------------	-------------

- Import Status Report and Error Report provided
- SSN not nine digits
- Invalid data
 - Agency code
 - Restricted account code
 - Invalid compliance and/or expiration dates

Debt Amount added should equal Sum of column "I"

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Client Software – Import Excel

- Adding additional Utility debts
- If debtors exist, Excel file will NOT overwrite names and addresses

Must use required Excel header row

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
SSN	First	Middle	Last	Street	City	State	Zip	Debt	Agency	Expiration	Debt	Debt	Debt	Debt	Base	Debt
Name	Initial	Name	Address				Code	Amount	Code	Date	Compliance	Account	Unique	Account	Base	Debt

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Client Software – Import Excel

- Other Import Options:
 - Only Adjustments
 - If finds SSN and Unique ID – updates balance
 - New Adds and Adjustments
 - If finds SSN and Unique ID – updates balance
 - If does not find BOTH SSN and Unique ID – adds debt (and debtor if necessary)
 - Zero Adds and Adjustments
 - First, changes all debts to \$0.00 for this account code (TAX, UTL, etc.)
 - Next step:
 - ✓ If finds SSN and Unique ID – updates balance
 - ✓ If does not find BOTH SSN and Unique ID – adds debt (and debtor if necessary)

Import Type:	New Adds
	New Adds
	Only Adjustments
Account Codes:	Unlimited Amount of Debt Types
	Zero Adds and Adjustments

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Client Software – Import Excel

- Can have unlimited amount of debt types
- Must import each account code separately
- Use must have Access rights to this account code

Account Codes:
ACC ANIMAL CONTROL
AMB AMBULANCE SERVICES
CITY PARKING TICKETS
DSO Debt Setoff
EMS EMS
ENV ENVIRONMENTAL
HLT HEALTH
REA REAL ESTATE
WON WOODS
UTL UTILITIES

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Client Software – Import ASCII

- Similar options to Excel
- One additional option for NCPTS which not only updates balances, updates the account number
- Can have unlimited amount of debt types
- Must import each account code separately
- Use must have Access rights to this account code

Import Type:	New Adds
	New Adds
	Only Adjustments
	Unlimited Amount of Debt Types
	Zero Adds and Adjustments
	Zero Adds and Adjustments - NCPTS

ASCII and/or EXCEL

Import ANY combination: new debts, payments or both. Can even change debts to \$0.00 that aren't in the Import file.

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Client Software – Export Excel

Account Codes: ALL - Include all Debt Types

☐ Include all Debtors

☐ Include Debtors Added between Dates: Start: 09/09/2016 End: 09/09/2016

☐ Include Debtors Edited between Dates: Start: 09/09/2016 End: 09/09/2016

☐ Include all Debt

☐ Include Debt Added between Dates: Start: 09/09/2016 End: 09/09/2016

☐ Include Debt Edited between Dates: Start: 09/09/2016 End: 09/09/2016

☐ Include Setoff between Dates: Start: 09/09/2016 End: 09/09/2016

☐ Unmask SSN

- Create spreadsheet of ALL account codes or one selected
- If have full SSN access rights, can select Unmask SSN

Much more information provided, including transaction dates.

SSN	Last Name	First Name	MS/Street Address	City	State	Zip Code	Debt Amount	Original Debt Amount	Compliance Date	Expiration Date	Account Number	Code	Setoff Date	Amount	Unique Key
999-00-2780	ABBOTT	ROSSAMORE	E 5012 BELFORD CT	CHARLOTTE	NC	28226-7803	1654.53	1754.53	01/15/2010	12/31/2025	T2034-11073	TAX	02/05/2013	100.00	99338221
995-51-1096	ABBOTT	JOEYNA	M 101 S PETERBURG CORNELIUS	NC	28054		104.00	0.00	01/27/2013	12/31/2015	U-01331	UTL		0.00	99339428
999-00-4887	Abelson	Samuel	2478 East Street	CHARLOTTE	NC	28206	1245.00	1200.00	09/09/2014	12/31/2015	T2034-13-95432	TAX		0.00	99339478
999-00-4887	Abelson	Samuel	2478 East Street	CHARLOTTE	NC	28206	1037.50	1068.39	11/19/2009	12/31/2025	T2034-10-75448	TAX	08/04/2014	66.39	99338134
993-74-7085	ABERNIE	JACOB	3901 CLEVELAND	CHARLOTTE	NC	28212	100.00	0.00	01/26/2013	12/31/2015	U-00785	UTL	09/11/2014	200.00	99339433

Client Software Transmit – Export (Send to Clearinghouse)

- **Debtor Information**
securely sends all debtors and debts to Clearinghouse for processing over the weekend. Overwrites at Clearinghouse if already been sent.
- **Selective**
allows for a specific file to be sent to the Clearinghouse. For example, a file from a vendor/third party that needs reviewing or research done before importing into software.
- **Export Database**
only if requested by the Clearinghouse
- **Export Settings**
provides details to the Clearinghouse for installation and connectivity to local server/database
- **User Information**
provides details to the Clearinghouse of users and their email addresses along with desired email notifications

Transmit Letters Address Tools Interest Help

Export To Clearinghouse

Import From Clearinghouse

Debtor Information

Selective

Export Database

Export Settings

User Information

Recommend Debtor Information option every Friday.

Client Software Transmit – Import (Receive from Clearinghouse)

- **Setoffs**
imports and processes the setoff.txt file generated after a setoff from Dept. or Revenue and Education Lottery.
- **Selective**
allows for a specific file to be securely transmitted and downloaded from the Clearinghouse. This is normally for the surplus and setoff spreadsheet files. Can also be used for the Rejected SSN and Expiration spreadsheets.
- **Import Database**
only if requested by the Clearinghouse
- **Import Settings**
only if requested by the Clearinghouse

Transmit Letters Address Tools Interest Help

Export To Clearinghouse

Import From Clearinghouse

Setoffs

Selective

Import Database

Import Settings

Client Software

Transmit – Import (Receive from Clearinghouse)

- Setoffs**
 - If TRANSMIT password from Tools-Administrator-Account Info. has not expired the list of available files appears
 - Highlight setoff.txt and click Receive Data
 - If already downloaded a warning message appears: only needs to be done once unless instructed to do more than once per Clearinghouse
 - When downloaded a message appears

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Client Software

Transmit – Import (Receive from Clearinghouse)

- Setoffs**
 - Click Run Setoff
 - Once downloaded this appears Import of Setoff Complete
 - Click OK for the Error Report

Possible Setoff Errors:

- If a debt was deleted that has been setoff – “contact Clearinghouse”
- If a partial refund taken and the balance is HIGHER than the database debt balance, it will not overwrite and raise the database balance

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Client Software

Transmit – Import (Receive from Clearinghouse)

- Setoffs**
 - Click Close to advance to the Setoff Report

SSN print can be controlled by User Setup

Total Setoff equals Capital Mgt deposit. Unless debt not found and appears on error report.

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Client Software Transmit – Import (Receive from Clearinghouse)

- **Setoffs**
 9. Click **Close** to advance to the Address Report

SSN print can be controlled by User Setup

Any difference in Last or First Name, Address, City, State or Zip appears

SSN	LAST NAME	FIRST NAME	ADDRESS	CITY	ST	ZIP
991-12-0128	ARMSTRONG	Donna	702 PROSPECT DR 3101 Industrial Dr U-2340	SHALEY	NC	27583
999-00-0029	Brady	John	100 Maple St 1409 Bushy Wood Rd E 14-005081	GARNER	NC	27529
999-00-0028	Brown	Anella	1033 Cam St #2 2889 Camp Cornwell Rd 120704-00223	BOOMER	NC	27504
999-00-0038	Frail	Larry	100 Stoner Rd 1263 Roman Rd 120704-02003	SEAFORD	NC	27584
999-00-0032	Kassam	Arthur	1033 Cam St #11 103 Cam St #11 120704-30389	MIDDLESEX	NC	

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Client Software Transmit – Import (Receive from Clearinghouse)

- **Setoffs**
 10. Click **Close** for the prompt to update the database
 - o Yes to overwrite local govt. database with Dept. of Revenue address
 - o No to place in Address Reconciliation database for later

Do you wish to update the address data with Department of Revenue addresses?

Yes No

Address Tools Interest Help

Print Reconciliation Report
Apply Dept. of Revenue Addresses
Empty Dept. of Revenue Address Database

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Client Software Transmit – Import (Receive from Clearinghouse)

- **Setoff Report**
 - Allows for selection by Date Range or by Account Code
 - Run after each setoff import
 - Contact departments when available

Setoff Report
Date: 09/08/2016
Date Range: 07/01/2015 Thru 12/31/2015

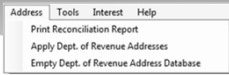
Great for fiscal year reports

SSN	NAME	CODE	ACCOUNT NUMBER	SIC	SETOFF	AMOUNT	FEE	BALANCE
991-12-0128	ARMSTRONG, Donna	UTL	U-2340	REV	08/11/2015	25.18	0.00	30.00
999-00-0029	Brady, John	EMS	E14-005081	REV	08/11/2015	230.29	15.00	0.00
999-00-0037	Mallett, Albert	TAX	T-2007-7857011	REV	08/11/2015	1,245.95	15.00	1,260.95
999-00-0037	Mallett, Albert	TAX	T-2009-7596772	REV	08/11/2015	154.28	15.00	200.00
				Total		1,600.34*		
999-00-0155	Mannion, Margare	TAX	T-2009-6788417	REV	08/11/2015	461.53	15.00	0.00
999-00-0281	Panacco, Maria	TAX	T-2008-6790749	REV	08/11/2015	1,111.05	15.00	1,100.00
999-00-0211	Petersen, Marius	TAX	T-2012-6793293	LOT	08/11/2015	733.53	15.00	1,300.00
999-00-0308	Robins, Alexandre	TAX	T-2009-9343822	REV	08/11/2015	545.88	15.00	0.00
999-00-0351	Scarlan, James	TAX	T-2009-7870714	LOT	08/11/2015	400.00	15.00	477.27
995-28-5632	Vagular, Pedro	UTL	U-2411	REV	08/11/2015	70.10	15.00	0.00
999-00-0036	Viere, Frederick	TAX	T-2012-7845238	REV	08/11/2015	2,086.01	15.00	2,600.00
Total Count: 24				Total:		\$17,493.28	\$345.00	\$11,482.15

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Client Software Address Exceptions

- Print Reconciliation Report**
 lists all exceptions that have accumulated between local govt. database and the Department of Revenue. Provided when a setoff.txt file is processed and the option was not selected to replace.
- Apply Dept. of Revenue Addresses**
 any exceptions in the Reconciliation report are processed and overwrite any names and addresses in local govt. database.
- Empty Dept. of Revenue Address Database**
 any exceptions in the Reconciliation report database, whether applied or not, are removed, thus starting over with an empty database of exceptions.

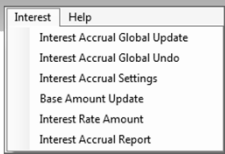



SSN	LAST NAME	FIRST NAME	ADDRESS	CITY	ST	ZIP
995-00-0001	ABBING	TONY	123 WEST BLVD	CENTRAL	NC	29123
	ABBING	ANTHONY	123 WEST BOULEVARD	CENTRAL	NC	29123 (DOR)
	TAX	2010-1201312414				

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Client Software Interest Accrual



- For account codes set as Interest Accrual: Yes
- Standard rate is .0075 but can be modified
- Controls:
 - can run up to 12 passed months that were missed
 - only one interest rate allowed
 - only run accrual update once per month
 - Clearinghouse can see which months run or missed – contact us





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Client Software Demonstration THE END

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