



NORTH CAROLINA LOCAL GOVERNMENT

DEBT SETOFF
CLEARINGHOUSE

NC LEAGUE
OF MUNICIPALITIES
Good government. Great hometowns.

North Carolina Local Government Debt Setoff Program

New Attendees – Technical

Bill Walsh

Five Star Computing, Inc.



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REQUIREMENTS FOR EACH DEBT



- Must provide ALL to the Clearinghouse for each debt:
 - **Social Security Number** or Dept. of the Treasury IRS Individual Taxpayer Identification Number (ITIN)
 - **Names:** First and Last Names (not a Business or Corporation)
 - **Current Debt Amount** (do not add fees)
 - **Compliance Date:** beginning date that a debt is eligible to be sent to the Department of Revenue for setoff
 - **Expiration Date:** ending date that a debt is eligible to be sent to the Department of Revenue for setoff
 - **Unique Key:** each debt for each SSN must have a Unique Key that does not change once submitted
 - Only applies if don't enter debts into client software (ASCII or Excel users)
 - **Department /Account Code identifier** (optional but preferred)



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DEBT PRIORITY



- Each debt associated with a debtor is time and date stamped as it is processed by the Clearinghouse
- When a debtor's refund is setoff it is applied against the debts based on the date/time stamp received at the Clearinghouse
- Priority is retained until debt amount is \$0.00 before moving to next debt based on date/time received at the Clearinghouse



FREQUENCY OF SUBMITTING DEBTS



- Can submit debts every week
 - Recommend sending each Friday, if any add or edits
 - At least monthly, even if no changes
 - Advise sending in late December if haven't sent in months to prepare for new tax year
- Updated file sent to Department of Revenue every Tuesday who shares with Education Lottery



FUNDS TRANSFERS



- Clearinghouse does not receive the funds
- Dept of Revenue deposits directly to Capital Management of the Carolinas
- Office of the Treasurer (Education Lottery) deposits directly to Capital Management of the Carolinas
- Clearinghouse provides Capital Management of the Carolinas with information to distribute the combined funds (Dept of Revenue and/or Lottery) to local governments
- Funds normally available within one week of setoff file availability



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METHOD #1 FOR SUBMITTING DEBTS



- Billing system or 3rd party provider

- Vendor(s) can create Excel file(s)

- Layout: <http://www.ncsetoff.org/ExcelSample.xls>

SSN	First Name	Mid Initial	Last Name	Street Address	City	State	Zip Code	Debt Amount
849123456	George	Q	Washington	101 Cherry St	Mt Vernon	NC	27600	103.50
827019876	John	A	Adams	200 W Liberty Rd-Apt 12	Norfolk	NC	27900	503.75
827019876	John	A	Adams	201 W Liberty Rd-Apt 12	Norfolk	NC	27900	50.00
009991234	Thomas	N	Jefferson	1901 Elm Avenue	Monticello	NC	27999	120.25



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METHOD #2 FOR SUBMITTING DEBTS

- Billing system or 3rd party provider
 - Vendor(s) can create an ASCII file(s)
 - Layout: <http://www.ncsetoff.org/ASCIILayout.htm>

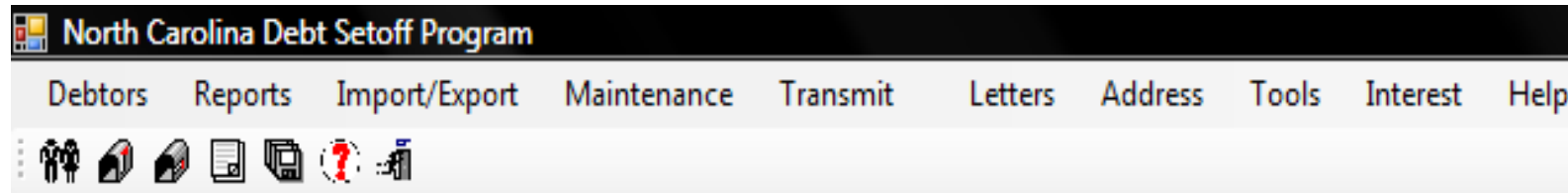


Positions	Data	Length	Comments/Explanation
001 - 009	SSN	9	Numeric (a) see format notes below (REQUIRED)
010 - 019	First Name	10	Alpha (b) see format notes below (REQUIRED)
020 - 020	Middle Initial	1	Alpha or blank (b) see format notes below (REQUIRED)
021 - 035	Last Name	15	Alpha (b) see format notes below (REQUIRED)
036 - 060	Street Address	25	(REQUIRED)
061 - 071	City	11	(REQUIRED)
072 - 073	State	2	(REQUIRED)
074 - 078	Zip Code	5	(REQUIRED)
079 - 085	Debt Amount	7	Currency (c) see format notes below (REQUIRED)



METHOD #3 FOR SUBMITTING DEBTS

- No Billing system or 3rd Party provider and no ability to create an ASCII/Excel file?
 - Enter data into Clearinghouse Client software



- Allows for integration of all options
 - Data entry
 - Imports ASCII and Excel (Allows for different departments to submit differently)
- Clearinghouse can load your ASCII or Excel file into our **Client software**, eliminating data entry, and return to you



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METHOD #4 FOR SUBMITTING DEBTS

- Fax hardcopies (No charge for < 50 debts)
- <http://www.ncsetoff.org/HardcopyDebtSubmission.pdf>

North Carolina Local Government Debt Setoff Clearinghouse
Hardcopy Debt Submission Form - use one page per debt
Fax to (803) 561-9680 - do not mail

Local Government Name: _____
Agency Code: _____

Date: _____ Number of Pages: _____

Social Security Number: _____ - _____ - _____

First Name: _____ Middle Initial: _____
Last Name: _____

Address 1: _____
Address 2: _____
City: _____ State: _____ Zip Code: _____

Debt Amount: \$ _____ Account Number: _____
Debt Compliance Date: ____/____/_____
Debt Expiration Date: ____/____/_____

Check all that apply:

New Debtor New Debt
 Existing Debtor Updated Debt Amount



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METHOD #4 FOR SUBMITTING DEBTS

— Current List of Data Entry participants (19)

* (interest accruable debts)

	Municipalities	
Autryville	Bald Head Island	Cleveland
Eureka	Mars Hill *	Maysville
Parmele	Peachland	Princeton
Ramseur *	Sandy Creek	Saluda
Star	Sugar Mountain	Tabor City
Trinity	Wade	Whitakers

County Agencies

Isothermal Planning & Development



SUBMITTING DEBTS WEB FILE TRANSFER

- ASCII and Excel files sent via <https://setoff.fivestarcomputing.com>



➔ Sign On

Username:

Password:

Security Notice

You are about to access a secured resource. The North Carolina Local Government Debt Setoff Clearinghouse (Five Star Computing, Inc.) reserves the right to monitor and/or limit access at any time.



SUBMITTING DEBTS WEB FILE TRANSFER

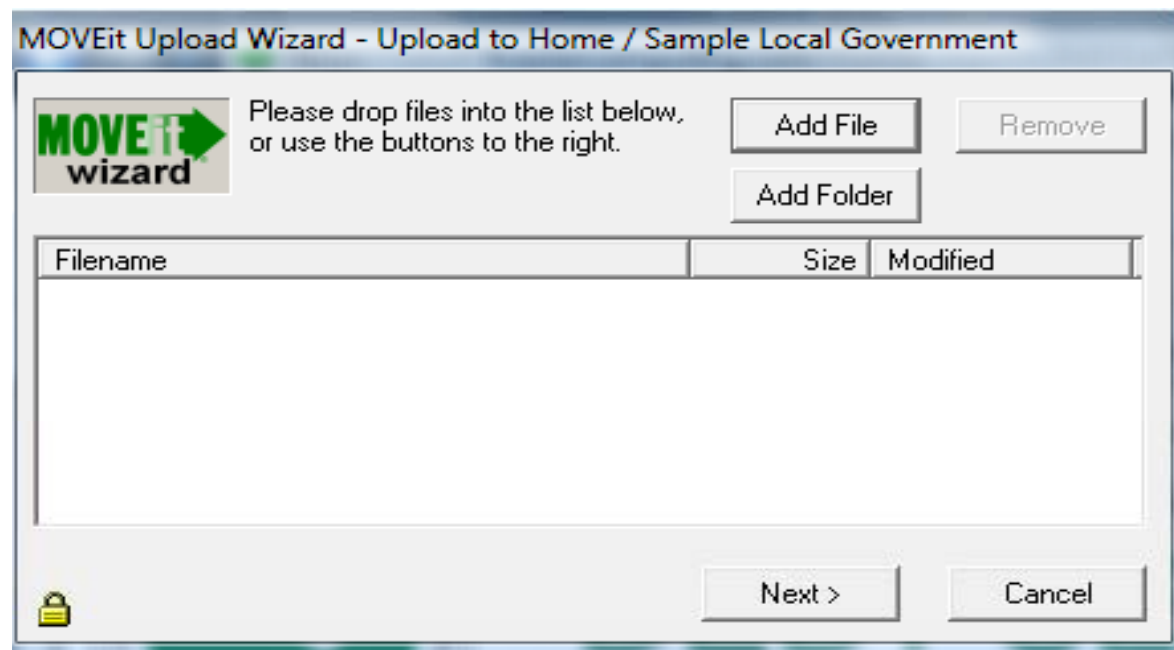
- **Click to Launch the Upload Wizard**

- Add file, locate file and click Next

⇒ **Upload a File Now...**

Select a folder: Home / Sample Local Government ▾

 [CLICK HERE to Launch the Upload Wizard...](#)





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SUBMITTING DEBTS WEB FILE TRANSFER

- Once first data file transmitted (ASCII/Excel):
 - Transmit all debtors/debts each time (specify “Purge & Reload” in Notes)

Notes:

Prompt for "Upload As" names and notes

Close Wizard when done

- (can be set to permanently do Purge & Reload)
- Transmit only new debtors/debts *
- Transmit only updated debtors/debts *
- Transmit combined new and updated *



SUBMITTING DEBTS - OPTIONS/INFO

- Allowable at any time:
 - Switch ASCII/EXCEL to Client software or vice-versa
 - Request all current debtors and debts be removed and a substitute data file to replace (Purge & Reload)
 - Request a specific department to be removed or debts set to \$0.00
 - Clearinghouse can create an Excel file of your debtors/debts and place in your secure folder (call or email to request)
 - Clearinghouse can provide a replacement Client software file of all debtors/debts due to hardware failure/disaster or extended period of inactivity or new staffing
- Client software always sends entire file (all debtors & debts)
 - zeroes all existing debts and then imports entire file of current and new debts



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CLEARINGHOUSE SECURITY



- Unique Usernames and Smart Passwords (combination or numbers, alphas and special characters) required for access to Clearinghouse server for electronic file transfer
 - Only one Username per local government
 - Local govt. can choose to share with third-party vendor
 - only if vendor does all debts, otherwise Clearinghouse can create separate secure folder for the vendor to submit files and receive only debts they submitted
- Each County, County Agency and Municipality protected from others
- Files transmitted are password protected and encrypted – no need to create a .zip file



EASIEST WAY TO SUBMIT A FILE - Excel

- Download Excel Sample www.ncsetoff.org/ExcelSample.xls
- Review sample data, suggest a print out
- Delete sample data
- Enter the debtors and debts
- Put in Agency Code (assigned by Clearinghouse)
- Save As desired filename
- Sign on to <https://setoff.fivestarcomputing.com>
 - With assigned Username and Smart Password
 - Upload file – Note area is optional
- Receive automatic email confirmation of upload
- Review email of Import Status Report and Error File following Monday

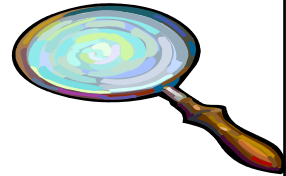


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CLIENT SOFTWARE OVERVIEW



- Provided at no cost, installation and training
- Maintains all debtor and debt information
- Imports ASCII or Excel from external systems or vendor
- Comprehensive online HELP system
- Integrated, secure encrypted electronic file transfers to the Clearinghouse



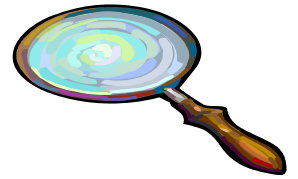
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CLIENT SOFTWARE OVERVIEW

- View/scroll all debts like a spreadsheet
- Numerous detailed reports
- Optional monthly Interest Accrual
- Allows for separate user accounts for audit trails
- Create departmental/groups for separate reports of setoffs
- Generate notification letters (no external mail merge) and pdf files for retention/proof





WHERE TO START

- Website: www.ncsetoff.org
- New Participants Check List: <http://www.ncsetoff.org/NewParticipantChecklist.pdf>
- Contact your organization - NCACC or NCLM
- Contact the Clearinghouse





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CONTACT INFORMATION



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