

**North Carolina Local Government Debt Setoff Clearinghouse
2023 Participation Form - Instruction Guide**

1. Date:

- a. Month, Day and Year when the form is being completed and submitted
 - i. Examples:
 - 1. October 2, 2022
 - 2. 10/2/2022

2. Local Government Name:

- a. Do not list a specific department, just the county, municipality or agency name
 - i. Examples:
 - 1. City of Charlotte
 - 2. Mecklenburg County
 - 3. Cape Fear Public Utility

3. Type of Participant:

- a. Check the MAIN choice of eight local government participant options
- b. If a municipality, do NOT select Water and Sewer (162 Article 1), even if utilities is the only type of debt submitted

4. Coordinator Name:

- a. Main contact for Clearinghouse and/or NCACC/NCLM staff:
 - i. For issues relating to
 - 1. Refund requests/issues with Department of Revenue and Education Lottery
 - 2. Annual Participation form
 - 3. Interactive Voice Response (IVR)
 - 4. Departmental contacts

5. Coordinator Phone Number:

- a. Give direct line with extension, if applicable
 - i. Will not be given to debtors

6. Coordinator Email Address

7. Coordinator Email Address (repeat for verification)

8. Coordinator Mailing Address

- a. Provide complete address with city and zip code

9. Contact Name (can be same as Coordinator):

- a. Main contact Clearinghouse staff and/or Interactive Voice Response will provide to debtors (unless multiple departments and contacts are provide by IVR)

10. Contact Phone Number:

- a. Give direct line with extension, if applicable

11. Contact Email Address

12. Contact Email Address (repeat for verification)

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13. Hearing Officer and Title/Position:

- a. Assigned/designated name(s) to conduct any Hearings/appeals as part of the due process
- b. Title/Position
 - i. Examples: County Attorney, Finance Officer, Mayor, etc.

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

- a. Person's name (first name required, last name optional) OR
- b. Person's name (first name required, last name optional) with Job Title OR
- c. Job Title only OR
- d. Department or Group
 - i. Example: Customer Service or Tax Department

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

- a. Provide extension, if necessary
- b. Cannot be a vendor or third-party administrator, must be a local government number. Then can refer the caller to a vendor or third-party administrator.

16. Would you like different contacts and phone numbers for different departments/types of debt?

- a. No – Just 1 Needed
 - i. Regardless of different types of debts, all calls from debtors to the local government is referred by Clearinghouse to just one contact and one phone number (items #14 and #15 above)
- b. Yes – please contact Coordinator to discuss**
 - i. Clearinghouse will contact Coordinator to discuss the different contacts and phone numbers
- c. Already Set-up - No Changes Needed at this time**
 - i. Contact the Clearinghouse directly if there are any changes
- d. Already Set-up – Have Changes, please contact Coordinator**

** - Local Government must have either: 1) the Client software and have multiple Account Codes or 2) ASCII, columns 137-139 must have three character Account Codes or 3) Excel column O must have three character Account Codes

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

- a. Client Software: Encrypted Data and Encrypted File Transfer (No Cost)
 - i. Software has integrated file transfer that creates a file from the encrypted data and transmits in encrypted format
- b. Secure Web Access: Encrypted File Transfers of ASCII and/or Excel Files (No Cost)
 - i. ASCII and/or Excel stored in unencrypted format but is encrypted as transmitted

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1. Excel should be encrypted with password – Clearinghouse can provide unique smart password
- c. Hardcopy Forms by Fax (No Cost for 50 debtors/debts or less)
 - i. Forms available for Tax and non-Tax debts, sent to our secure access fax machine
 - ii. Data is entered by Clearinghouse staff and hardcopies stored in secure access location

18. Type of Debt(s) currently being submitted (please check at least one):

- a. Used only for informational purposes by NCACC, NCLM and Clearinghouse
- b. Local government is not bound by the selections
- c. Select ONLY debts currently being submitted
- d. Can begin collecting additional types of debts or stop collecting any types of debts at any time

19. Other types of debts not listed above:

- a. Used only for informational purposes by NCACC, NCLM and Clearinghouse
- b. Local government is not bound by the selections
- c. Enter any types of debts not included in the selections above

20. Name of Person completing this form

21. Title of Person completing this form

22. Email Address of person completing this form:

- a. The electronic signature form will be sent to this email address
 - i. The email comes from echosign@echosign.com (an Adobe subscription service)
- b. The electronic signature form needs to be signed by a local government official, such as:
 - i. Manager/Clerk
 - ii. Finance Director

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Once SUBMIT is selected an electronic version is sent to the Clearinghouse. A form to be electronically signed will be emailed to the person completing the form.

Please be aware of the following that needs to be agreed to on the electronic form: **“The above authorized official attests that our local government agency will follow the written notice and hearing requirements pursuant to GS 105A and the Memorandum of Understanding, prior to submitting any debts to the N.C. Local Government Debt Setoff Clearinghouse”.**

By electronically signing, the local government official is attesting that he/she understands the requirements of both the General Statutes and the Memorandum of Understanding. The Memorandum of Understanding has already been signed and submitted for participating members. The General Statutes are referenced on the Information webpage and the Memorandum of Understanding on the Information/Forms webpage. Included among the requirements in the General Statutes and the Memorandum of Understanding are the following matters to which we call your particular attention:

1. Due process notification letters are required. Complete information about these letters may be found on the Information/Forms webpage under “Sample Notification – Appeals – Tracking” and examples are provided. As reminders, the letters MUST:
 - a. be a separate letter (cannot be part of a standard bill/invoice)
 - b. be on Local Agency’s letterhead, not a third-party vendor’s
 - c. contain contact information for the Local Agency, not a third-party vendor’s
 - d. reference the General Statutes and Clearinghouse fee
 - e. provide details regarding the debt: total amount due and may accrue additional interest
 - f. be sent to last known address (even if certain it will be returned)
 - g. be saved as a hardcopies and/or electronic copies of letters sent
 - h. be mailed at least 30 days before debt is sent to the Clearinghouse, unless Compliance Date on debt is 30 or more days from date letter was mailed
 - i. NOT include Social Security Numbers (SSNs) or Individual Tax Identification Numbers (ITINs)
2. Refund Requests from the Department of Revenue (through the NCACC/NCLM) are not optional or for consideration and must be processed expediently and according to instructions from NCACC/ NCLM.
3. Clearinghouse will have contact information for all local government departments participating
 - a. Someone in administration/finance will process external vendor file imports if client software and/or a contact is not available or declines to assist
 - i. Ex: Clearinghouse will not import a vendor Tax file through the local government health department
4. Setoff files must be downloaded within 30 days after made available in order to: a) respond to debtor inquiries; b) provide surplus refunds for over payment collections; c) provide reporting support for deposits into Capital Management. Not doing so may result in temporary removal of all debts until setoff file downloads are current.

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5. You must ensure security procedures are in force:
 - a. up-to-date virus protection, malware, etc. for servers and workstations
 - b. files with entire nine digit SSNs/ITINs must be protected
 - i. strongly recommended deleting import files once imported into client software encrypted database
 - c. passwords will be controlled and changed due to staff changes
 - d. unsecured emails to the Clearinghouse will not have any SSNs/ITINs, in full or partial, in the email or in an attachment
 - e. be advised that the Clearinghouse provides security options:
 - i. free client software that encrypts SSNs/ITINs, userids and passwords
 - ii. allows for masking of SSNs/ITINs, online and/or print
 - iii. manages what types of debts users can access, view and/or edit and print
 - iv. free data entry options that accept fax forms with debtor information so local governments do not have to maintain electronic versions of SSNs/ITINs
 1. available for local governments starting with 50 or less debtors/debts
 2. once a local government has 100 or more debtors and/or debts they must convert to the free client software