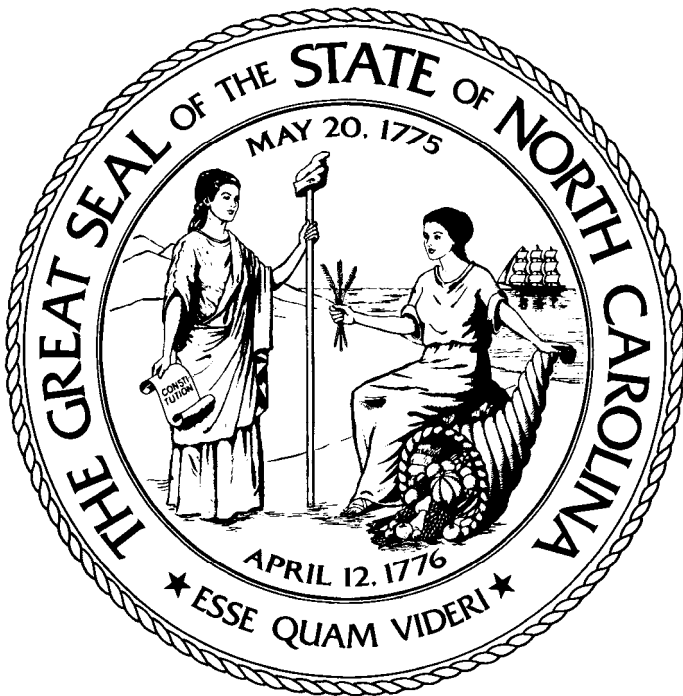


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# NORTH CAROLINA

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## ***STATEWIDE ACCOUNTS RECEIVABLE REPORT***

***For the Year  
Ended  
June 30, 2008***

**North Carolina Office of the State Controller**

**David McCoy, State Controller**

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# State of North Carolina

## Office of the State Controller

**DAVID T. MCCOY**  
**STATE CONTROLLER**

February 25, 2009

The Honorable Beverly Perdue, Governor  
The Honorable Marc Basnight, Senate President Pro Tempore  
The Honorable Joe Hackney, Speaker of the House of Representatives

Attached is the *Statewide Accounts Receivable Report* for the year ended June 30, 2008. This report is prepared in accordance with Article 6B of Chapter 147 of North Carolina General Statutes.

This Article provides that the State Controller shall report annually to the Governor, the Joint Legislative Commission on Governmental Operations, and each state agency a summary of accounts receivable using information provided by state agencies and any additional information available.

We hope that you find this report both informative and beneficial. If you have any questions or comments, please contact me at (919) 981-5454. We also invite you to visit our internet site for additional financial reports and information:  
<http://www.osc.nc.gov/> .

Respectfully submitted,

A handwritten signature in black ink that reads "David McCoy".

David McCoy  
State Controller

cc: Members of the North Carolina Joint Legislative  
Commission on Governmental Operations  
Chief Fiscal Officers

# 2008 Statewide Accounts Receivable Report

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## ***Introduction***

The *Statewide Accounts Receivable Report* includes all receivables at June 30, 2008 reported to the Office of the State Controller by state agencies. As defined by North Carolina General Statute, a receivable is an asset of the State of North Carolina (State) reflecting a debt that is owed to the State and has not been received by the state agency servicing the debt. A state agency is defined by statute as any department, institution, board, commission, committee, division, bureau, officer, official or any other entity for which the State has oversight responsibility including any university. As prescribed by statute for the statewide accounts receivable program, the term state agency does not include a community college, an area mental health, developmental disabilities, and substance abuse authority, or the General Court of Justice.

The receivables disclosed in this report are based on generally accepted accounting principles (GAAP) and reflect a snapshot of amounts owed to the State at June 30, the conclusion of the State's fiscal year. This report also discloses additional information about the State's receivables at fiscal year-end such as: an aging of receivables which indicates the degree to which receivables are past due and write-offs which are receivables that agencies will not, or most likely will not, collect and have therefore deducted from their accounting records.

## ***How the State Collects Debt***

State agencies invoice businesses and individuals for services rendered through many different billing and receivable systems.

State policy provides that receivable systems of state agencies should:

- Bill accounts on a timely basis, whether the receivables are due from private entities, the federal government, localities, or state agencies and institutions;
- Maintain an accurate record of receivables transactions;
- Effectively interface with other applicable agency-based accounting systems;
- Provide an aged trial balance of receivables;
- Provide information relative to specific collection efforts on each past-due account;
- Provide realistic estimates of, and properly account for, doubtful accounts;
- Properly account for receivables that are written off;
- Recognize and report receivables in accordance with generally accepted accounting principles (GAAP);
- Comply with federal and other contractual regulations;
- Maintain a record of year-end receivable balances; and
- Provide for the accrual of interest and penalties as allowed or as required by law.

# 2008 Statewide Accounts Receivable Report

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## Types of Receivable

Taxes - Primarily consist of individual income tax, sales and use tax, and local sales tax collections.

Accounts - Primarily consists of student, patient and medical provider payments.

Intergovernmental - Primarily consists of funds due from federal and local governments.

Notes - Primarily consists of student loans, housing mortgage loans and EPA revolving loans that will be collected on a predetermined contractual basis.

Interfund - Primarily consists of funds moving between different state fund types.

Other - Primarily consists of participant contributions to the health and pension plans and State Treasurer investment earnings (distributions) owed to those funds (trust, special) that earn interest.

## Aging of Receivables

An aging of receivables indicates the degree to which receivables are past-due. State agencies provide the Office of the State Controller an aged trial balance of receivables each fiscal year-end.

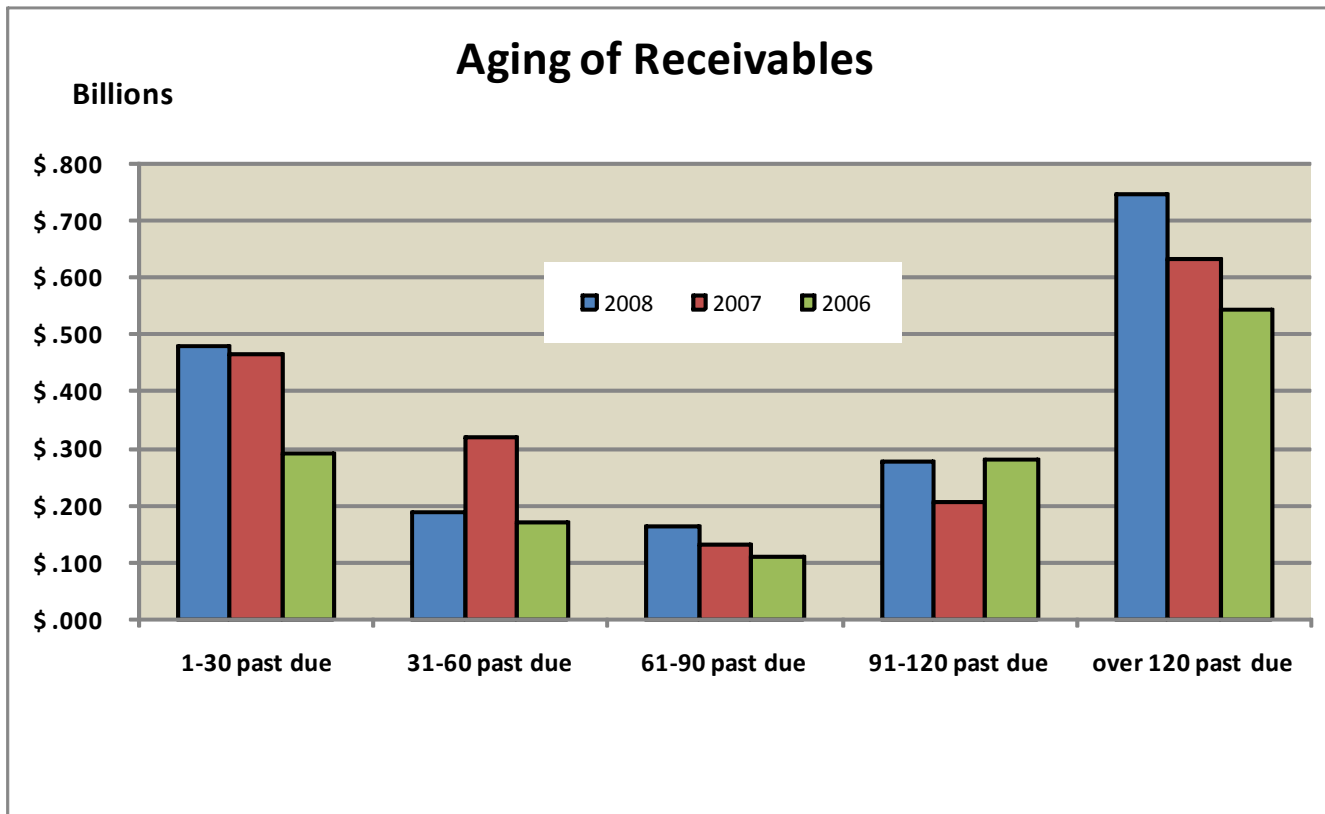
The chart below summarizes past due receivable activity.  
(in thousands)

<u>Past Due Receivables by Type</u>	<u>Past Due</u>					<u>Total Past Due</u>
	<u>1-30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91-120 Days</u>	<u>Over 120 Days</u>	
Taxes Receivable	\$27,938	\$25,482	\$18,928	\$79,671	\$380,756	\$532,775
Accounts Receivable	308,005	100,387	55,221	105,692	238,348	807,653
Intergovt Receivable	4,019	2,558	42,866	63,059	7,994	120,496
Notes Receivable	110,238	54,356	43,905	28,170	101,193	337,862
Interfund Receivable	2,453	1,492	87	44	189	4,265
Other Receivable	27,852	2,939	2,909	1,395	19,218	54,313
	<u>\$480,505</u>	<u>\$187,214</u>	<u>\$163,916</u>	<u>\$278,031</u>	<u>\$747,698</u>	<u>\$1,857,364</u>

Accounts past-due at year-end 2008 total \$1.857 billion of total receivables. The Department of Revenue, Employment Security Commission, UNC Hospitals, the Department of Health and Human Services, State Education Assistance Authority and the UNC System account for \$1.804 billion, or 97%, of these past due receivables. Each of these entities employs specific collection techniques to aggressively collect past due accounts receivables. For the remaining \$53 million, or 3% of past due accounts, OSC is evaluating the policy and procedures of the agencies to strengthen their collection efforts. Appendix A details the aging amounts by agency for fiscal 2008.

# 2008 Statewide Accounts Receivable Report

The chart below summarizes aging amounts for fiscal years 2008, 2007, 2006:



### Year-end Amounts

The State's comprehensive annual financial report (CAFR) disclosure of receivables includes both *estimated* receivables and *invoiced* receivables, net of allowance for doubtful accounts as of June 30. The chart below summarizes CAFR total receivables by type for fiscal years 2008, 2007, 2006:

Total Receivables by Type - Fiscal Years 2008, 2007 and 2006 (in thousands)	2008			Change FY07 to FY08	
	2008	2007	2006	Amount	Percent
Notes Receivable .....	\$ 6,201,896	\$ 5,512,619	\$ 4,834,483	\$ 689,277	12.5%
Taxes Receivable .....	2,014,119	2,244,294	2,138,293	(230,175)	(10.3)%
Intergovernmental Receivables .....	808,722	1,064,674	1,236,222	(255,952)	(24.0)%
Accounts Receivable .....	1,407,746	1,027,565	1,080,782	380,181	37.0%
Interfund Receivables .....	621,591	679,036	438,256	(57,445)	(8.5)%
Contributions, Premiums, Other Receivables ...	512,222	585,108	564,476	(72,886)	(12.5)%
Interest Receivable .....	52,525	111,035	78,187	(58,510)	(52.7)%
<b>Total Receivables .....</b>	<b>\$ 11,618,821</b>	<b>\$ 11,224,331</b>	<b>\$ 10,370,699</b>	<b>\$ 394,490</b>	<b>3.5%</b>

As shown in the table above, receivables totaled \$11.6 billion for fiscal 2008, \$11.2 billion for fiscal 2007 and \$10.4 billion for fiscal 2006. Total receivables grew by \$394.5 million or 3.5 percent during this period. Most of this increase was due to a \$689.3 million increase in notes receivable. The increase in notes receivable is predominantly due to the State Education Assistance Authority (SEAA) where loans increased by \$477.5 million.

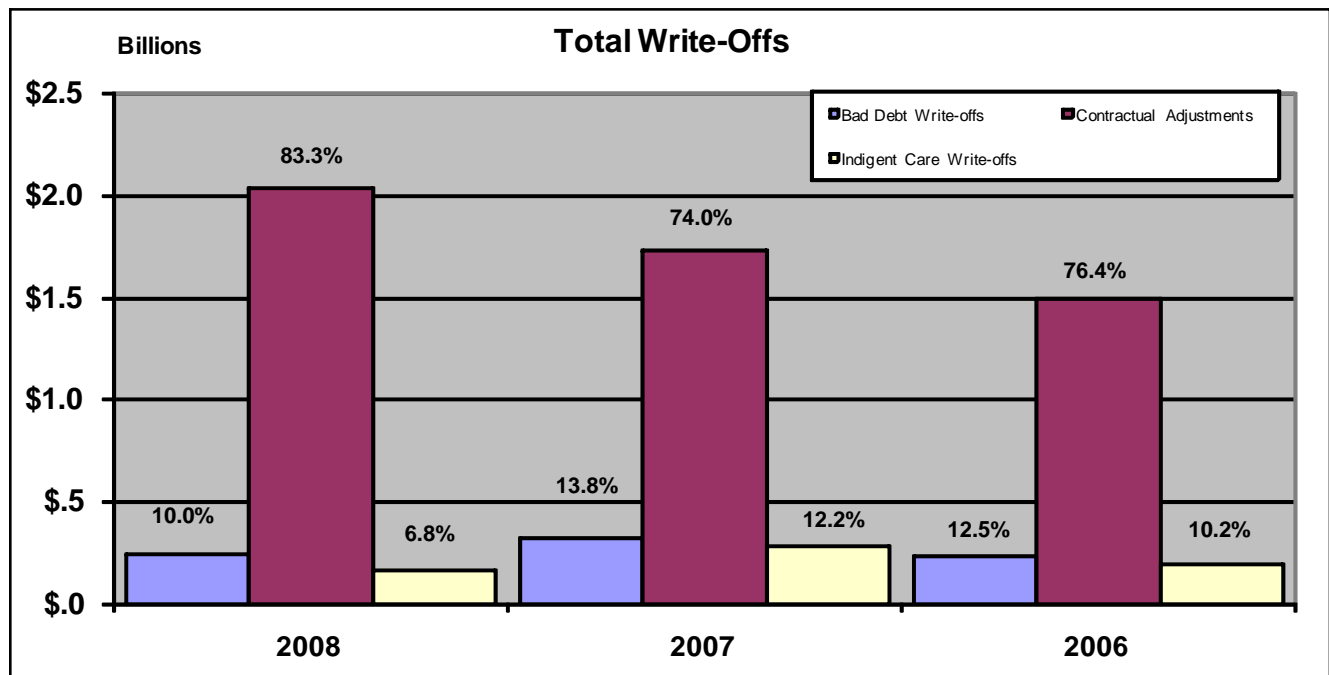
# 2008 Statewide Accounts Receivable Report

## Write-offs

Write-offs are receivables that agencies will not, or most likely will not, collect and have deducted from their accounting records. Write-offs are caused by bad debt adjustments (unsuccessful collection efforts), contractual adjustments or indigent care adjustments. Write-offs for year-end 2008 totaled \$2.441 billion consisting of \$243 million for bad debt, \$2.034 billion for contractual adjustments and \$164.8 million for indigent care. Total write-offs for 2007 were \$2.344 billion.

UNC Hospitals, including Rex Healthcare, reported write-offs of \$1.68 billion of receivables based on Medicare and Medicaid adjustments, indigent care provider adjustments, and managed care contractual adjustments. The Department of Revenue reported write-offs of \$105 million. UNC Chapel Hill and ECU reported write-offs of \$416 million and \$198 million, respectively.

Appendix A details by receivable type, total agency write-offs during fiscal 2008. The chart below summarizes agency write-offs by type for fiscal years 2008, 2007, 2006.



**Contractual Adjustments** - The differences between revenue at established rates and the amounts realizable from third-party payers under contractual agreements. These adjustments are made to customer, patient, or business accounts as the result of a contractual agreement to provide certain services or products at a previously negotiated price. The contractual adjustment is the difference between the value assigned by the state provider/supplier of the product or service and the predetermined price as negotiated with a third-party payer (example: insurance company).

**Indigent Care Adjustments** - The differences between revenue at established rates and the amounts realizable from the financially responsible party for those receiving the state product or service. In this instance, the write-off is the result of the financially responsible party being unable to meet the financial obligations due to poverty or a lack of subsistence.

**Bad Debt Adjustments** - All write-offs of bad debts other than those for contractual or indigent care reasons.

# 2008 Statewide Accounts Receivable Report

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## ***Cost of Collection***

State agencies, excluding the Department of Revenue, reported to the Office of the State Controller collection activity costs totaling over \$45 million during 2008. Agencies also reported the full-time equivalent (FTE) of state employees dedicated to receivable activities during 2008, a total of 438. A large percentage of total collection costs and FTE reported by state agencies is attributable to patient accounts and student accounts, including student loans.

UNC Hospitals, part of the UNC Health Care System, reported 2008 collection costs of \$7.3 million and FTE of 43. The UNC-CH Physicians and Associates, also part of the UNC Health Care System, reported collection costs of \$14.4 million, and FTE of 147. East Carolina University reported collection costs of \$4.2 million for its medical faculty practice and FTE of 70. Regarding student loans, the State Education Assistance Authority reported that loan administration and collection are out-sourced for a cost of \$10.9 million for 2008 and zero FTE.

Appendix B details by agency the collection costs and the FTE of state employees dedicated to collection.

## ***Collection Activity – Attorney General***

State agencies are required by statute to turn over unpaid billings to the Attorney General for collection no more than 60 days after the due date of the billing. The North Carolina Department of Justice then sends a letter to debtors demanding payment. If payment is not made within 30 days, the department recommends to agencies that unpaid billings be submitted to a state contracted collection agency. On September 1, 2008, the Department of Justice contracted with nine collection agencies.

During fiscal calendar year 2008, a total of \$25.45 million was submitted to the Attorney General for collection on behalf of state agencies. During fiscal year 2008, \$51.75 million was submitted by state agencies to collection agencies, and \$8.8 million was collected at a cost of \$1.74 million.

## ***Setoff Debt Collection Program Activity***

The NC Department of Revenue (NCDOR) continues to administer the State's Setoff Debt Collection Program that requires NCDOR and state agencies to cooperate in identifying debtors who owe money to the State and who qualify for refunds from the NCDOR. The procedure for setting off against any refund the sum of any debt owed to the State resulted in \$48.1 million of net refunds to claimant agencies during the 2008 calendar year for the 2007 tax year.

G.S. 105A, the Setoff Debt Collection Act, requires all claimant agencies and the NCDOR to cooperate in identifying debtors who owe money to the State through its various agencies and who qualify for refunds from the NCDOR. It further requires that procedures be established for setting off against any refund the sum of any debt owed to the State.



# 2008 Statewide Accounts Receivable Report

Summary data from NCDOR for the prior five tax years is reflected below (whole dollars).

## Debt Setoff Activity for Fiscal Years 2002-2006

Tax Year	2006	2005	2004	2003	2002
Debt Setoff Occurs in Calendar Year	2007	2006	2005	2004	2003
Gross amount of Refunds Setoff Collection Assistance Fees applied	\$41,158,165	\$38,222,241	\$34,982,536	\$30,182,268	\$22,545,441
Based on Prior Year Actual Expenses	(791,445)	(864,931)	(665,191)	(478,859)	(324,251)
Net Amount of Refunds Paid to Claimant Agencies	\$40,366,720	\$ 37,357,310	\$ 34,317,346	\$ 29,703,410	\$ 22,221,190
DOR Administrative Expenses - Current Year	\$ 470,217	\$ 429,210	\$ 460,429	\$ 443,959	\$ 447,671
Total Setoffs (includes completed, denied, and cancelled setoffs)	191,876	180,207	167,723	142,320	104,608
Number of Completed Setoffs	185,971	172,907	161,749	136,685	101,125
Average Gross Setoff Amount	\$ 221.31	\$ 221.06	\$ 216.28	\$ 220.82	\$ 222.95
Average Cost per Setoff	\$ 2.45	\$ 2.38	\$ 2.75	\$ 3.12	\$ 4.28
Average Net Amount of Refunds Setoff	\$ 217.06	\$ 216.05	\$ 212.16	\$ 217.31	\$ 219.74

- Effective for the calendar year 2000, the cost of collecting child support debts is not charged against the taxpayer's refund. Instead, the gross amount of the refund is applied to the debt and the NCDOR receives a collection assistance fee for these debts from individual income tax collections. For the calendar year 2008, collection assistance fees for child support debts collected through setoff were \$150,832 bringing the total collection assistance fees received by the NCDOR to \$1,081,477.
- Effective for the calendar year 2005, the 2004 Law Changes have been amended to impose a flat collection assistance fee of \$5.00 for each debt collected through setoff.

### **Agency Compliance with Statewide Accounts Receivable Program**

Beginning with fiscal year 2007, the Office of the State Controller (OSC) required each state agency to complete a management representation signed by the agency's chief executive officer and chief financial officer. All state agencies returned a signed letter representing:

- Management is responsible for complying, and has complied, with requirements of Article 6B of Chapter 147 and Chapter 105A of the North Carolina General Statutes.
- Management is responsible for establishing and maintaining, and has established and maintained, effective internal control over compliance with the requirements of Article 6B of Chapter 147 and Chapter 105A of the North Carolina General Statutes.
- Information submitted to the Office of the State Controller for preparation of the *Statewide Accounts Receivable Report* is materially correct and verifiable to agency records.

The ability to charge interest and penalty on past due accounts receivable is a manual process that is not supported by some billing and accounts receivable systems currently operating within state government. Future business infrastructure projects should incorporate the ability to calculate interest on past due accounts. Since the current process is manual and does not interface with any financial system, many state agencies choose not to charge interest or assess penalties.

### **Current OSC Accounts Receivable Initiatives**

## **2008 Statewide Accounts Receivable Report**

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In the spring of 2005, OSC renewed its emphasis on the statewide e-commerce program. The tasks to be performed under the renewed emphasis included: 1) securing a new master services agreement for Electronic Funds Transfer services; 2) securing a new master services agreement for Merchant Card services; 3) establishing arrangements with proprietary card companies (i.e., American Express and Discover); 4) updating and developing e-commerce related policies for agencies; 5) developing an educational resource for agencies through OSC's Website; 6) developing a program to assist agencies in becoming and remaining compliant with the new PCI Data Security Standard; and 7) preparing a comprehensive report on E-Commerce to be presented to the General Assembly in April 2008.

The E-Commerce Task Force Report published in April 2008 provides the foundation upon which the State's e-commerce program can be further built upon. The report:

- Provides an assessment of the current environment;
- Examines best practices in e-commerce;
- Identifies issues relating to funding and fees; and
- Provides recommendations regarding how the State's e-commerce program can be enhanced and expanded.

The E-Commerce Task Report also indicated that the increased statewide acceptance of electronic payments continues to improve the collection results of receivables. In fiscal year 2008, there were six million merchant card transactions processed under the State contract, totaling \$646 million, a 30% increase in the usage of electronic payments when compared to fiscal year 2007. The biggest user of electronic payments for collections was the Department of Revenue, receiving \$18.2 billion from 130,000 taxpayers (68% of tax dollars received).

One of the objectives of OSC's E-Commerce Initiatives for 2009 is to supplement the "Green Initiative" that the State is embarking upon. There is perhaps no other single initiative that can have the impact on the elimination of paper than a successful E-Commerce program. To accomplish this objective, and to help implement some of the recommendations in the E-Commerce Task Force Report, OSC plans on forming an E-Commerce Advisory Council. The purpose of the Council will be to leverage the knowledge, experience, and expertise currently available within state government, providing a forum by which best practices and industry updates can be shared and disseminated.

### ***Future Pathway***

Phase II of the Beacon Financials project will allow for standardization and assist agencies in the management of their accounts receivable. State-of-the-art financial reporting systems have accounts receivable modules that automatically create billings, payment reminders and overdue notices. Such modules can be set to automatically create overdue letters and reports of payments due and past due. All of these functions are currently performed manually by agency personnel without system support. Automated processes and reporting supported by software will allow for more centralized reporting and enhance the ability of OSC to perform the statewide monitoring required by GS 147-86.22 (a) (1).

# 2008 Statewide Accounts Receivable Report

## Appendix A

Past Due Receivable Summary Aging Report  
Fiscal Year Ended June 30, 2008  
(in thousands)

Past Due Receivables by Department/Institution	Past Due					Total Past Due	Total Write-offs
	1-30 Days	31-60 Days	61-90 Days	91-120 Days	Over 120 Days		
General Assembly	\$1	\$ —	\$ —	\$ —	\$ —	\$1	\$ —
Secretary of State	—	7	14	4	137	162	—
Office of the State Auditor	—	—	71	—	—	71	—
State Treasurer	2	1	—	—	2	5	—
Public Instruction	1	—	—	—	3	4	45
Agriculture	132	30	18	5	25	210	—
Labor	—	338	242	123	3,858	4,561	331
Insurance	646	716	2	—	—	1,364	—
Administration	1,884	510	128	379	—	2,901	—
Office of State Controller	5	—	—	—	—	5	—
Transportation	5,689	1,820	2,722	934	5,013	16,178	511
ENR	140	32	23	42	428	665	—
Juvenile Justice	25	1	25	—	—	51	—
DHHS	122,839	21,425	49,850	7,263	107,380	308,757	26,055
ITS	3,436	389	307	1,207	1,843	7,182	2
Correction	847	942	180	93	2,155	4,217	152
Commerce	3,546	125	120	45	288	4,124	33
Employment Security	6,063	3,931	2,503	81,919	—	94,416	4,286
Revenue	23,298	23,274	17,722	41,663	380,756	486,713	105,138
Cultural Resources	7	5	2	3	45	62	1
Crime Control and Public Safety	—	—	—	—	—	—	—
UNC Hospitals	114,172	52,101	27,685	24,543	79,179	297,680	1,684,938
Community Colleges	—	—	—	—	—	—	—
Education Lottery	88	10	93	14	149	354	—
Office of Administrative Hearings	—	—	—	—	—	—	—
Major Medical-St. Health Plan	200	4,350	1,104	244	1,009	6,907	—
Agriculture Finance Authority	15	—	—	13	9	37	13
Global TransPark	—	—	—	4	—	4	—
NC Ports Authority	2,560	466	189	193	773	4,181	109
State Education Assistance Authority	105,843	55,251	43,602	28,291	89,534	322,521	18
UNC - Chapel Hill	3,039	9,332	6,258	5,579	14,226	38,434	416,179
North Carolina State Univ	2,969	2,397	1,642	65,266	3,398	75,672	—
UNC - Greensboro	58,549	209	257	85	2,188	61,288	243
UNC - Charlotte	4,530	1,970	1,814	2,906	230	11,450	1,042
UNC - Asheville	1,063	34	13	418	157	1,685	10
UNC - Wilmington	946	48	457	98	9	1,558	295
East Carolina Univ	10,000	5,613	4,407	4,725	39,613	64,358	198,321
NC A & T State Univ	316	204	499	61	1,449	2,529	569
Western Carolina Univ	584	73	1,043	395	746	2,841	3
Appalachian State Univ	5,460	705	243	771	3,782	10,961	90
UNC - Pembroke	557	107	97	2,049	874	3,684	36
Winston-Salem State Univ	367	119	228	732	923	2,369	168
Elizabeth City State Univ	—	—	—	—	930	930	27
Fayetteville State Univ	77	254	82	736	1,265	2,414	2,007
North Carolina Central Univ	609	425	274	7,193	3,720	12,221	844
North Carolina School of the Arts	—	—	—	35	1,602	1,637	33
	<b>\$480,505</b>	<b>\$187,214</b>	<b>\$163,916</b>	<b>\$278,031</b>	<b>\$747,698</b>	<b>\$1,857,364</b>	<b>\$2,441,499</b>

# 2008 Statewide Accounts Receivable Report

## Appendix B

### Cost of Collecting Receivables by Agency Fiscal Year Ended June 30, 2008 (Whole Dollars)

Agency	Collection Unit	Category	Collection	
			Cost	# FTE
Secretary of State	Budget	Accounts Receivable	47,720	1.00
State Treasurer	Local Government	Accounts Receivable	205	.10
State Treasurer	HR/Payroll	Accounts Receivable	277	.10
State Auditor	Budget	Accounts Receivable	18	—
N. C. Department of Public Instruction	NCSEAA	Notes Receivable	17,015	—
N. C. Department of Labor	Budget	Accounts Receivable	180,696	2.94
N. C. Department of Insurance	Risk Management	Accounts Receivable	35,232	1.00
N. C. Department of Transportation	Receivables Dept	All Receivables	465,041	8.00
Wildlife	Receivables Dept	Accounts Receivable	600	.50
DHHS-Central Administration	Receivables Dept	Accounts Receivable	36,885	.65
DHHS-Division of Aging	Receivables Dept	Accounts Receivable	8,512	.15
DHHS-Division of Child Development	Receivables Dept	Accounts Receivable	62,421	1.10
DHHS-Office of Education	Receivables Dept	Accounts Receivable	22,699	.40
DHHS-Division of Social Services	Receivables Dept	Accounts Receivable	175,915	3.10
DHHS-Division of Medical Assistance	Receivables Dept	Accounts Receivable	451,719	10.00
DHHS-Division of Medical Assistance	Receivables Dept	Intergovernmental	50,191	1.00
DHHS-Division of Blind Services	Receivables Dept	Accounts Receivable	28,373	.50
DHHS-Division of Facility Services	Receivables Dept	Accounts Receivable	42,560	.75
DHHS-Division of Vocational Rehab	Receivables Dept	Accounts Receivable	34,048	.60
DHHS-Division of Public Health	Receivables Dept	Accounts Receivable	161,728	3.50
DHHS-DMH/DD/SAS	Central Billing	Accounts Receivable	51,072	.90
DHHS-DMH/DD/SAS	Revenue Maximization Contract-PCG	Accounts Receivable	5,950	—
DHHS-DMH/DD/SAS	DOR	Accounts Receivable	193,279	3.00
DHHS-DMH/DD/SAS	Receivables Dept	Accounts Receivable	1,128,442	26.00
ITS	Receivables Dept	Accounts Receivable	68,720	1.88
N. C. Department of Correction	Correction Enterprise	Interfund	18,352	.60
N. C. Department of Correction	Correction Enterprise	Intergovernmental	7,012	.15
N. C. Department of Correction	Correction Enterprise	Accounts Receivable	29,895	1.00
N. C. Department of Correction	Receivables Dept	Intergovernmental	48,584	.80
N. C. Department of Correction	Receivables Dept	Accounts Receivable	2,024	.10
N. C. Department of Correction	Payroll	Accounts Receivable	6,748	.15
N. C. Department of Commerce	Receivables Dept	Accounts Receivable	2,867	.06
N. C. Employment Security Commission	Tax Dept	Other Receivable	1,298,457	20.00
N. C. Employment Security Commission	Benefit Payment	Accounts Receivable	591,605	8.94
N. C. Education Lottery	*See note below			
N. C. Education Lottery	Retail Accounting	Accounts Receivable	89,149	2.00
State Health Plan	Collection Agency	Accounts Receivable	2,700	—
NC State Ports Authority	Budget	Accounts Receivable	6,907	.15
UNC Hospitals	Patient Accounts	Accounts Receivable	2,971,000	43.00
UNC Hospitals	Patient Accounts	Accounts Receivable	2,713,000	—
UNC Hospitals	Collection Agency	Accounts Receivable	734	—
UNC Hospitals	Patient Accounts	Accounts Receivable	1,644,045	—
University of North Carolina at Chapel Hill	Patient Accounts	Accounts Receivable	44,569	1.00
University of North Carolina at Chapel Hill	Collection Agency	Accounts Receivable	31,702	—
University of North Carolina at Chapel Hill	Collection Agency	Accounts Receivable	16,084	1.00
University of North Carolina at Chapel Hill	Student Loans	Loans Receivable	957	2.00
University of North Carolina at Chapel Hill	Student Accounts	Accounts Receivable	21,750	—
University of North Carolina at Chapel Hill	Physicians & Associates	Accounts Receivable	14,389,489	147.00
North Carolina State University	Non-student	Accounts Receivable	29,127	.50
North Carolina State University	Student Loans	Loans Receivable	158,537	1.00
North Carolina State University	Student Accounts	Accounts Receivable	113,325	1.00
North Carolina State University	Non-student	Accounts Receivable	194,713	3.75
University of North Carolina at Greensboro	Immediate Credit Recovery	Accounts Receivable	751	—
University of North Carolina at Greensboro	NCO Financial	Accounts Receivable	25,023	—
University of North Carolina at Greensboro	Student Loans	Loans Receivable	96,385	2.25
University of North Carolina at Charlotte	Student Accounts	Accounts Receivable	63,885	2.50
University of North Carolina at Asheville	Student Accounts	Accounts Receivable	214	.25
University of North Carolina at Asheville	Student Loans	Loans Receivable	552	.15
University of North Carolina at Wilmington	Student Accounts	Accounts Receivable	74,931	1.50
University of North Carolina at Wilmington	Student Accounts	Accounts Receivable	22,599	1.00
East Carolina University	Patient Accounts	Accounts Receivable	411,015	—
East Carolina University	Patient Accounts	Loans Receivable	3,246,124	70.25

# 2008 Statewide Accounts Receivable Report

## Appendix B

### Cost of Collecting Receivables by Agency Fiscal Year Ended June 30, 2008 (Whole Dollars)

<u>Agency</u>	<u>Collection Unit</u>	<u>Category</u>	<u>Collection</u>	
			<u>Cost</u>	<u># FTE</u>
East Carolina University	Patient Accounts	Accounts Receivable	506,747	—
East Carolina University	Student Loans	Accounts Receivable	146,843	4.00
East Carolina University	Student Loans	Accounts Receivable	39,385	—
East Carolina University	Student Accounts	Accounts Receivable	340,022	10.00
East Carolina University	Student Accounts	Accounts Receivable	118,857	—
North Carolina A & T	Student Loans	Loans Receivable	144,244	5.00
North Carolina A & T	Treasurer Office	Accounts Receivable	197,790	1.00
North Carolina A & T	Parking	Accounts Receivable	13,573	1.00
Western Carolina University	Student Accounts	Accounts Receivable	73,350	2.00
Appalachian State University	Student Loans	Loans Receivable	61,050	2.00
Appalachian State University	Student Accounts	Accounts Receivable	111,221	3.00
Appalachian State University	Grants	Intergovernmental	24,150	1.00
University of North Carolina at Pembroke	Receivables Dept	Accounts Receivable	268,354	6.00
Winston-Salem State University	NCO Financial	Accounts Receivable	84,434	2.00
Winston-Salem State University	Student Accounts	Accounts Receivable	13,994	—
Elizabeth City State University	Collection Agency	Accounts Receivable	47,760	1.35
Fayetteville State University	Student Accounts	Accounts Receivable	1,867	.10
Fayetteville State University	Student Accounts	Accounts Receivable	2,330	.15
Fayetteville State University	Student Accounts	Accounts Receivable	12,178	.25
Fayetteville State University	Student Loans	Accounts Receivable	2,239	.30
Fayetteville State University	Student Loans	Accounts Receivable	11,424	.60
Fayetteville State University	Student Loans	Accounts Receivable	4,640	.10
North Carolina Central University	Student Accounts	Accounts Receivable	397,167	11.00
North Carolina Central University	Student Loans	Loans Receivable	140,356	3.00
North Carolina School of the Arts	Student Accounts	Accounts Receivable	10,841	1.00
North Carolina School of the Arts	Student Loans	Loans Receivable	27,967	1.00
N. C. Housing Finance Agency	Notes/Loans Department	Loans Receivable	59,780	1.00
State Education Assistance Authority	State Scholarship Loan Recovery	Loans Receivable	64,672	2.50
State Education Assistance Authority	Outsourcing	Loans Receivable	10,961,504	—
<b>Total</b>			<b>\$45,532,868</b>	<b>438.62</b>

#FTE -Full Time Equivalent positions utilized by an entity for collections

- \* One of the core functions of the North Carolina Department of Revenue is the collection of state taxes owed to the State of North Carolina. Collection activities in the Department are so varied and widespread that it is not reasonably possible to determine the portion of the Department's budget that is directly and indirectly attributable to the cost of collecting past due taxes (accounts receivables). nor is it reasonably possible to determine the cost of collecting taxes that have not yet been assigned the status of an account receivable,