

Disclaimer

- We recommend not printing this before October 9
- Some of the following slides may be changed or even removed before first workshop on October 14 to fit in the allowed timeframe of 2.5 hours
- Additional slides may be added prior to the workshops
- Some slides may appear in the actual presentation that are not in this document for security reasons – as presentations and pdfs are posted on the website

Date of this version – October 2, 2025

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2025 Debt Setoff Training Workshops
(25th Year)

Western – Week #1

Oct. 14

• Waynesville

Oct. 15

• Hickory

Oct. 16

• Asheboro

Eastern – Week #2

Oct. 28

• Washington

Oct. 29

• Wilmington

Oct. 30

• Raleigh

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Presenters

- NC Association of County Commissioners
 - Matt Bigelow
- NC Debt Setoff Clearinghouse
 - Bill Walsh
 - Alex Smith

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**2025 Debt Setoff Training Workshops
(25th Year)**

Tentative Schedule

- ☐ 9:30 – 10:50 a.m.
- ☐ 10:50 – 11:00 a.m. (Break)
- ☐ 11:00 – 11:50
- ☐ 11:50 – noon (Questions)

Will not go beyond 12:00 – but will stay for questions/conversation



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Virtual Version of Today's Workshop

- Online meeting for counties, agencies, municipalities, housing authorities and vendors
 - Wednesday, November 5, 2025: 9:30 – 11:30 a.m.
 - Requires online registration
 - <https://form.jotform.com/252386044788973>

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Excluded From Today's Agenda

- Client Software
 - Special 1 ½ hour online meeting for counties, agencies, municipalities and housing authorities
 - Wednesday, November 12: 10:00 – 11:30 a.m.
 - Requires online registration
 - <https://form.jotform.com/252386044788973>

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New Participants

- **No Longer a Separate Workshop Session:**
 - Did for nearly 20 years – very few new municipalities, agencies and Housing Authorities remain
 - New Participant Checklist:
<http://www.ncsetoff.org/NewParticipantChecklist.pdf>
 - Audio workshops on <http://www.ncsetoff.org/Training.htm>

11 New Participants - Startup (audio presentation 10:11 - 11/7/2020)

12 New Participants - Technical (audio presentation 18:50 - 11/7/2020)

13 New Participants - Startup (audio presentation 6:08 - 11/14/2020)

14 Status of Limitations (audio presentation 6:04 - 11/14/2020)

15 New Participants - Startup (audio presentation 6:08 - 11/14/2020)

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Training Workshop Purpose

- Once a year opportunity for both new and returning users of debt setoff
 - Discuss security
 - Reiterate hearings, laws, regulations and requirements
 - Preparing for 2025 year-end
 - Preparing for upcoming 2026 tax year

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Focus

HEARINGS

Hearing Officer
Procedures
Requirements
Tips

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Focus



DUE PROCESS
Rules
Requirements
Retention

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Focus



DEBTS/DEBTORS
Fees
Issues
Requirements
Priority
Statute of Limitations

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Focus



SETOFFS
Calendar
Process
Requirements
Surplus

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Focus



YEAR-END
Participation Form for 2026
Expired Debts
Close Current Year
Prepare for New Year

13


Focus



RECONCILING
Adjustments
Deposits
Emails
Interactive Voice Response

14

Focus




AVOIDING DISASTER
Backups
File Submission
Refunds from Dept of Revenue

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Training Workshop Purpose

Explain any Major Announcements




**SOUTH CAROLINA
ASSOCIATION OF COUNTIES**

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SC Association of Counties

- Clearinghouse changes since last year's workshop:
 - Updated branding
 - Enhanced website (in progress)
 - Improved online forms for Participation Form, Workshop Registration, Contact Us and Client software requests using JotForm
 - 2026 Participation form in a single form – no separate electronic signature required
 - New client software update coming



**HOURS
OF OPERATION**

Monday – Thursday:
9:00 a.m. – 5:00 p.m.


Friday: 9:00 a.m. – 1:00 p.m.

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Hearings – Basics (1 of 3)

- Hearing Officer:**
 - Is rarely needed (most debtors do not receive and/or respond to letter)
 - Is required to be identified on the annual participation form
 - Can be the Debt Setoff Coordinator but an Attorney is recommended
 - Should be known to each participating department



Hearing Officer and Title/Position:

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Hearings – Basics (2 of 3)

- **Hearing Officer:**

- Must be Impartial
- Knows the Procedures
- Authority to compromise the debt
- No conflict
- Should not research the debtor or the debt
- Consider only evidence presented at the hearing to render decision
- Provide written decision to all parties



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Hearings – Basics (3 of 3)

- **Hearing – Audio Presentation:**

- <http://www.ncsetoff.org/Training.htm>

4) Hearings (audio presentation 6:49 - 11/16/2020)

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Due Process (1 of 6)

- **Letters:**

- Must be sent to last known address
 - Even if know letter will be returned
 - Should forward to new address if obtained (creates new 30 day appeal period)
- Does not have to be sent certified
- Do NOT send BEFORE 60 days delinquent



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Due Process (2 of 6)

- **Letters:**

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



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Due Process (3 of 6)

- **Letters:**

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



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Due Process (4 of 6)

- **Letters:**

- Retain a copy of the letter for future proof (for as long as the debt is being submitted (even if using a vendor)
- Pdf recommended and save to external media and save according to retention records (debtors may ask/demand proof once setoff)

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Due Process (5 of 6)

- Letters:**
 - The Clearinghouse does NOT retain a copy of the due process letter, even if using our client software!
 - Generated pdf resides on the local government computer
 - Local governments are responsible for the proof of due process!

PDF

P

Document

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Due Process (6 of 6)

- Due Process – Audio Presentation:**
 - <http://www.ncsetoff.org/Training.htm>

5) Due Process (audio presentation 6:30 - 11/16/2020)

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Methods of Collection (1 of 1)

Collection Agency

Debt Setoff

Wage Garnishment

Can do multiples, even simultaneously. Be sure to modify balances in other methods if collect in any one.

Clearinghouse does NOT send information to any credit reporting entities.

Clearinghouse ONLY makes debts available for secure access by the NC Department of Revenue who then shares with NC Education Lottery every other Thursday.

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Department of Revenue - Requirements (1 of 1)

NCDOR NORTH CAROLINA DEPARTMENT OF REVENUE



- **The accuracy of the data (debtor and debt) submitted to Department of Revenue is critical for the possibility of being setoff**
 - SSN (critical) Entire 9 digits and first four of Last Name must match – otherwise requires manual intervention to be setoff.
 - Last Name (critical) Cannot be blank – Suffix (Jr, Sr, III, etc.) also helps
 - First Name (important) Cannot be blank – Middle initial optional

Cannot collect on a business name, even though the law allows (ONE EXCEPTION – another local government previously submitted same SSN with Last and First Name)
No Drivers License Numbers nor Business IDs will be setoff !

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Debtors (1 of 2)


- **Only methods for collection:**
 - 1) Social Security Numbers 
 - 2) Individual Tax Identification Numbers (ITINs) 
 - Start with 9 and second section range of 70 – 88
 - i.e.: 9xx-70-xxxx or 9xx-88-xxxx
 - Currently 3,170 ITINs setoff since 2017 for \$455,548

Can't submit for owners in corporation, only individual owner against their SSN, not business ID number

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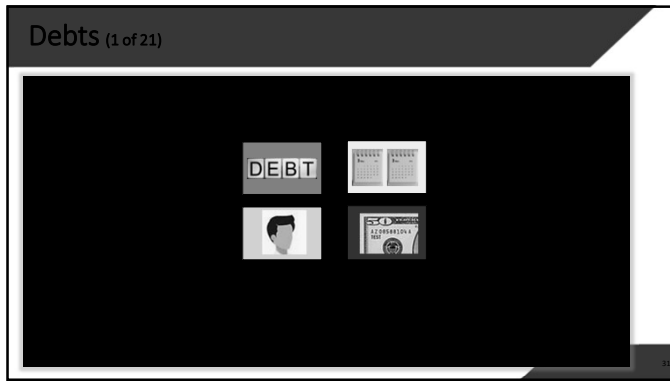
Debtors (2 of 2)

- **Acquiring Social Security Numbers (SSNs):**
 - Clearinghouse cannot assist in acquisition
 - Vendors available for acquisition (contact us for recommendations) 
 - Many local governments, especially counties, have contracts (check with Finance, Tax, Police)

Local governments are allowed to acquire/contract to obtain SSNs.

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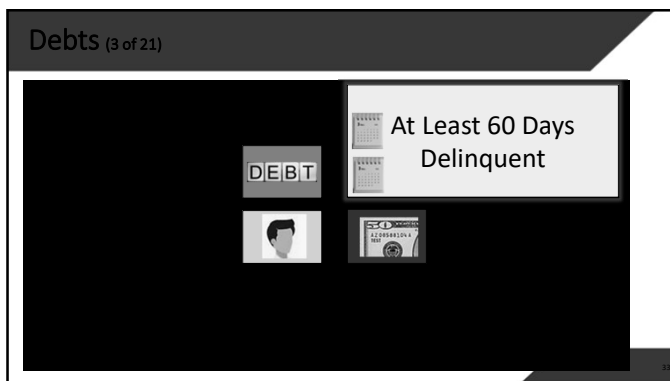
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Debts (4 of 21)

DEBT

Must Be an Individual's Debt - not a corporation







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Debts (5 of 21)

DEBT



Must Be \$50 or more

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Debts (6 of 21)

- Debt Requirements:**
 - Debts \$50 or more need to be submitted separately
 - Debts can be combined to meet the \$50
 - Should not combine tax debts with non-tax debts, especially if accruing interest
 - Clearinghouse **DOES NOT** combine debts, all debts stand alone!

Over \$50 if combined - \$50.94

Original Amount	Debt Amount	Setoff Amt	Setoff Date	Code	Account Number	Expiration Date	Compliance Date
\$50.94	\$50.94	\$0.00	09/23/2023	HLT	1965228	06/15/2021	06/15/2021
\$0.00	\$0.00	\$0.00		HLT	1965228-24	10/04/2027	10/04/2024

Will not go to Dept. of Revenue unless combined

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Debts (7 of 21)

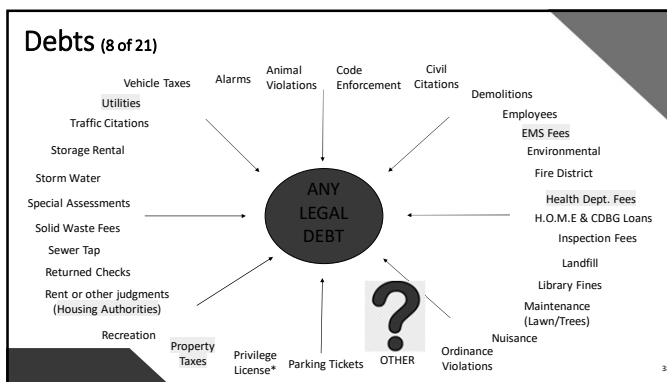
- Debt Requirements:**
 - Debts \$50 or more need to be submitted separately
 - Debts can be combined to meet the \$50
 - Should not combine tax debts with non-tax debts, if accruing interest
 - Clearinghouse DOES NOT combine debts, all debts stand alone!

Combined and made stand out with **

Original Amount	Debt Amount	Setoff Date	Code	Account Number	Expiration Date	Compliance Date
18.00	25.00	09/23/2025	SLT	0960208**	06/15/2023	06/15/2021

Will go to Dept. of Revenue since combined

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Debts (9 of 21)

- Debt Characteristics** (required for each debt):
 - 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 (10 of 21)

- 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 (11 of 21)

- Statute of Limitations – Audio Presentation:**
 - <http://www.ncsetoff.org/Training.htm>

6) Statute of Limitations (audio presentation 6:34 - 11/16/2020)

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Debts (12 of 21)

- Criteria for Sending Weekly to Dept. of Revenue**

Amount	Compliance Date	Expiration Date
Minimum of \$50	Must have passed	Must NOT have passed

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Debts (12 of 21)

- Criteria for Sending Weekly to Dept. of Revenue

\$

Amount

Minimum of \$50

Compliance Date

Must have passed

Expiration Date

Must NOT have passed

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Debts (12 of 21)

- Criteria for Sending Weekly to Dept. of Revenue

\$

Amount

Minimum of \$50

Calendar

Compliance Date

Must have passed

Expiration Date

Must NOT have passed

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Debts (12 of 21)

- Criteria for Sending Weekly to Dept. of Revenue

\$

Amount

Minimum of \$50

Calendar

Compliance Date

Must have passed

Calendar

Expiration Date

Must NOT have passed

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2025Workshop-AllAttendees-Notes.pdf

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Debts (13 of 21)

- Fees:**
 - Clearinghouse adds \$15 to EACH debt BEFORE sending weekly to the Dept. of Revenue (who forwards every two weeks to Education 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 for EACH setoff
 - Local governments cannot add their own collection fee!

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Debts (14 of 21)

- Priority:**
 - New debts (by SSN/ITIN and Unique id) are marked with date and time
 - Existing debts retain their priority order
 - Debts below \$50 and/or expired are deleted at year-end, losing priority

Entity Name	Account Number	Original Amount	Current Amount	Setoff Amount	Fee Amount	Balance After Setoff	Debt	Compliance Date	Expiration Date	Load Date
County	EXA-310018	\$60.00	0.00	\$60.00	15.00	0.00	EMM	01/01/2015	12/31/2025	01/07/2015
Number of Debts: 1		\$60.00	0.00	\$60.00	15.00					
County	SAB	\$44.61	\$44.61	\$44.61	15.00	249.95	DNV	08/21/2015	08/01/2035	02/04/2016
Number of Debts: 1		\$44.61	249.95	\$60.04	15.00					
Number of Debts: 2		1,104.61	249.95	1301.04	30.00					

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Debts (15 of 21)

Details for Debts at Dept. of Revenue and Lottery:

- Each SSN/ITIN sent with one combined debt amount, including fees
 - ONLY ONE First Name, Middle Initial, Address and Debt Amount (no local govt. info provided)
 - Clearinghouse uses oldest CURRENT submission of the Full Name with SSN/ITIN
 - May not be the correct Name with this SSN/ITIN
 - Dept. of Revenue no longer provides rejected lists

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Debts (16 of 21)

- Example of Debts for a Debtor:
 - 5 debts (2 counties, 2 municipalities)

SSN	LAST NAME	FIRST NAME	INIT	ADDRESS	CITY	STATE	ZIP	DEBT AMOUNT	DEPT TYPE	DATE LOADED	ENTITY
949-12-3456	STONE	MARTHA	E	1014 WEST SINGLE STREET	CENTRAL	NC	28991	100.00	TAX	5/1/2018	COUNTY 1
949-12-3456	STONE	MARTHA	E	1014 WEST SINGLE STREET	CENTRAL	NC	28991	100.00	UTL	7/20/2020	COUNTY 1
949-12-3456	STONE	MARTY		318 CIRCLE DRIVE	WESTERN	NC	28103	100.00	EMS	6/18/2022	COUNTY 2
949-12-3456	ARCHIBALD	MARTHA	S	900 BALMY BRUSH RD	FAR WESTERN	NC	28065	100.00	TAX	12/15/2023	CITY 1
949-12-3456	DAILY	EUGENE		19635 HWY 164 EAST	BRUSHTON	NC	28123	100.00	PKG	2/16/2024	CITY 2

- Combined in preparation for Dept. of Revenue

SSN	LAST NAME	FIRST NAME	INIT	ADDRESS	CITY	STATE	ZIP	DEBT AMOUNT
949-12-3456	STONE	MARTHA	E	1014 WEST SINGLE STREET	CENTRAL	NC	28991	500.00

(5) \$100 debts

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Debts (17 of 21)

- Example of Debts for a Debtor:
 - 5 debts (2 counties, 2 municipalities)

SSN	LAST NAME	FIRST NAME	INIT	ADDRESS	CITY	STATE	ZIP
949-12-3456	STONE	MARTHA	E	1014 WEST SINGLE STREET	CENTRAL	NC	28991
949-12-3456	STONE	MARTHA	E	1014 WEST SINGLE STREET	CENTRAL	NC	28991
949-12-3456	STONE	MARTY		318 CIRCLE DRIVE	WESTERN	NC	28103
949-12-3456	ARCHIBALD	MARTHA	S	900 BALMY BRUSH RD	FAR WESTERN	NC	28065
949-12-3456	DAILY	EUGENE		19635 HWY 164 EAST	BRUSHTON	NC	28123

2) Same person? YES

3) Same person? HIGHLY LIKELY

4) Same person? PROBABLY (MARITAL STATUS CHANGE?)

5) Same person? HIGHLY DOUBTFUL (SSN ERROR?)

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Debts (18 of 21)

- Example of Debts for a Debtor:
 - Original debts

SSN	LAST NAME	FIRST NAME	INIT	ADDRESS	CITY	STATE	ZIP	DEBT AMOUNT	DEPT TYPE	DATE LOADED	ENTITY
949-12-3456	STONE	MARTHA	E	1014 WEST SINGLE STREET	CENTRAL	NC	28991	100.00	TAX	5/1/2018	COUNTY 1
949-12-3456	STONE	MARTHA	E	1014 WEST SINGLE STREET	CENTRAL	NC	28991	100.00	UTL	7/20/2020	COUNTY 1
949-12-3456	STONE	MARTY		318 CIRCLE DRIVE	WESTERN	NC	28103	100.00	EMS	6/18/2022	COUNTY 2
949-12-3456	ARCHIBALD	MARTHA	S	900 BALMY BRUSH RD	FAR WESTERN	NC	28065	100.00	TAX	12/15/2023	CITY 1
949-12-3456	DAILY	EUGENE		19635 HWY 164 EAST	BRUSHTON	NC	28123	100.00	PKG	2/16/2024	CITY 2

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

SSN	LAST NAME	FIRST NAME	INIT	ADDRESS	CITY	STATE	ZIP	DEBT AMOUNT (with fees)
949-12-3456	STONE	MARTHA	E	1014 WEST SINGLE STREET	CENTRAL	NC	28991	\$75.00

\$500 + (5) \$15 fees

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Debts (19 of 21)

- What Can Department of Revenue answer if called by Debtor?

SSN	LAST NAME	FIRST NAME	INIT	ADDRESS	CITY	STATE	ZIP	DEBT AMOUNT (with fees)	AGENCY
949-12-3456	STONE	MARTHA	E	3034 WEST SINGLE STREET	CENTRAL	NC	28993	\$75.00	0159

Only This Combined Information

Agency 0159 - Local Government debt setoff Clearinghouse

- Department of Revenue has no idea it is County 1 or 2, nor City 1 or 2
- They only know it is agency 0159 – local government Clearinghouse
- Cannot tell Martha Stone/Archibald any other details:
 - No way to know of a debt in name of Eugene Daly being taken

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Debts (20 of 21)

- Example of Debts for a Debtor:
 - Setoff occurs for \$500.00 from Dept of Revenue

SSN	LAST NAME	FIRST NAME	DEBT AMOUNT	ACCOUNT NUMBER	ENTITY	Setoff Amount	Fee	Balance after Setoff	Remains of Setoff
949-12-3456	STONE	MARTHA	100.00	PT-2013-98332	COUNTY 1	100.00	15.00	0	365.00 1
949-12-3456	STONE	MARTHA	100.00	WI-1009713-X	COUNTY 1	100.00	15.00	0	270.00 2
949-12-3456	STONE	MARTY	100.00	E23-109876	COUNTY 2	100.00	15.00	0	155.00 3
949-12-3456	ARCHIBALD	MARTHA	100.00	T-10345-2022	CITY 1	100.00	15.00	0	40.00 4
949-12-3456	DALY	EUGENE	100.00	USP-1032	CITY 2	40.00	0.00	60	0.00 5

Remaining debts

SSN	LAST NAME	FIRST NAME	INIT	ADDRESS	CITY	STATE	ZIP	DEBT AMOUNT (with fees)	AGENCY
949-12-3456	STONE	MARTHA	E	3034 WEST SINGLE STREET	CENTRAL	NC	28993	75.00	0159

\$60 + \$15

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Debts (21 of 21)

- Submission to Clearinghouse:
 - Can be submitted daily, file overwrites and remains on secure folder until Friday (or whenever download by Clearinghouse for weekly processing)
 - Recommend at least weekly (every Friday afternoon suggested)
 - Processed beginning early Monday morning, ends around noon
 - Status results provided by email by Monday late morning to early afternoon
 - Changes at local government MUST be transmitted to Clearinghouse to be adjusted at Dept. of Revenue (then shared with Education Lottery)

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Setoffs (1 of 10)

- Occur 21 – 22 times per year
- Usually 2nd and 4th Tuesdays
- Starts in February, ends mid-December
- Deposits from Department of Revenue and Education Lottery go directly into Capital Management
- Clearinghouse informs Capital Management how much to deposit into each local government account
- Must have a Capital Management account (starts with 47) to participate
 - Clearinghouse can only direct deposits into ONE Capital management account
 - Local governments can use reports and files to internally make deposits if multiple department/account codes

2025 DOR Setoff Calendar:
<http://www.ncsetoff.org/DORCalendar.htm>

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Setoffs (2 of 10)

- Setoff Files Availability Email:
 - REMINDERS:

ncsetoff@ncsetoff.org
 NC Local Govt Debt Setoff Clearinghouse has processed a file from NCDOR & NCEL
 - SECURITY REMINDERS
 - SURPLUS REMINDERS
 - PASSWORD REMINDERS
 - SETOFF IMPORT REMINDERS

SECURITY REMINDERS:
 TO MAKE SURE:
 1. BE CAREFUL PRINTING REPORTS WITH FULL SOCIAL SECURITY NUMBERS (SSNs) - OUR SOFTWARE HAS SETTINGS TO MAKE SURE:
 2. DO NOT SEND UNSECURED EMAILS WITH SOCIAL SECURITY NUMBERS, EVEN TO THE CLEARINGHOUSE!
 3. VIOLATING THIS SECURITY MAY RESULT IN YOUR LOCAL GOVERNMENT BEING SUSPENDED FROM THE DUE SETOFF PROGRAM!

PASSWORD REMINDERS:
 1. If the TRANSNET IMPORT FROM CLEARINGHOUSE SETOFF option fails, it is probably the TRANSNET password has expired.
 2. None of the TRANSNET menu options will function if the 7 day password warning message has been sent but the password was not changed.
 3. Please change this TRANSNET password, if have ADMIN user and password, immediately upon receiving the expired password message.
 4. TRANSNET password does NOT affect the client and password for signing on, ONLY the TRANSNET menu.
 5. Using the ADMIN user and password will allow for the changing of the top-level TRANSNET password.

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Setoffs (3 of 10)

- Setoff Files (client software users):
 - C/Mnnn-yyyyymmdd.pdf
 - C/Mnnn-yyyyymmdd.xlsx
 - setoff.txt
 - C/Mnnn-Surplus-yymmdd.xlsx (if any identified)

C999-20250923.pdf
 C999-20250923.xlsx
 Setoff.txt

C999-Surplus-20250923.xlsx

These 3 files Always provided

Contains FULL nine digit SSNs/ITINs

DELETED once processed

Change Started July 2024:
 All files have the date appended to the filename, except for setoff.txt

Files remain for only 10 days – but can be restored. Please download – part of DUE PROCESS

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Setoffs (4 of 10)

Used for importing into another billing system

- Additional Setoff Files (client software users):
 - Match-yyyyymmdd.dat
 - Match-AcctCode-yyyyymmdd.dat

Contains FULL nine digit SSNs/ITINs

Match-20250923.dat
Match-TAX-20250923.dat

These must be requested

Files remain for only 10 days – but can be restored. Please download – part of DUE PROCESS

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Setoffs (5 of 10)

- C/Mnnn-yyyyymmdd.xlsx:
 - Contains each debt setoff
 - Identifies account number, department, amount setoff, remaining balance and fee
 - Shows multiple debts setoff for one person
 - Even debts deleted from local government
 - Shows surplus amount
 - Identifies if a different name was sent to Dept. of Revenue
 - Can sum setoff amount column to match Capital Mgt. deposit

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SETOFF
AMOUNT
110.00
65.00
40.00
108.50
320.00
51.50
695.00

matches Capital Mgt. deposit

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Setoffs (6 of 10)

- C/Mnnn-yyyyymmdd.xlsx - sample:

SSN	LAST NAME	FIRST NAME	UNIT	ADDRESS	CITY	STATE	ZIP	DEBT AMOUNT	SETOFF AMOUNT	DATE	FEE AMOUNT	SETOFF ACCOUNT NBR	DEPT
***-7314	ALDEN	JOHN		1307 Christopher Ln	Cary	NC	27513	0.00	151.54	09/23/2025	0.00	151.54	EMA
***-0711	ALLERTON	BARBARA		9182 Personal Street	Hickory	NC	27601	166.23	127.77	09/23/2025	15.00	154510457	EMA
***-8096	ALLERTON	BRITTANY		1055 Bentley Road	Concord	NC	27217	0.00	295.46	09/23/2025	15.00	BCBAC-59948324TAX	
***-4046	BRADFORD	HEATHER		876 Elm Street	High Point	NC	27217	339.72	37.28	09/23/2025	15.00	201301301421	TAX
***-3363	COOKE	HARRIETT		1624 W Oakland St	Chapel Hill	NC	27513	0.00	278.81	09/23/2025	15.00	501201206167	TAX
***-7140	GARDINER	REBECCA		199 Berry Tree Ln	Statesville	NC	28106	93.88	47.00	09/23/2025	0.00	0302469.00-97	UTL
***-0371	WILLET	AUDIA		1118 Sara Dr	Concord	NC	27703	628.31	92.69	09/23/2025	15.00	96496	HLT

Dept. of Revenue no longer provides name and address

Above names are from public list from Mayflower and/or Titanic

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2025Workshop-AllAttendees-Notes.pdf

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Setoffs (7 of 10)

• **C/Mnnn-yyyyymmdd.xlsx - sample**

SSN	LAST NAME	FIRST NAME	DEBT	SETOFF	SETOFF	SURPLUS	UNIQUE KEY	COMPLIANCE	EXPRESSION	DATE SOURCE	CLEARINGHOUSE SUBMITTED LAST NAME FIRST NAME			
***-**-0875	Anderson	Anders	0.00	400.00	09/23/2025	0.00	045-800983	DMS	719720	045-800983	04/24/2012	12/17/2014	Anderson	Anders
***-**-0323	Becker	Nedra	0.00	50.40	09/23/2025	0.00	045-800983.1	DMS	045888	045888	01/27/2017	12/16/2017	Becker	Nedra
***-**-0331	Bely	Karl	331.44	40.00	09/23/2025	0.00	033-58158	DMS	121883	033-58158	12/12/2013	01/07/2015	Bely	Karl
***-**-0382	Boudin	Neurath	0.00	50.40	09/23/2025	0.00	032-218513	DMS	121887	032-218513	11/07/2013	12/10/2016	Boudin	Neurath
***-**-0807	Caran	Maria	600.00	40.00	09/23/2025	0.00	032-214989	DMS	121879	032-214989	08/10/2013	01/24/2015	Caran	Maria
***-**-0362	Carney	Laurance	0.00	223.14	09/23/2025	0.00	037678489	TAX	121885	037678489	04/26/2014	01/10/2016	Carney	Laurance
***-**-0383	Chenault	Chasit	0.00	400.00	09/23/2025	0.00	038399446	TAX	121887	038399446	04/26/2014	01/10/2016	Chenault	Chasit
***-**-0384	Goldschmidt	C	0.00	365.40	09/23/2025	0.00	032-175098	DMS	121881	032-175098	11/07/2013	06/10/2016	Goldschmidt	C
***-**-0385	Goldschmidt	George	0.00	281.00	09/23/2025	0.00	03845406	TAX	121883	03845406	04/26/2014	01/10/2016	Goldschmidt	George
***-**-0482	Gunnemann	Daniel	523.87	0.00	09/23/2025	0.00	03845406	TAX	121884	03845406	04/26/2014	01/10/2016	Gunnemann	Daniel

Above names are from public list from Mayflower and/or Titanic

Probable wrong person setoff

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Setoffs (8 of 10)

• **Surplus Excel File:**

- Contains debts setoff identified as a surplus:
 - If recently paid and debt reduced to \$0.00
 - If debt recently deleted in client software
 - If debtor filed multiple refunds (amended/past years)
 - If debtor collected on multiple lottery tickets
 - If setoff by BOTH Dept. of Revenue and Lottery
 - If debt setoff but recently expired (review before refunding)

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Setoffs (9 of 10)

• **Surplus-yyyyymmdd.xlsx:**

All fees put in ONE surplus

SSN	LAST NAME	FIRST NAME	DEBT	SURPLUS AMOUNT	FEE	UNIQUE KEY	ADDRESS	CITY	STATE	ZIP	Dept
***-**-3230	ANDERSON	ALBERT	E	280.00	30.00	50599	3802 Wadlow Drive	KNOXVILLE	NC	27545	PNC
***-**-8133	CLARKE	JADA	E	130.00	0.00	04194	6459 Bunting Crest Dr	RALEIGH	NC	27604	PNC
***-**-6223	WALLENS	ACHILLE	E	81.22	15.00	94017	1340 Bartmeau Road	CHARLOTTE	NC	27815	UFL

Surpluses cannot be used for additional debts that have NOT had due process!

Disclaimer: due to manual adjustments between different local governments there may be debts in this file that are NOT actually surpluses. In addition, there may be surpluses NOT included. Research any debts included to determine if a refund for overages need to be returned to the debtor. In addition, check the fee for accuracy. Contact Clearinghouse for exact details.

Above names are from public list from Mayflower and/or Titanic

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Setoffs (10 of 10)

• Setoff Information timeline:

- File information provided by Dept. of Revenue and Education Lottery (Tuesday) – usually 2nd and 4th of the month
- Setoff files and reports available to local governments (Tuesday)
 - Remain for 10 days – please download as same file names used for next setoff!
- Deposit information provided to Capital Management (Wednesday)
- Deposit from Dept. of Revenue and Lottery to Capital Mgt. (Friday)
- Funds available to local governments from Capital Management – (following Tuesday)

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Adjustments - Email (1 of 6)

- Announcements
- Important Information
- Setoff Calendar
- Tips and Reminders
- Hours of Operation

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Adjustments - Email (2 of 6)

Rejected

Not Compliant

Expired

Debtors Rejected:	10
Debts Rejected:	10
Debts Not Yet Compliant:	0
Debts Expired:	36

Needs Reviewing – contact Clearinghouse to correct/remove

Informational – May Need Reviewing

Debtors Rejected:	0
Debts Rejected:	0
Debts Not Yet Compliant:	0
Debts Expired:	0

Perfect!

Debts Not Yet Compliant:	598
--------------------------	-----

Informational – May Need Reviewing

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2025Workshop-AllAttendees-Notes.pdf

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Adjustments – Email (3 of 6)

Weekend Process

- Previous Debt Amount
- Current Debt Amount
- Net Amount

Increases/Decreases result from imports and/or manual adjustments at local government. Setoffs offset if local govt. processed the setoff file. Large increases usually from Clearinghouse or internal staff processed a departmental Excel/ASCII file.

Previous Debt Amount:	Current Debt Amount:	Net Amount:
\$10,996,428.46	\$14,116,461.71	\$5,120,033.25

3 Files Received

- /Home/Market County
- File Name: C:\COWAY\TAX_IMPORT\Status.cpt
- TAX_IMPORT\Status.cpt
- TAX_Summary.cpt

Previous Debt Amount:	Current Debt Amount:	Net Amount:
\$406,968.97	\$406,968.97	\$0.00

If no adds/adjustments at local govt.

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Adjustments – Email (4 of 6)

• Date Errors:

Compliance Date may not be an Error – but if many months or years in future, it would be

DEPT	ERROR	DEBT AMOUNT	NAME	ACCOUNT NUMBER
UTL	NOTICE: Compliance Date 90+ days: 12/31/2026	Debt Amount: 361.25		
UTL	NOTICE: Compliance Date 90+ days: 12/31/2026	Debt Amount: 56.92		
UTL	NOTICE: Compliance Date 90+ days: 12/31/2026	Debt Amount: 141.95		

DEPT	ERROR	DEBT AMOUNT	NAME	ACCOUNT NUMBER
HOU	NOTICE: Compliance Date 1+ days: 10/10/2025	Debt Amount: 477.96	Bell Latilya	Acct #: 82004F-19
HOU	NOTICE: Compliance Date 1+ days: 10/10/2025	Debt Amount: 478.00	Chase Azharany	Acct #: 05316B-13

SSN	DEPT	ERROR	DEBT AMOUNT	NAME	ACCOUNT NUMBER
-6360	FIC	NOTICE: Compliance Date 90+ days: 9/10/2033	Debt Amount: 2,242.15	PUR	Acct #: UT WATER/SEWER 2009-23812
-6360	FIC	Compliance Date must be prior to Expiration	Debt Amount: 2,242.15	PUR	Acct #: UT WATER/SEWER 2009-23812

SSN	DEPT	ERROR	DEBT AMOUNT	NAME	ACCOUNT NUMBER
-1363	UTL	DEBT REJECTED: Expired: 12/31/2024	Debt Amount: 423.00	VEL	Acct #: 513893
-5513	UTL	DEBT REJECTED: Expired: 12/31/2024	Debt Amount: 522.13	WOL	Acct #: 517559

Not an Error – but consider extending or deleting

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Adjustments – Email (5 of 6)

• Invalid SSN Errors:

Cannot begin with 000- or 999-

SSN	DEPT	ERROR	DEBT AMOUNT	NAME	ACCOUNT NUMBER
000-00-1528	UTL	DEBT REJECTED: Invalid SSN, begins with 0000:	Debt Amount: 1,287.51	Tz	Acct #: 3859984973
000-00-1528	UTL	DEBT REJECTED: Invalid SSN, begins with 0000:	Debt Amount: 1,216.49	Tz	Acct #: 3859984973
000-00-1267	UTL	DEBT REJECTED: Invalid SSN, begins with 0000:	Debt Amount: 51.47	HE	Acct #: 5672156654
000-00-2777	UTL	DEBT REJECTED: Invalid SSN, begins with 0000:	Debt Amount: 183.04	HE	Acct #: 81162289

SSN	DEPT	ERROR	DEBT AMOUNT	NAME	ACCOUNT NUMBER
999-99-3884	EMS	DEBT REJECTED: Invalid SSN, begins with 9999:	Debt Amount: 482.00	PAI	Acct #: 24006979043

SSN	DEPT	ERROR	DEBT AMOUNT	NAME	ACCOUNT NUMBER
013-02-28	UTL	DEBT REJECTED: Invalid SSN, not nine digits:	Debt Amount: 383.26	SCE	Acct #: 158844-12749

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Adjustments - Email (6 of 6)

Reports

Import/Export

Transmit

Import Status Error Report

Invalid Name Errors:

SSN	DEPT	ERROR	DEBT AMOUNT	NAME	ACCOUNT NUMBER
1-4312	UTL	DEBT REJECTED: First Name Invalid:	Debt Amount: 185.94	PI	Acct #: US543751
1-7257	UTL	DEBT REJECTED: First Name Invalid:	Debt Amount: 424.56	SL	Acct #: US543983
1-2949	TAX	DEBT REJECTED: Last Name Invalid: SPATRECEA	Debt Amount: 651.49	SPATRECEA MCP,	Acct #: 2011814918
1-2359	TAX	DEBT REJECTED: Last Name Invalid: SPARKS	Debt Amount: 967.87	SPARKS MALCOM	Acct #: 2017816764

Cannot begin with 000- or 999-

031-82-28 UTL DEBT REJECTED: Invalid SSN, not nine digits: Debt Amount: 383.26

Not an Error - but consider extending or deleting

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Year-end Clean-up/Expired Debts (1 of 5)

Clearinghouse will provide an Excel file of already expired debts or those that will expire by 12/31/2025

- 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- Tuesday, Nov.4, 2025 (1 day prior to virtual software training)

Currently 11,038 debts are expired for \$4,325,576

Currently 176 local governments have 129,021 debts for \$48,525,138 expiring by 12/31/2025

Many of these are older EMS trips 2015 and older \$42M+

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Year-end/Expired Debts (2 of 5)

Sample Excel file of already expired debts or those that will expire by 12/31/2025 (file available for 10 days)

SSN Last Name	First Name	Acct Nbr	Debt Amount	Expiration Date	Compliance Date	Unique Key Street Address	City	State	Department
999-00-4518	Dick	7198771	178.97	12/31/2025	05/15/2019	7198771 404 Key St	ACVONHET	MA	UTL
999-00-4654	Moran	6812141	2507.08	11/15/2024	05/15/2019	6812141 8018 Mount Road	Alamogordo	VA	TAX
999-00-3543	Betters	5043990	203.00	12/31/2025	11/19/2009	5043990 1817 Dines Bay Road	ARCHDALE	NC	HLT
999-00-3914	Pandey	7044216	865.90	12/31/2025	03/02/2019	7044216 9818 Clinton Road	ANDLER	NC	TAX
999-00-2626	Orfiscoll	7580180	859.86	12/30/2025	11/19/2009	7580180 953 Water Garden L	CHARLOTTE	NC	TAX
999-00-2619	Stone	6794545	151.18	12/31/2025	11/19/2009	6794545 404 Sims Way	RALEIGH	NC	EMS
999-00-4460	Dean	6108129	110.39	06/15/2025	11/19/2009	6108129 21 Braden St	WAKEFORD	NC	UTL
999-00-9115	Eskrom	6757041	684.08	12/31/2025	05/15/2019	6757041 6230 Minor Rd	ELIZABETHTOWN	NC	TAX
999-00-9017	Sundman	6758737	797.00	12/31/2025	05/15/2019	6758737 943 Kiley Ct	WINGATE	NC	TAX

SSN last four

By Dept

Above names are from public list from Mayflower

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Year-end/Expired Debts (3 of 5)

- Avoid the need for a list from Clearinghouse. Run report to see debts expiring by end of this year (client software users)

Some expired debts may be previous year(s)

Reports | Import/Export
Adjustments
Aged Debt Report
Audit Report
Compliance Report
Composite Report
Expiration Report

Expiration Start Date: 01/01/2000
Expiration End Date: 12/31/2025
Account Codes: ALL Include all Debt Types

North Carolina Debt Setoff Program
C999 Agency Name
Expiration Report
Date: 10/10/2025
Data Range: 01/01/2000 Thru 12/31/2025

SSN	NAME	DEBT AMOUNT	CODE	ACCOUNT NUMBER	EXPIRATION DATE
***-9136	Parsons Edward F	0.00	HLT	75841209	12/31/2025
***-8765	Phonessal Patrick	69.86	HLT	67962011	12/31/2025
***-3544	Raglan John	0.00	HLT	68526773	12/31/2025
***-4529	Rothblum Anna R	100.00	HLT	68445937	12/31/2025
***-2582	Rothschild John J	225.25	HLT	47653664	12/31/2025

Select many years prior – to be sure. Recommend 1/1/2000 and go to end of this year 12/31/2025

Above names are from public list from Mayflower and/or Titanic

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Year-end/Expired Debts (4 of 5)

- Avoid the need for a list from Clearinghouse. Run report to see debts expiring by end of this year (client software users)

Some expired debts may be \$0.00

Reports | Import/Export
Adjustments
Aged Debt Report
Audit Report
Compliance Report
Composite Report
Expiration Report

Expiration Start Date: 01/01/2000
Expiration End Date: 12/31/2025
Account Codes: ALL Include all Debt Types

North Carolina Debt Setoff Program
C999 Agency Name
Expiration Report
Date: 10/10/2025
Data Range: 01/01/2000 Thru 12/31/2025

SSN	NAME	DEBT AMOUNT	CODE	ACCOUNT NUMBER	EXPIRATION DATE
***-9136	Parsons Edward F	0.00	HLT	75841209	12/31/2025
***-8765	Phonessal Patrick	69.86	HLT	67962011	12/31/2025
***-3544	Raglan John	0.00	HLT	68526773	12/31/2025
***-4529	Rothblum Anna R	100.00	HLT	68445937	12/31/2025
***-2582	Rothschild John J	225.25	HLT	47653664	12/31/2025

Select many years prior – to be sure. Recommend 1/1/2000 and go to end of this year 12/31/2025

Above names are from public list from Mayflower and/or Titanic

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Year-end/Expired Debts (5 of 5)

- Also run report to see debts expiring by next year major Tax season (client software users)

Reports | Import/Export
Adjustments
Aged Debt Report
Audit Report
Compliance Report
Composite Report
Expiration Report

Expiration Start Date: 01/01/2000
Expiration End Date: 04/30/2026
Account Codes: Tax Taxes

North Carolina Debt Setoff Program
C999 Agency Name
Expiration Report
Date: 10/10/2025
Data Range: 01/01/2000 Thru 04/30/2026

SSN	NAME	DEBT AMOUNT	CODE	ACCOUNT NUMBER	EXPIRATION DATE
***-488	Albrecht Karen W	375.25	TAX	2005-032702	04/30/2026
***-8584	Albrecht Charles A	65.12	TAX	2005-032702	04/30/2026
		360.37			

Select many years prior – to be sure. Recommend 1/1/2000 and go to end of major tax season 04/30/2026. Even consider choosing end of next year: 12/31/2026

Above names are from public list from Mayflower and/or Titanic

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Year-end Clean-up Requirements (1 of 1)

- Remove debts no longer attempting to collect on:
 - Debts \$0 not setoff (GOOD) – (MINIMUM)
 - Debtors who paid, entered incorrectly, bankruptcy or deceased
 - Client software users can view entire SSN/ITIN (with access rights) using Report-Expiration
 - All debts less than \$50 not setoff (GOOD)
 - All \$0 debts (BETTER)
 - All debts less than \$50 (BEST)

➤ Our software has options for each of the above, BY DEPARTMENT

Create Excel export file PRIOR to any clean-up/deletion. Consider unmasking SSNs/ITINs.

For any cleanup option, Setoff report history still retained

Import/Export | Transmit

Excel File Export

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ANALYTICS

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ANALYTICS

ANALYTICS

ANALYTICS

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Analytics (1 of 6)

Setoffs in 2025 – By Year Debt Submitted

Year Debt Submitted	# of Setoffs/Amount Collected in 2025	Year Debt Submitted	# of Setoffs/Amount Collected in 2025
2004	3 / \$301	2015	2,272 / \$402,807
2005	0 / \$0	2016	4,100 / \$749,586
2006	2 / \$196	2017	2,703 / \$456,841
2007	3 / \$170	2018	3,435 / \$613,833
2008	0 / \$0	2019	6,418 / \$1,210,495
2009	6 / \$996	2020	6,952 / \$1,223,836
2010	7 / \$834	2021	8,137 / \$1,582,786
2011	335 / \$55,100	2022	10,166 / \$1,922,638
2012	1,900 / \$336,086	2023	12,690 / \$2,475,736
2013	1,720 / \$312,585	2024	29,000 / \$5,973,352
2014	2,128 / \$406,733	2025	12,220 / \$2,528,687

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Analytics (2 of 6)

Setoffs in 2025 – By Year Debt Submitted

Submitted w/in 3 Years: 2023 - 2025:

- \$10,977,775 (54%)

Submitted w/in 5 Years: 2021 - 2025:

- \$14,483,199 (72%)

Submitted w/in 10 Years: 2016 - 2025:

- \$18,478,119 (93%)

Submitted 2002 - 2015:

- \$1,515,808 (7%)

Total Collected in 2025:

- \$20,928,360

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Analytics (3 of 6)

Largest Individual Setoff:

\$23,196 - 4/17/2019

Other Notables:

\$22,465 - 2/6/2018

\$21,083 - 9/26/2023

Same Debtor:

\$17,694 - 4/18/2017

\$16,786 - 5/2/2017

Total: \$34,480

Balance after: \$4,351

Since Paid in full - Total Fees: \$30

Same Debtor Most Setoffs:

87 setoffs for \$7,196 - 5/2/2023

(86 EMS Trips: 2013 - 2022)

Total Fees: \$1,305

- **All Setoffs (2017 - present): 1,036,789**

- \$0.01 - \$49.99: 111,885
- \$50 - \$199.99: 617,261
- \$200 - \$999.99: 303,291
- \$1,000 - \$4,999: 4,313 (2,630 paid in full)
- \$5,000 - \$9,999: 28 setoffs (20 paid in full)
- \$10,000+: 9 setoffs (5 paid in full)

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Analytics (4 of 6)**Largest 2025 Setoffs (Tax refunds):**

- 1) \$9,320 (Tax)
- 2) \$7,077 (Tax)
- 3) \$6,665 (Utilities)
- 4) \$5,740 (Tax)
- 5) \$5,730 (Miscellaneous)

Largest 2025 Setoffs (Lottery claims):

- 1) \$4,772 (Hospital)
- 2) \$3,576 (Miscellaneous)
- 3) \$3,246 (Tax)
- 4) \$2,585 (Hospital)
- 5) \$2,583 (Utilities)

Same Debtor Most Setoffs in 2025:

- 20 setoffs for \$8,781 (Fees: \$285)
- 1) 18 EMS Trips: \$ 4,184 (Fees: \$255)
- 2) 1 UTL: \$4,399 (Fees: \$15)
- 3) 1 UTL: \$198 (Fees: \$15)

• Setoffs for 2025:

- \$0.01 - \$49.99: 10,646
- \$50 - \$199.99: 60,358 (27,165 paid in full)
- \$200 - \$999: 35,939 (15,125 paid in full)
- \$1,000 - \$4,999: 651 (416 paid in full)
- \$5,000 - \$9,999: 5 (4 paid in full)
- \$10,000+: 0 setoff

Average setoff for 2025: \$194.50


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Analytics (5 of 6)**• What We Can't Provide:**

- How much debt has a local government submitted since a certain date
- Why?
 - Local governments are allowed as often as weekly to:
 - Add new debts/replace entire departments, edit balances, delete from bankruptcies, death, etc.
 - Year end processes can remove expired debts, debts less than \$50

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Analytics (6 of 6)**• What We Can't Provide – but might help:**

- Statistics website: 
 - Shows Total Amount Submitted – amount January 1 of current and past year
- Fiscal year report (using the software): REPORTS – SETOFF REPORT
- Choose department and date range (calendar or fiscal)

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[illegible]

86

[illegible]

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

<input type="checkbox"/> Taxes - Property	<input type="checkbox"/> Fines (library/other)
<input type="checkbox"/> Taxes - Vehicle	<input type="checkbox"/> Housing
<input type="checkbox"/> Utilities	<input type="checkbox"/> Inspections
<input type="checkbox"/> EMS	<input type="checkbox"/> Landfill
<input type="checkbox"/> Health	<input type="checkbox"/> Loans
<input type="checkbox"/> Alarms	<input type="checkbox"/> Maintenance (lawn,trees)
<input type="checkbox"/> Animal Violations	<input type="checkbox"/> Nuisance
<input type="checkbox"/> Assessments	<input type="checkbox"/> Ordinance Violations
<input type="checkbox"/> Civil Citations	<input type="checkbox"/> Parking Tickets
<input type="checkbox"/> Code Enforcement	<input type="checkbox"/> Privilege license (debts prior to 6/30/2015)
<input type="checkbox"/> Demolitions	<input type="checkbox"/> Recreation
<input type="checkbox"/> Employees	<input type="checkbox"/> Returned Checks
<input type="checkbox"/> Environmental	<input type="checkbox"/> Sewer Tap
	<input type="checkbox"/> Solid Waste
	<input type="checkbox"/> Storage Rental
	<input type="checkbox"/> Storm Water
	<input type="checkbox"/> Traffic Citations
	<input type="checkbox"/> None (a new participant)

Check what currently being submitted or anticipated soon, no need to resubmit if add or delete before next year's participation form.

Other types of debt not listed above:

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Name of person completing this form:

Title of person completing this form:

Email address of person completing this form:

example@example.com

New for 2026
No separate electronic signature form – only one form

Due by end of December or debts will be removed in early January and priority lost.

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2025 Year-end Requirements
(started in 2024)

Year-end cleanup procedures for the purpose of Personal Identifiable Information (PII) are no longer optional.

Local governments can do manual edits as any User or mass edits via menu as Administrator).

Instructions and reminders will be sent by late November. The Clearinghouse staff will assist.

- Client Software Users
 - DELETIONS:
 - DELETE ALL \$0.00 NOT SETOFF (minimum)
 - DELETE ALL \$0.00 (better)
 - DELETE ALL < \$50 (BEST)
 - EXPIRED DEBTS
 - EXTEND (BEST) OR
 - DELETE (minimum if don't extend)
 - \$0.00 EXPIRED DEBTS (minimum)
 - < \$50 EXPIRED DEBTS (better)
 - ALL EXPIRED DEBTS (BEST)

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Avoiding Disaster/Refunds (1 of 3)

- Check Weekly Import Status Reports
 - Contact us if a substantial increase or decrease
- Process your setoff files – check setoff calendar
- Transmit Updated Balances to Clearinghouse after changes to balances
 - Export to Clearinghouse-Debtor Information
- Check/reconcile Capital Mgt. deposits with Setoff Reports

Changes in your client software DOES NOT update at Clearinghouse unless TRANSMIT executed

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Avoiding Disaster/Refunds (2 of 3)

- Ensure each setoff file is downloaded and processed
- Setoff Calendar:

Information	October	November	December
Information	7	4	7
News			
Forms			
Local of Country	23	18	16
- Each 2025 deposit is on the Statistics page:

#	County	01-Jan	01-Feb	01-Mar	01-Apr	01-May	01-Jun	01-Jul	01-Aug	01-Sep	01-Oct	01-Nov	01-Dec	Year
1	Alamance County	1,304.64	0.00	1,314.14	1,314.14	1,314.14	1,314.14	1,314.14	1,314.14	1,314.14	1,314.14	1,314.14	1,314.14	13,142.82
2	Asheboro County	636.15	0.00	213.63	1,497.85	424.19	40.00	861,194.27						863,369.07
3	Wayne County	6.00	0.00	0.00	99.81	146.70	0.00	819,278.87						819,485.57
4	Alston County	475.00	0.00	0.00	1,524.22	899.50	80.84	809,289.89						811,789.45

Use to reconcile with Capital Mgt. statements – contact us if any 2025 setoffs need to be restored

A Setoff Report should exist for each deposit date (client software users).

Statistical Reports

80985

 - Counties & County Agencies Alphabetical
 - County Deposits Detail By Date
 - Municipalities Alphabetical
 - Municipalities Deposits Detail By Date

80984

 - Counties & County Agencies Alphabetical
 - County Deposits Detail By Date
 - Municipalities Alphabetical
 - Municipalities Deposits Detail By Date

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Avoiding Disaster/Refunds (3 of 3)

- Ensure your I.T. is backing up your NCDebtsetoff database
- If lost or encrypted/locked via Ransomware
 - Clearinghouse can regenerate database with debtor balances currently at Clearinghouse
 - Un-recoverable data for local government:
 - Setoff history (Clearinghouse still retains)
 - Debt history/adjustments
 - Users with logins and passwords
 - Letter settings

If new computer installed be sure to save NCDebtsetoff database (if used as server) AND pdfs of due process notification letters

All priority is LOST on ALL debts – starts a new place in line with new date first loaded – occurred many times in 2025

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Avoiding Security Issues (1 of 1)

- Never send a file with SSN/ITINs and protected identifiable information via email to us
 - We have secure folders for each local government
 - We can connect to your computer and view/assist
- Do not send an email with full SSN/ITINs
 - Call us for inquiries
- Delete ASCII and Excel files once imported into our client software

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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 (10 a.m.)
 - 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

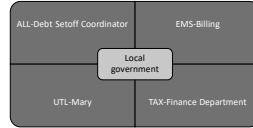
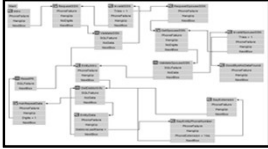
99

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Interactive Voice Response (IVR)

- Debtor receives letter from N.C. Department of Revenue with local government toll free number (877) 843-0330 to find out who has submitted debts
- Local governments can list as many contacts as have debt types
 - Suggest a department/section or just first name

Debtors often do not listen to entire recording (listed at random)



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Refunds and Surpluses (1 of 2)

- REFUNDS are requested through NCACC or NCLM on behalf of the NC DEPARTMENT OF REVENUE**
 - Local government returns amount received (can restore debt amount)
 - NCACC/NCLM returns fee (if taken)
 - Department of Revenue returns \$5.00 fee
- SURPLUS occurs when more than amount owed by debtor was taken by Dept. of Revenue and/or Education Lottery (old legacy systems don't check to see if taken already)**
 - 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
 - Debt is setoff soon after debt expired (review before automatically refunding)
 - Surpluses (except \$15 fee only) provided in separate excel file with setoff information
 - No longer includes Department of Revenue name or address, although Lottery provides 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: *C/M-Surplus-yyyyymmdd.xlsx*

SSN	LAST NAME	FIRST NAME	UNIT	SURPLUS AMOUNT	FEES	UNIQUE KEY	ADDRESS	CITY	STATE	ZIP	Dept
***-**-3210	ANDERSEN	ALBERT	K	283.00	15.00	26099	3892 HOLLOW PINE DRIVE	KENNESAW	NC	27645	ANC
***-**-9113	CLARKE	ADA	E	136.00	0.00	64194	9409 PINEGROVE BUNTING RD	PALESTINE	NC	27604	TAX
***-**-6223	WAELENS	ACHILLE		81.22	15.00	34017	1340 BARRISTER PASS RD	CHARLOTTE	NC	27615	UTL

If a Lottery surplus – the address provided by the NCEL

- If a surplus-yyyyymmdd.xlsx is provided, be sure someone downloads and researches
- Probably no need to refund the fee, if timing. However, if local government made an error, probably also need to refund Dept. of Revenue or Lottery \$5 fee

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Email (1 of 4)

- **Main Distribution List:**
 - Setoff Notification (NCDOR and/or NCEL)
 - Weekly Import Status reports
 - Workshop Reminders
 - Participation Form Reminders
 - Expired Debts Notification
 - Year-end Instructions
- **MoveIt Transfer Folder List:**
 - File Upload Confirmation
 - Transmit Password Expiration Notification

Above emails now show ALL recipients – click REPLY if changes needed

1 File Received

☐ /Home/Example NC Local Government
File Name
☐ CREDIT1.txt

Regards,
 NC Local Government Debt Setoff Clearinghouse

1 File Received

☐ /Home/Example NC Local Government
File Name
☐ CWS_settop_2307.txt

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Email (2 of 4)

- **MoveIt Transfer Folder:**
 - Password Expiration Warning (7 day warning before Locked, must be changed before able to connect)

Can change if sign on as admin within 7 days

ⓘ Your Password Has Expired and Must Be Changed Now

We require that passwords be changed every 90 days and your password has now expired. Your "ncm355" account will not enjoy full access to our system until you sign on with your old credentials and change your password.

If you do not change your password using this procedure in the next 8 days your "ncm355" account will be automatically suspended and you will not be allowed to change your password using your old credentials.

If you need assistance, please contact Five Star Computing, Inc. at (803) 561-0056 / ncsetoff@ncsetoff.org

Client software users: Transmit password only – not login to software

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Email (3 of 4)

- **MoveIt Transfer Folder :**
 - Password Expiration Notification (7 day warning passed without change – account is locked and requires Clearinghouse reset)

ⓘ Password Expiration Notification

Your "ncm355" account has been suspended because you have not changed your password in the last 97 days.

If you need to reactivate your account, you will need to contact Five Star Computing, Inc. at (803) 561-0056 / ncsetoff@ncsetoff.org

Client software users: Transmit password only – not login to software

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Email (4 of 4)

- **To update either or both of these email lists:**
 - send email to ncsetoff@ncsetoff.org with additions, edits or deletions OR request a list of either or both
 - If emails cease, ask your I.T. to whitelist:
 - ncsetoff.org

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Clearinghouse Technical Support

- **Monday – Thursday: 8:30 a.m. to 5 p.m. - Fridays until 1 p.m.**
 - 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 (2018 – present)
 - Client Software Support includes these and more:
 - Change TRANSMIT password
 - Import ASCII/Excel files from internal and/or vendors
 - Generate notification letters and pdfs – STORED ONLY AT YOUR LOCATION!
 - Change Expiration and Compliance Dates, process Year-end clean-up
 - Install software, upgrades, provide instructions and training
 - Set-up and train new users
 - Transfer encrypted database to new server (certification keys maintained by Clearinghouse)

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Five Star Computing to SCAC (6 of 7)

• Email addresses

Bill Walsh	bwalsh@ncsetoff.org
Fran McClary	fmccrary@ncsetoff.org
Hannah Bryant	hbryant@ncsetoff.org
Requests for file imports, Transmit password reset, software installation, etc.	ncsetoff@ncsetoff.org customerservice@ncsetoff.org

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Contact Information

Name	Contact Info
Matt Bigelow N.C. Association of County Commissioners Project Development Manager	matt.bigelow@ncacc.org www.ncacc.org (919) 715-4367
Steve Dille N.C. League of Municipalities Chief Financial Officer	sdille@ncdm.org www.ncdm.org (919) 715-3941
Bill Walsh Operations Manager NC Local Government Debt Setoff Clearinghouse	ncsetoff@ncsetoff.org www.ncsetoff.org (866) 265-1668
Other Resources: N.C. Department of Revenue	(919) 814-1120
NC Education Lottery	(919) 301-3531 or 301-3331
Capital Management	(800) 222-3232

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