

Debt Setoff—2023 Workshop Edition

Volume 13: Issue 1

September 18, 2023

Inside

this issue:

Attendee and Virtual Workshops Set for October/November	1
2024 Required Annual Participation Form	2
Some of the steps involved with processing debt setoff	2
An Excel file provided with every debt setoff	2
Reminders about Debtors/Debts	3
IVR- Advantage of Departmentalization	3
Dates and Times for Debt Setoff Support	4
Email-We Do Our Best to Get Information to You	5
Surpluses/Refunds Happen-What/Why	5
Statute of Limitations	6
Sample Delinquent Debt Scenarios	6
Preparing for Year-end Cleanup	6
Flow of Funds and Verification of Setoff Deposits	7
Client Software	8

Attendee(6) and Virtual(2) Workshops Set for Oct./Nov.

The following is the list of 2023 attendee training workshops:

- 1) Tuesday, October 10
Waynesville: Town Hall
- 2) Wednesday, October 11
Newton: Catawba County Library
- 3) Thursday, October 12
Asheboro: Randolph County 1919 Courthouse

- 4) Tuesday, October 24
Wilmington: New Hanover Govt. Center
- 5) Wednesday, October 26
Washington: Beaufort County Comm. College
- 6) Thursday, October 27
Raleigh: Quorum Center

The actual addresses are available on the website Information-Training/Workshops page.

The agenda and presentation materials should be available by October 2. An email will be sent when ready and the documents will be posted on the website Information-Training / Workshops page.

Each Training Workshop has ONLY ONE session for ALL attendees.

All workshops are 9:30 a.m. until 12:00 noon.

Some of this year's topics:

- Five Star staff
- Security
- Statute of Limitations
- Surpluses/Refunds
- Setoff process
- Debtor/Debts
- Training audios
- Interactive Voice Response
- 2024 Participation form
- Preparing for 2024
- Year-end cleanup options
- NOTE: Client Software is not presented at these workshops. There is a separate virtual workshop November 30 on the software,

Online registration is required and is now available on the website main page or on the Training/Workshops page. Some locations may have limited capacity so don't delay. There is currently no limit on the number of attendees for a local government. Vendors and third-party administrators are welcome with or without someone from the local government they are representing for debt setoff.

Please consider attending one of these annual workshops. This is a great opportunity to close out the 2023 year and prepare for the 2024 year. There are always topics and questions that arise that are not covered in the presentation materials.

For those that cannot attend, please review the presentation materials listed on the Information-Training/Workshops page and also register for the virtual workshop on Wednesday, November 1. This is a repeat of the six attendee workshops and is from 9:30—11:30 a.m.

Local government staff and third-party vendors may attend both the attendee and the virtual training workshops.

Virtual (Zoom) Workshops (2):

1) Repeat of Attendee Workshop:
Wednesday, November 1:
9:30—11:30 a.m.

2) Client Software:
Wednesday, November 29:
10:00—11:30 a.m.

Both of the above require registration, on the website Training/Workshops page.

You are required to have ONE (and only one) Capital Management account. We cannot deposit to another financial institution.

2024 Required Annual Participation Form is ready

The 2024 form is now available for completion on the website.

There are two steps that must be completed before

local government debts will be submitted to the Department of Revenue in 2024.

1. Complete the comprehensive online form.

2. Complete the electronic signature.

Check the participation page for status a few days after completing each step.

Changes started in 2022 and continuing in 2024 in the electronic signature section:

Setoff files must be downloaded within 30 days in order to: a) respond to debtor inquiries; b) provide surplus refunds for over payment collections; c) provide reporting support /audit information for deposits the Clearinghouse has placed into local government Capital Management accounts.

Not doing so may result in temporary removal of all debts until setoff file downloads are current.

To limit the chance we are marked as spam, we send about 200 emails per hour. So it may take a few hours before you receive notification you have a setoff file.

Some of the Steps Involved with Processing Debt Setoff

1. Import file early Tuesday from Dept. of Revenue and Education Lottery
2. For debts already setoff in 2022, ensure only one \$15 Clearinghouse fee is taken
3. For debts recently adjusted but setoff, apply the funds to any additional debts, if possible
4. Verify the amounts match the totals from Dept. of Revenue/Lottery and notify Capital Mgt. with a deposit list for all local govts. receiving funds
5. Create setoff files, including an Excel file of all setoffs and a separate file of surpluses that have been identified.
6. Place these setoff files in the local government's secure folder to remain for 10 days. Can be restored if not downloaded within the 10 days.
7. Update the website with the status of the processes affecting local governments
8. Send email notifications to local govts. that setoff files are available

No need to wait for an email—try accessing secure folder: TRANSMIT-IMPORT FROM CLEARINGHOUSE-SETOFFS (software users) and use a previous email for instructions.

The Setoff Amount (column J) totaled ALWAYS matches the Capital Management deposit. Even if a debtor and/or debt was deleted by local government.

An Excel Provided with Every Setoff—Matches Capital Mgt. Deposit

Every local government that receives funds gets a detailed excel file. This is a composite list of ALL debtors and debts setoff, whether in full or just a partial setoff. The information provided:

- SSN (only last four digits)
- Name and Address (City, ST, Zip)
- Debt Amount AFTER Setoff
- Setoff Amount, Date and Fee
- Account Number and Dept. Code
- Unique ID/Import ID
- Compliance and Expiration Dates
- Source: REV (Dept. of Rev.) or LOT (Educ. Lottery)
- Clearinghouse Name (if not exact match) that was submitted to Dept. of Rev. May be different than your submission as can only send one name for each SSN. Could be a name change or mis-spell. If different it may indicate you collected on wrong person.
- Note: Dept. of Rev. no longer provides debtor names or addresses.
- To download this Excel file using client software: TRANSMIT-IMPORT FROM CLEARINGHOUSE-SELECTIVE, highlight, download and save.

Reminders About Debtors And Debts

- Any debt owed to a local government can be submitted as long it is 60 days delinquent. A required due process letter must be sent giving them 30 days to request a hearing or pay.
- Even though the General Statutes allow, the Dept. of Revenue will not setoff Business ID numbers, only social security numbers or ITINs. You need a business owner's SSN/ITIN and Name. Do not use the Business name.
- We DO NOT combine debts to reach the \$50 minimum. So each row in an Excel file, ASCII file and each debt in the software must be \$50 or more.
- A debt that has been setoff and the balance is less than \$50 is not resubmitted to the Dept. of Revenue.
- Debts must be combined by the local governments to reach \$50. Remember, debts over \$50 should stand alone. Only combine a debt less than \$50 to others to get to \$50 or one less than \$50 to one over \$50.
- Do not combine any non-tax debt to a tax debt, even if needed to reach \$50.
- If someone declares bankruptcy, all delinquent debts occurring PRIOR to bankruptcy must be changed to \$0.00.
- Be sure your vendors/third parties are aware of these combine/standalone rules. Signing the participation form certifies your compliance to this requirement.
- We suggest noting debts combined, using combined account numbers or if not enough room, some kind of indicator such as "*" or "*C*".
- Joint debts— two options:
 - 1) submit just one of the debtors, if have only one SSN/ITIN
 - 2) If have both SSNS, create debts for both debtors but send letters to both. Can split the debt in half or enter entire amount for both. But each debt must be minimum \$50. If enter full amounts for both and collect in full, refund the surplus amount
- If use our software, DO NOT DELETE debtor/debt, change debt amount to \$0. Then in mid Dec. run year-end clean-up.

Some of the types of debts being submitted to debt setoff: taxes, utilities, EMS, health, animal violations, assessments, civil citations, code enforcement, demolitions, employees, fines, housing, inspections, landfill, loans, lawn maintenance, nuisance, ordinance violations, recreations, returned checks, sewer tap, solid waste, storage rental, storm water, traffic citations. ANY DEBT is eligible after 60 days delinquent.

Interactive Voice Response (IVR)—Take Advantage Of Departmentalization

Local governments can have only ONE account at Capital Management. But we DO allow local governments the OPTION of having separate contacts and phone numbers for each department/account codes rather than just one. Currently, more than 75 local governments are taking advantage of this.

Some local governments have one main number for all debt setoff issues from debtors. This is fine but please be sure the staff that answers this one number can answer questions for all the departments/account codes in debt setoff.

Local governments that take advantage of the Clearinghouse handling the data entry option do not have the option of multiple contact phone numbers in

our IVR.

We suggest using a department or section as the contact, rather than a person's full name. Or maybe use just a contact person's first name.

When you have an individual's name as the contact and if that person leaves, permanently or for an extended time let us know by calling or sending an email to ncsetoff@ncsetoff.org with the following:

- ◇ Local Govt. Name
- ◇ Department and/or Contact Name (first OR full name)
- ◇ Phone Number (w/ extension if applicable)
- ◇ Department Code (type of debt: TAX, EMS, HLT, UTL, etc.)

Sample:

- ◇ Central County
- ◇ Customer Services
- ◇ (910) 555-1212
- ◇ TAX

If we can help with multiple contacts and phone numbers, let us know. The intent is to direct debtors to the proper contact who can assist in explaining the debt(s). Now may be a good time to review how our IVR directs debtors to the contact(s) you have specified.

To test/verify, call (877) 843-0330 and enter an SSN for each department/account code used and listen for your local government information.

All of the Clearinghouse's services are at no cost: software installation, training, software, file imports, data entry, letter generation and more...

The \$15 fee added to the debt that goes to the NC Association of County Commissioners and NC League of Municipalities pays for these services. We try to ensure that only one \$15 per debt per year is taken.

Dates/Times for Debt Setoff Support

- **Office Hours:**
 - ◇ Monday through Thursday (8:30 a.m.—5:00 p.m.)
 - ◇ Friday (8:30 a.m.—3:00 p.m.)
- **Debtor lookups—past setoff and current debt amounts:** Monday through Friday
- **Restore previous setoff files:** Monday through Friday
- **Password Resets:** Monday through Friday
- **Change I.P. addresses for Connectivity:** Monday through Friday
- **Software Installations:**
 - ◇ Server: Monday through Wednesday (database upgrades/restores)
 - ◇ Workstations: (new and/or updates): Monday through Thursday
- **Client software training:**
 - Tuesday through Thursday (by appointment only)
- **File Imports into Client Software:** Monday through Thursday (8:30 a.m.—4:30 p.m.), Fridays (8:30 a.m. —2:00 p.m.)
- **Notification Letter Generation:** Monday through Thursday (8:30 a.m.—4:30 p.m.), Fridays (8:30 a.m. —2:00 p.m.)
- **Days to Submit files: TRANSMIT-EXPORT TO CLEARINGHOUSE-DEBTOR INFORMATION (software users) or UPLOAD (non-software users):**
 - ◇ Monday through Friday 5:00 p.m. Soon after 5:00 pm each Friday, the Clearinghouse imports all submitted files for the automated processing which takes 30—40 hours. Files submitted by Friday midnight are also normally processed, if enough time on Sundays for a second batch. Files submitted on Sundays and even early Monday mornings normally wait until the upcoming Friday, unless we receive a call or email and explanation.
- **Import Status Emails:**
 - ◇ Usually begin sending Sunday evenings after all submitted files processed
- **File Created and Sent to Department of Revenue:** Created on Monday evenings, Tuesday mornings if setoff file received from Dept. of Revenue and Lottery. Sent late Monday or early Tuesdays as it is due by 9:30 a.m.
- **File Sent to Education Lottery:** Dept. of Revenue sends to Education Lottery every other Thursday. The Clearinghouse does not send to the Education Lottery

Past Important Changes:

- **Data Entry Users**—the Clearinghouse no longer generates notification letters, nor enters debtors without SSNs or ITINS.
- **Software Users**—the Clearinghouse will no longer import debts into our software, nor generate letters for debtors without SSNs or ITINS
- The Clearinghouse will provide a word document template so local governments can generate their own required notification letters to those debtors with no SSNs or ITINS.

Hopefully all users of debt setoff receive the many types of emails we distribute. We send so many emails from several different methods that we often get treated as Spam. Let your I.T. staff know if you aren't receiving one or more of the types.

Local governments must send refunds/surpluses to the debtor. These funds are deposited into your Capital Management account.

Emails—We Do Our Best To Get Information To You

The NC Local Government Debt Setoff Clearinghouse sends lots of emails. And when we do, it can be to more than a thousand in a single day. Although we send to ONLY our local government participants in NC, the spam monitors often don't like this. Our email provider monitors and has been helpful but sometimes it is out of our control.

We hear sometimes that frequent users have stopped getting emails from us even though we made no changes. Sometimes we get notifications that email was rejected and we attempt to resolve. We have several types/categories for sending electronic mail:

1. when a file is uploaded to our secure site, directly or through our client software (MoveIt)
2. when the secure folder password has expired (MoveIt)
3. when a setoff file from NCDOR/Education Lottery is available or for

Import Status reports (Outlook)

4. when a newsletter/technical bulletin is available (Outlook)

File Upload Confirmations and Password Expiration notifications come from an unauthenticated email as the vendor (Progress/IPSwitch) for this product (MoveIt), doesn't allow for an authenticated method for emails. So some users may not be receiving the File Upload Confirmations or Password Expiration notifications.

When we send emails for an Import Status report we usually send those over the weekend so that the emails are available to the local governments on Monday. In the event of a problem the file can be recreated and processed before being sent to the Dept. of Revenue on Tuesday morning.

When we send emails notifying of a setoff file from Dept.

of Revenue and Lottery those are sent at a few hundred per hour so it may take several hours for those emails to be completed. If you are aware of the setoff date, you can proceed with your instructions from a previous setoff email to see if the files are available to process. The first step we do is place the setoff files in the secure folders then send the emails. So no requirement for waiting for the email notification to start.

You may need to contact your I.T. to request they allow emails from:

- @ncsetoff.org
- @fivestarccomputing.com
- We can also provide specific IP addresses if necessary

Contact us if you want to review the email addresses we have for your local government or to make additions or changes.

We also know that many I.T. have removed links from our emails, like the Import Status, making it difficult to share information.

Surpluses/Refunds Happen—Why and What to Do

Refund (rare)—when Dept of Rev. requests funds and fees be returned. Only 5 of 91,536 setoffs so far in 2022.

Surplus (common)—when too much of a refund or lottery winning was taken. We provide a surplus.xlsx for review.

Surpluses will always occur, especially with the fact that we can ONLY submit one file per week, each Tuesday, to NCDOR. So as debtors pay you directly please send us an updated file, every Friday is recommended. Users of our software do: TRANSMIT-EXPORT TO CLEARING-

HOUSE-DEBTOR INFO.

Thousands of debtors file more than one tax return per year, often within the same setoff file period or within the next one. NCDOR will setoff their refund for EACH tax return filed and assess a \$5 legislated fee. However, the Clearinghouse will assess only ONE \$15 legislated fee per debt per year.

Also, we do not recommend that you return any fees for debts that were setoff that were just recently paid directly to you. Often the debtors receive a letter in the mail from NCDOR informing them that

they were setoff. They may then make payment to you expecting to get the surplus and the fees returned. Only return the fees if they paid you a month or so before the debt was setoff. The Clearinghouse does not refund fees unless NCDOR provides an official letter requesting.

You are required to refund surpluses, you cannot apply to other debt UNLESS the other debt meets the setoff requirements: the setoff notification letter must be sent to last known address and 30 days given to appeal/request a hearing.

Statutes are more associated with the age of the debt's activity, not how long a debt is in debt setoff. Debts are considered active if an invoice/ statement sent within the past 3 years (10 years for taxes).

Do NOT assume debts can only be in Debt Setoff for three years!

Three criteria for sending debts weekly to the Dept. of Revenue:
1. Debt must be \$50 or more
2. Compliance Date must have passed
3. Expiration Date must NOT have passed

Note: we do NOT combine debts, they must be combined by local government.

Statute of Limitations (Debt Expiration Date)

This topic is one of the most difficult in providing exact guidance. There are differing opinions. There are some local government attorneys that feel that the Statutes of Limitations do not apply to local governments. Many agree with a 1996 N. C. Attorney General opinion that the Statutes do not apply to local government debts under the Debt Setoff program. Other attorneys have opinions that if the debtor does not appeal within 30 days after receiving the required notification letter then debts will never expire. But if appealed within 30 days then the statute may apply—you can go 10 years

back for taxes and 3 years back for any other type of debt.

Both the NC Association of County Commissioners and the League of Municipalities advise you to consult your attorney and be sure they feel comfortable defending their opinion of the Expiration Dates being submitted by your local government.

If it is determined that some or all of your existing debts can be extended, the Expiration Dates may need to be modified and re-submitted. Let us know if we can assist as we can easily modify these dates with our software. Don't just assume

you have to expire all debts after 3 years! If a bill/invoice/ statement was sent, or a payment was received, within 3 years (10 years for taxes) from the time you sent the debtor the required due process letter, it may never need to expire. We have many local governments using expiration dates of 2029, 2059 and even 2099. We have collected thousands of debts older than three years.

Often it takes many more than three before your debt is even next in line because of other previous debts that took years to pay off.

Sample Delinquent Debt Scenarios

Type of	Delinquent	Last Activity*	Eligible for Debt	Reason
Tax	2009	Dec 2013	YES	Activity within 10 years
Utility	2011	July 2020	YES	Activity within 3 years
Health	2019	Nov 2019	YES	Activity within 3 years
Tax	2004	Jan 2010	NO	Activity more than 10 years
EMS	2010	April 2017	NO	Activity more than 3 years

Preparing for Year-end Cleanup

The many recent breaches of millions of customers information should be an eye-opening experience for us all. There were many who are not even customers who had their personal information accessed.

So as we near the end of tax season consider making your debt setoff information the most secure by considering the following:

Delete:

1. ALL \$0 not setoff (these are debtors who were entered but paid their debt or declared bankruptcy, deceased, etc.)(GOOD)
2. ALL \$0 (BETTER)
3. ALL less than \$50 not setoff (GOOD)
4. ALL less than \$50 (BEST)

We suggest doing option #4—ALL debts less than \$50 to be as secure as possible and protecting of your debtors personal information.

All four options allow you to choose the type of debts: TAX, EMS, UTL, HLT, etc. so different options may be done on different types of debts.

There are also three options to delete Expired Debts . Consider updating the Expiration dates, refer to the article above on this page. But if you choose not to extend, consider removing them.

If you want to save the Social Security Numbers and debt information you can create an Excel file in our software BEFORE doing the year-end cleanup. That Excel file could be copied to an external drive and stored securely. Then you have SSN and debt information if needed in the future.

Contact the Clearinghouse in December if you want assistance with year-end cleanup.

The Flow of Funds:

- Tuesdays: Setoffs from the Dept. of Rev. and Education Lottery usually occur the 2nd and 4th Tuesdays from February through November and 2nd Tuesday in December.
- Wednesdays: the same week as the setoff, the Clearinghouse has completed the setoff process and provides a report to NC Capital Management Trust (Cap. Mgt.) with the local government name, account number and amount to deposit.
- Fridays: the same week that the setoffs occur, the Department of Revenue and Education Lottery make electronic deposits to Cap. Mgt.
- Fridays: statistics updated on website
- Following Tuesdays: Cap. Mgt. has completed the deposits and is available to local govts.

Reminder: in order to participate, a local government must have ONE account with Capital Management of the Carolinas. This is the only way the Clearinghouse can provide funds. Local governments are responsible for applying the funds amongst the different departments for the one deposit amount.

Reconciliation of Setoffs:

- The setoff files that the Clearinghouse provides will always total the amount of the Cap. Mgt. deposit. The Excel file setoff amount (column "J") total matches the Cap. Mgt. deposit.

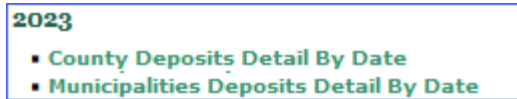
The Flow of Funds and Verification of Setoff Deposits

- If someone at the local government deletes a debtor and/or debt, but there is a setoff, then the error report, when processing the setoff, will display the UniqueID(s) that cannot be found.
- In order for the Setoff report to match the deposit, the debtor and debt must be re-entered and the new UniqueID given to the Clearinghouse to modify the setoff file.

Never delete a Debtor and/or Debt: instead, edit the Debt to \$0.00.
Often, a debtor calls and/or visits and is upset so the local government person deletes debtor/debts. It is quite possible the debtor has already been setoff before the call/visit. Wait at least a month or longer before deleting. Late December is recommended.

Deposit at Capital Management but no Setoff was Processed:

- There can be many reasons a setoff file was not downloaded and processed, such as the local government's email system rejected the email notification. The Clearinghouse sends so many emails in a short amount of time that we often get marked as Spam. Check even if you don't receive an email!
- The setoff files reside in the secure folder for only 10 days before it is automatically deleted. Past setoffs can be restored if requested, send an email to ncsetoff@ncsetoff.org and customerservice@ncsetoff.org
- Often someone in Finance or an auditor notices a deposit at Cap. Mgt. but there is no Setoff report.
- To determine if a Cap. Mgt. deposit was for a debt setoff, the Clearinghouse lists all deposits for the year for each local government. They show on the Statistics page, 1) Counties (and agencies); 2) Municipalities (and housing authorities), highlighted below:



- When accessing these deposit reports, **increase/zoom** in order to read, as there are 135+ counties and agencies, and 380+ municipalities and housing authorities:

Setoff Calendar for 2023:

- 1) February 7
- 2) February 21
- 3) March 7
- 4) March 21
- 5) April 4
- 6) April 18
- 7) May 2
- 8) May 16
- 9) June 6
- 10) June 20
- 11) July 11
- 12) July 25
- 13) August 8
- 14) August 22
- 15) Sept. 12
- 16) Sept. 26
- 17) Oct. 10
- 18) Oct. 24
- 19) Nov. 7
- 20) Nov. 21
- 21) December 12

Website:

<http://www.ncsetoff.org>

Toll-free Support:

(866) 265-1668

Interactive Voice Response

(IVR): (877) 843-0330

E-mail: ncsetoff@ncsetoff.org

N.C. Clearinghouse (Five Star)

Bill Walsh
(President/Operations Manager)
Fran McClary and
Grace Olkowski
(Customer Services)
Billie Mills
(Installation Technical Support)
Drew Bryant
(Software Developer)



North Carolina Association of
County Commissioners
Website: <http://www.ncacc.org>
Contact: Matt Bigelow
Phone: (919) 715-4367
E-mail:
matthew.bigelow@ncacc.org



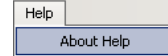
North Carolina League of
Municipalities
Website: <http://www.nclm.org>
Contact: Rick Whitener
Phone: (919) 715-8719
E-mail: rwhitener@nclm.org

NC Department of Revenue
Debt Setoff Unit
For local govts. and debtors
(919) 814-1119

NC Education Lottery
(919) 301-3531 or 3331

N C Capital
Management Trust
(800) 222-3232

- **Latest Version — July 2023 (2023.07) - but latest available to all via automatic update is 2023.01c. Check by selecting:**



- **DETAILS ON NEW VERSION:**

- ◇ The only difference with 2023.07 over 2023.01c are all the associated dynamic link library (dll) files. This new install/upgrade has the latest dll files from Progress Inc., our provider for the Movelt transfer software. Our client software uses these dlls for the TRANSMIT menu options to access our secure site: <https://setoff.fivestarcomputing.com>
- ◇ We encourage all to upgrade as your current .dlls, although functional, are out of date . But there is no urgency as your software will continue to operate,
- ◇ To get the latest .dlls, Five Star must connect and uninstall your current version, then install the new .exe and new .dll files
- ◇ Your I.T. may want you to have the latest application and.dlls. So please inform them of this and you or they can contact us via email at ncsetoff@ncsetoff.org so we can schedule
- ◇ We would like to get assistance from your I.T. to do any additional workstations as there is nearly 1,000 workstations using our software

REMINDERS— EXPIRED PASSWORDS:

- Every 90 days you must change the TRANSMIT password. The basic user sign-on passwords are not yet required to be changed. When the TRANSMIT password email notification is received, it means you cannot use any of the TRANSMIT menu options until the password is changed. It is the “behind the scenes” password and not the one to used to sign-in to the software. When this email is received someone from each local government must change or contact the Clearinghouse and we connect and change it. Our software has, for two years, made the TRANSMIT password reset just a few clicks, nothing to enter, store, or remember.
- The only requirement is that you have to sign-on with username: **admin**
- We can provide the **admin** password if necessary. But this should be the main user, not someone from each department. Remember, only one person has to update/reset the password, then all users can immediately TRANSMIT. You can continue to use your regular sign-on, if not already using admin, to do the daily functions for auditing and transaction logging. But the admin sign-on must be used when the password expires in order to reset it
 - * We have created instructions in a pdf that you should store on your desktop to use when time to change the TRANSMIT password. Let us know if you need us to email to you.

TIPS:

#1: Every Friday have someone do the option: **TRANSMIT-EXPORT TO CLEARINGHOUSE-DEBTOR INFORMATION.** This sends any updated balances for manual adds, edits and/or imported file(s) to the Clearinghouse. Otherwise, you may have updated debts at your location but the Clearinghouse does not have the update. This could result in someone’s tax refund or lottery winnings being setoff requiring the local government to send a refund and also pay any fees taken. It also creates an Import Status email with statistics, before and after, and any errors or rejections. This email is normally sent on Sunday so it is there on Monday. Check and let us know ASAP if problems!

#2: Change Debts to \$0.00—don’t delete debt and/or debtor

It’s happened many times. An irate person comes to a local government and complains, threatens, etc. so someone deletes the debt and or the debtor from the software. Often, the debtor has already been setoff and is aware of it. This means we will be receiving the funds soon and if the debtor/debt is gone, we cannot match the SSN and Unique ID. It appears on the Setoff Error page and the report will not match what was deposited at Capital Management. Your auditors approve of a deposit showing more than the debt setoff report. So you probably end up restoring the debtor/debt and we have to make it match the newly system generated Unique ID. We recommend waiting several months or at year-end to remove these types of debtor issues.