

North Carolina Local Government Debt Setoff Clearinghouse

Checklist for New Participants

(www.ncsetoff.org/NewParticipantChecklist.pdf)

1. One-time documentation requirements: <http://www.ncsetoff.org/forms.htm>
 -) Memorandum of Understanding
 -) Local Agency Certification* (if not a county or municipality)
 -) Multiple Unit Rider* (if collecting for another local government)
 -) Business Associate Agreement * (if collecting EMS or health debts)
 -) Housing Authority Rider* (if a Housing Authority)
2. 2018 online Participation form: <http://www.ncsetoff.org/2018ParticipationForm.htm>
 -) Submit online, print, sign original and mail to your NCACC or NCLM office
3. Determine the method for submitting debts
 -) Client software provided by the Clearinghouse
 -) Electronic file from billing system, vendor or internal I.T. staff:
<http://www.ncsetoff.org/ASCIILayout.htm>
 -) Excel into Client software: <http://www.ncsetoff.org/ExcelSample.xls>
 -) Hardcopy forms: (no charge < 100 debts)
 - i. Non-tax debts: <http://www.ncsetoff.org/HardcopyDebtSubmission-NonTax.pdf>
 - ii. Tax debts: <http://www.ncsetoff.org/HardcopyDebtSubmission-Tax.pdf>
4. Assemble the debt information to submit
 -) Debts to individuals, not corporations with debts that have been notified/billed within 10 years for taxes, three years for other debts
 -) SSN or US Treasury assigned nine digit ITIN

<http://www.irs.gov/Individuals/General-ITIN-Information>
 -) Last Name and First Name
 -) Debts over \$50 (can be combined, do not combine any taxes with non-taxes)
 -) Date Debt became delinquent
 -) Compliance Date of each debt – 30 days or more beyond date the notification letter was sent
 -) Expiration Date of each debt – when want to stop attempt to collect, may be many years in the future (see Statute of Limitations in a past Newsletter, December 8, 2016)
<http://www.ncsetoff.org/news.htm>
5. Send notification letters to debtors being submitted: <http://www.ncsetoff.org/forms.htm>
 -) Regular mail, not certified, to last known address
 -) Keep an electronic copy of the letters sent for future verification, if necessary
 -) The N.C. Local Government Debt Setoff Clearinghouse vendor, Five Star Computing, Inc. can assist with generating the notification letters (no charge)
6. Submit the debts to the Clearinghouse

-) ASCII and Excel users - contact the Clearinghouse for your secure website access information
-) Client software users – use the TRANSMIT-EXPORT TO CLEARINGHOUSE-DEBTOR INFORMATION

7. Reminders

-) Clearinghouse provides all of the following at no charge:
 - i. Conference calls (including with vendors), answer questions, review excel/ASCII file submissions
 - ii. Computer support: install, configure, test using secure remote software
 - iii. Data entry (< 100 debts) for any type of debts, even multiple departments
-) Don't wait until January or February to submit debts, submit by previous November or December to be ready for upcoming tax year
-) Clearinghouse submits debts every Tuesday to the Department of Revenue and Education Lottery, not just during major tax season (January – April)