

### 2011 Training Workshops

- September 13 – Hendersonville
- September 14 – Hickory
- September 15 – Albemarle
  
- September 20 – Wallace
- September 21 – Washington
- September 22 – Raleigh

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### 2011 Training Workshops

- **10:30 – 11:30 a.m.**
  - Prospective Local Governments not yet participating
  - Currently participating but staff never attended or debt setoff is new responsibility
- **1:00 – 3:00 p.m.**
  - All local government staff from all departments
  - Vendors/third party administrators

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### Update on items from 2010 Workshops

- Obtaining SSNs
- Legislation changes:
  - Federal Tax setoff (no update)
  - Debt setoff of specific corporations against N.C. tax refund (no update)



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### Today's Topics for Discussion

- Obtaining SSNs
- Statute of Limitations
- Red Flag Rules 
- SSNs in Account Numbers not allowed
- Vendor/third-party letterhead, contact information, phone numbers not allowed on notification letters or IVR



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### Recap: Changes for 2011

#### • ASCII file submission to Clearinghouse

- Unique Key no longer limited to 8 characters, can now be 20 characters
  - 8 characters (129-136) as always
  - 12 characters at the end of the file (154-165)
- Department /Account Code identifier (optional but preferred)
  - 3 characters (137-139)



#### • Excel file submission to Clearinghouse

- Unique Key no longer limited to 8 characters, now 20 characters maximum
  - 20 characters in column N
- Department /Account Code identifier (optional but preferred)
  - 3 characters in column "O"
- No longer provide .xls (2003), only .xlsx (2007 – present)



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### Recap: Changes for 2011

#### • Interactive Voice Response (IVR)

- Allows for unlimited number of different names/contacts, phone numbers, if department/account codes provided in ASCII/Excel files
  - Counties utilizing: 22
  - County agencies utilizing: 1
  - Municipalities utilizing: 3
- ❖ One county using for 10 different departments/types of debt



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### New Year Set-up: 2011

- **Clearinghouse – 1<sup>st</sup> week of Jan. 2011**
  - removed all \$0.00 debts (571,954)
  - removed all expired debts (24,101)
  - removed all debts < \$0.10 (541)
  - Remove debtors with no debts (425,722)
    - AFTER above: # of debtors with debts: 1,222,418
- **Benefits: cleaned IVR – eliminates calls from debtors to local governments for debts 2010 and prior:**
  - Paid in full, Setoff in full, Deleted (\$0.00, expired, < \$0.10)




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### Year-end Clean-up: 2011

- **Clearinghouse will remind users of new client software to choose options:**
  - \$0.00 debts:
    - ✓ ALL
    - ✓ never setoff
  - < \$50.00 debts:
    - ✓ ALL
    - ✓ never setoff
  - Expired debts
    - ✓ ALL
    - ✓ expired \$0.00
    - ✓ expired < \$50.00




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### Year-end Clean-up: 2011

- **Non-client software users (ASCII/Excel) options:**
  - Recommend creation of a new file of only desired debtors/debts
    - Using same unique keys (to retain priority)
    - Don't send debts < \$50.00
  - Request year-end purge/reload




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### Year-end Clean-up: 2011

- **Client and non-client software participants of Year-end Clean-up benefits:**
  - Only current debtors/debts with eligible debts
  - IVR does not contain unnecessary debts
    - Reduces your amount of phone calls
- **Note: We retain historical information of debtors/debts removed**
  - Debt history
  - Setoff history

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### Preparing for Year-end Clean-up: 2011

- **Clearinghouse can provide an Excel file to local governments of all debtors and debts for review, edit and resubmit**
  - Contains all relevant data fields, including Account Number, Compliance & Expiration Dates, Unique Key, Setoff Amount & Setoff Date
  - If reformatted, can be used to submit to Clearinghouse or imported into client software
  - Email us your request, normally available next day



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### Expired Debts Year-end Clean-up: 2011

- Clearinghouse will provide an excel file of all Expired Debts
- We will send an email to those and put in your secure folder
- We will provide instructions on how to correct
- Estimated availability – November 15

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**Rejected SSNs Year-end  
Clean-up: 2011**

- Clearinghouse has received rejected SSN/Name reports from Dept of Revenue beginning in May
- We will process and put in your secure folder, an excel file of the SSN, Rejected Name and Name you provided
- We will provide instructions on how to correct
- Estimated availability – November 1

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**New Year  
Set-up: 2012**

- Clearinghouse @ January 1, 2012
  - remove all \$0.00 and less than \$1.00 debts
  - remove all expired debts
  - Remove debtors with no debts
- Benefit: cleaner IVR – eliminates many unnecessary calls from debtors
- Above debts restored by:
  - client software users not participating in clean-up
  - ASCII/excel files with \$0.00, debts less than \$50.00, expired debts
  - Note: after clean-up check with your creators of data to remove \$0.00 and expired debts from future files

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**Website Review**

- **2012 Participation Form**
- **Name, Department and Email Address form**
- **Information**
  - News/Forms/Training/Workshops
  - Setoff Calendar
  - Setoff Process Status
- **Statistics**

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## Combining Debts

### Memorandum of Understanding

- CLAIMANT AGENCY hereby designates, appoints, and authorizes CLEARINGHOUSE to process delinquent debts to be submitted to Department. For purposes of the Debt Setoff Clearinghouse Program, "DELINQUENT DEBT" is defined to mean:
  - (i) a single account or monetary obligation which is at least \$50 owed by a debtor to a claimant agency; or,
  - (ii) a group of accounts or single monetary obligations, each of which is less than \$50, that have been combined to total at least \$50, owed by the same debtor to a claimant agency; or,
  - (iii) a combination of two or more accounts or monetary obligations, one of which is at least \$50 and the remainder of which when added together equal less than \$50, owed by the same debtor to a claimant agency.

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## Reminder: Combining Debts

- The Clearinghouse does not combine debts!** 
- Each ASCII record, each excel row, each client software debt stands alone!
- Feel free to combine but recommend some type of notation in Account Number (25 characters to use)
  - Taxes 2006-2008
  - V12345/V198765\*\*
  - HD101/90112 COMBINED
- Remind Vendors not to combine debts over \$50, they should stand alone!

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## Benefits of a Purge/Reload

- Allows for the ability to:**
  - delete debts = \$0.00
  - delete debts < \$50.00
  - delete expired debts
  - delete debts with invalid or incorrect SSNs
  - delete debts for businesses
  - delete debts with no last name and/or first name
  - reduce the number of debts to be maintained
- ❖ Only applies to ASCII/Excel – client software user’s debts are changed to \$0.00 in our database before file is loaded

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## Benefits of a Purge/Reload



**to verify the Purge and Reload was executed, look for a \$0.00 Current Debt Amount in the next Import Status Report**

Previous Debt Amount:	→	\$0.00
Current Debt Amount:		\$2,307,706.27
Net Amount:		\$2,307,706.27

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## Benefits of Purge/Reload Setting

- **Allows for the ability to:**
  - Never have to remember to put the request in the Note area of the Upload Wizard
  - See the net difference in debt amount from the file submitted and previous debt amounts\*

Previous Debt Amount:		\$1,491,891.54
Current Debt Amount:	→	\$1,530,566.64
Net Amount:		\$38,675.10

**\* Totals are calculated then all debts are changed to \$0.00 then the file is processed**

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## Currently Set as Auto Purge/Reload

### Counties (18)

Alexander	Beaufort	Clay
Craven	Gaston	Guilford
Johnston	Lincoln	Macon
Martin	Mecklenburg	Northhampton
Orange	Rowan	Stokes
Union	Vance	Yadkin

### County Agencies (2)

Metropolitan Sewerage-Buncombe	Roanoke Rapids Sanitary
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### Refund Request from Dept of Revenue

- **Department of Revenue refund requests are minimal**
  - 2012 (65 out of 154,998)
  - 2011 (46 out of 152,049)
  - 2010 (61 out of 137,364)
  - 2009 (91 out of 125,900)
- **Refund requests decreasing while setoffs increasing (3 of last 4 years)**

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### Refund Fees Policy

- **If the Department of Revenue processes a setoff for a SSN and the actual person associated with this SSN is not the person's name you submitted**
  - Dept of Revenue will still require the local government to submit a full refund, including fees, to the person setoff in error
  - Clearinghouse does not refund its fee
  - Clearinghouse only refunds fees when we make an error or instructed by the Department of Revenue
-  If the local government makes a mistake or if an identity theft issue, the local government must refund in full, including all fees.

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### Interactive Voice Response (IVR)

- Can be configured to list different contact names per local government based on an identifying three character departmental code (Began in January 2011)
- Departmental information obtained from Participation form or can email [request to ncsetoff@ncsetoff.org](mailto:request@ncsetoff.org)

12) Would you like different contacts and phone numbers for different departments/types of debt?  No - just I needed  Yes- please contact me to discuss

- ASCII Users:

127 - 129 Account Code 3 (OPTIONAL) for use if submitting various departments, such as TAX, DHS, HLT, UTL, etc

- Excel Users:

0 Account Code

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### Security Reminders

- Do not send data files with real SSNs in an email attachment, test data with no real SSNs is okay
  - Use our secure site: <https://setoff.fivestarcomputing.com>
- Do not send a SSN (even partial) in an email
  - Use secure email or call us
- Change passwords (especially when staff turnover)
  - Contact us to change
  - You can set up your own user passwords in our client software
  - Change Admin password – Five Star has it's own

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### Security – Third-party vendors

- We can provide vendors with their own secure folder with separate Username and Password to:
  - upload their files
  - download only their setoffs
- We will create an excel file of only their setoffs (determined by Department and/or Account Number)
- Recommended for local governments with:
  - other department(s) besides the third-party vendor
  - other department is EMS and/or Health
- Not recommended for local governments where all debts are submitted by third-party vendor

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### Clearinghouse Technical Support

- Live toll-free support: (866) 265-1668
- Free remote support: <https://fivestarcomputing.webex.com/sc>
- Monday – Friday: 8 am to 5 pm (excluding holidays)

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**Client Software Update**

- All users of client software 2007 need to convert to version 2011 by fall 2012
- Some workstations using 2007 are not capable of using 2011 due to technical limitations
- Options in unable to upgrade by fall 2012
  - Convert to Excel
  - Convert to hardcopy forms (Clearinghouse data entry)

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**Client Software Update**

- Clearinghouse will at no cost
  - install software (server and workstations)
    - Work with your Information Technology staff
  - convert your existing data
  - set up departments
  - set up users and rights to functions and departments
  - assist in generating notification letters
  - provide training to all users

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**Client Software Update**

- Counties
  - Upgraded:
  - Requested:
  - Not Requested:
- County Agencies
  - Upgraded:
  - Requested:
  - Not Requested:
- Municipalities
  - Upgraded:
  - Requested:
  - Not Requested:

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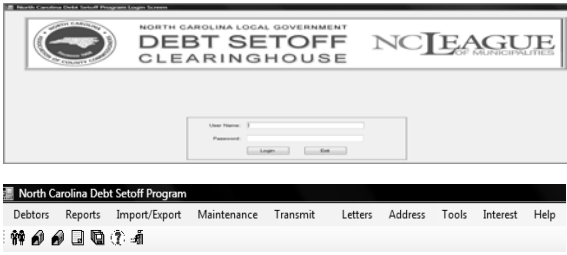
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### Client Software




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### Client Software Update

- Changes in different versions from first release
  - Added Interest Accrual
  - Setoff Report
    - prints in Name order, not SSN
    - shows Source (Revenue/Lottery)
    - subtotals on debtor
  - Add debts in Add Debtor function
  - Labels option in notification letters print

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### Client Software Update

- Changes in different versions from first release (continued)
  - Separated Tools functions
    - Administrator
    - User
    - Five Star
  - Fixed Expiration date not saving on ADD DEBTOR

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### Client Software Update

- Highlights
  - Imported excel file of 17,000 EMS debts and printed pdf of six debts per page saving thousands in postage over previous years of one letter per debt
  - Import debts from vendor for one department and replace that department's debts while retaining other departments (three counties and two municipalities)
  - Import debts payments (adjustments) from another vendor

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### Client Software Update

- Benefits
  - Allows for departments to manage entry and update of debts differently
    - ASCII (must adhere to required layout)
    - Excel (must adhere to required layout)
    - Manual data entry
  - Can mix methods
    - do adds in one method and updates another
  - ❖ Vendor can do just one department, even just a portion of the department

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### Client Software Update

- Issues remaining:
  - Intermittent printing Interest Accrual Report
  - Audit Report pulling consolidating by last name
  - PDF creation for Windows 64 bit
- December 2011
  - System Settings by Department
  - Different Attn and Signature name on letters
- Fall 2012
  - Comments/tracking
  - Import all setoff history

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**Local Government  
Input**

- Suggestions
- Comments
- Questions

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