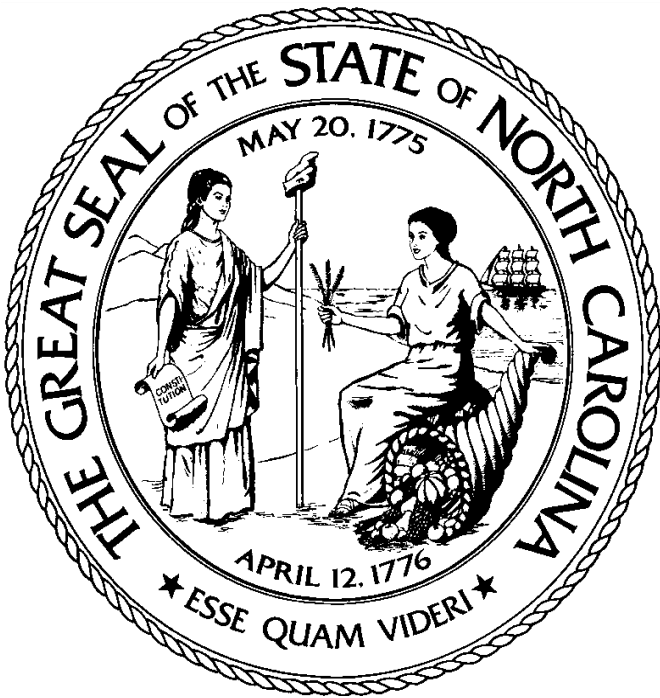

NORTH CAROLINA

STATEWIDE ACCOUNTS RECEIVABLE REPORT



***For the Year
Ended
June 30, 2015***

North Carolina Office of the State Controller
Linda Combs, State Controller



State of North Carolina Office of the State Controller

LINDA COMBS
STATE CONTROLLER

January 15, 2016

The Honorable Pat McCrory, Governor
The Honorable Phil Berger, President Pro Tempore of the Senate
The Honorable Tim Moore, Speaker of the House of Representatives

Dear Sirs:

Attached please find the North Carolina Statewide Accounts Receivable Report for the fiscal year ended June 30, 2015. The Statewide Accounts Receivable Report includes all receivables at the fiscal year's end reported to the Office of the State Controller (OSC) by state agencies. This legislatively mandated report is prepared in accordance with Article 6B of Chapter 147 of the North Carolina General Statutes.

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 the conclusion of the 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, been deducted from their accounting records.

I trust you will find this report both informative and useful. If you have questions related to this report, my staff or I can be reached at (919) 707-0500.

Finally, additional statewide financial reports are located on the OSC website at:
www.osc.nc.gov.

Respectfully submitted,

Linda Combs

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

2015 Statewide Accounts Receivable Report

Introduction

The *Statewide Accounts Receivable Report* includes all receivables at June 30, 2015, reported to the Office of the State Controller (OSC) by state agencies. As defined by the North Carolina General Statutes, a receivable is an asset of the State of North Carolina (State) reflecting a debt that is owed to the State that 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.

2015 Statewide Accounts Receivable Report

Types of Receivables

Taxes - Primarily consists 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 OSC an aged trial balance of receivables each fiscal year-end.

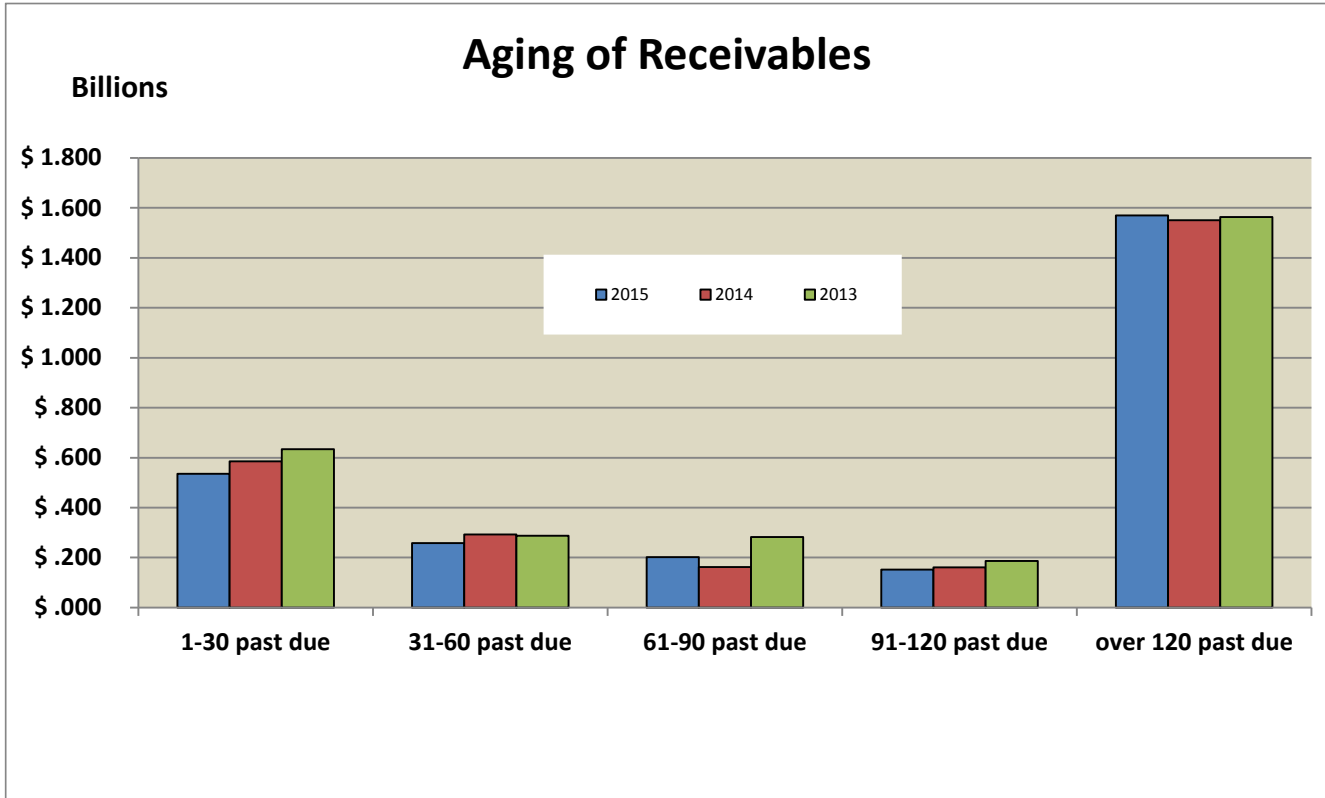
**The chart below summarizes past due receivable activity at year-end 2015.
(in thousands)**

<u>Past Due Receivables by Type</u>	<u>Past Due</u>					<u>Total</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>	<u>Past Due</u>
Taxes Receivable	\$69,531	\$42,460	\$58,481	\$30,337	\$936,307	\$1,137,116
Accounts Receivable	244,027	110,291	68,858	68,224	471,371	962,771
Intergovernmental Receivable	4,093	3,493	2,051	317	31,609	41,563
Notes Receivable	210,515	96,717	67,877	47,841	103,605	526,555
Interfund Receivable	1,269	1,832	1,367	3,433	430	8,331
Other Receivable	6,397	2,734	3,169	2,122	26,202	40,624
	<u>\$535,832</u>	<u>\$257,527</u>	<u>\$201,803</u>	<u>\$152,274</u>	<u>\$1,569,524</u>	<u>\$2,716,960</u>

Accounts past-due at year-end 2015 total \$2.7 billion of total receivables. The North Carolina Department of Revenue (NCDOR), the North Carolina Department of Commerce (NCDOC), UNC Hospitals, the Department of Health and Human Services (DHHS), State Education Assistance Authority (SEAA), Housing Finance Agency (HFA), and the UNC System account for \$2.6 billion, or 96 percent, of these past due receivables. Each of these entities employs specific collection techniques to aggressively collect past due accounts receivables. Appendix A details the aging amounts by agency for fiscal 2015.

2015 Statewide Accounts Receivable Report

The chart below summarizes aging amounts for fiscal years 2015, 2014, 2013:



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 2015, 2014 2013:

Total Receivables by Type - Fiscal Years 2015, 2014 and 2013 (in thousands)				Change FY14 to FY15	
	2015	2014	2013	Amount	Percent
Notes Receivable	\$ 4,693,674	\$ 4,963,586	\$ 5,289,036	\$ (269,912)	(5.4)%
Taxes Receivable	2,248,051	2,166,315	2,225,097	81,736	3.8%
Intergovernmental Receivables	931,370	982,133	1,316,556	(50,763)	(5.2)%
Accounts Receivable	1,899,881	1,903,273	1,629,366	(3,392)	(.2)%
Interfund Receivables	477,700	415,384	437,704	62,316	15.0%
Contributions, Premiums, Other Receivables	613,706	692,763	659,513	(79,057)	(11.4)%
Interest Receivable	9,639	10,075	10,905	(436)	(4.3)%
Total Receivables	\$ 10,874,021	\$ 11,133,529	\$ 11,568,177	\$ (259,508)	(2.3)%

As shown in the table above, receivables totaled \$10.9 billion for fiscal 2015, \$11.1 billion for fiscal 2014 and \$11.6 billion for fiscal 2013. Total receivables for 2015 decreased by \$260 million or 2.3%. Notes Receivable decreased by \$270 million due to more efficient collection efforts resulting in fewer delinquent accounts. More collection fee assessments were issued in 2015 than in 2014 contributing to the \$82 million increase in Taxes Receivable. In addition, the 15% increase in Interfund Receivables was related to general business variance and timing. Contributions, Premiums, and Other Receivables decreased by \$79 million which was due to better collections for fiscal year 2015.

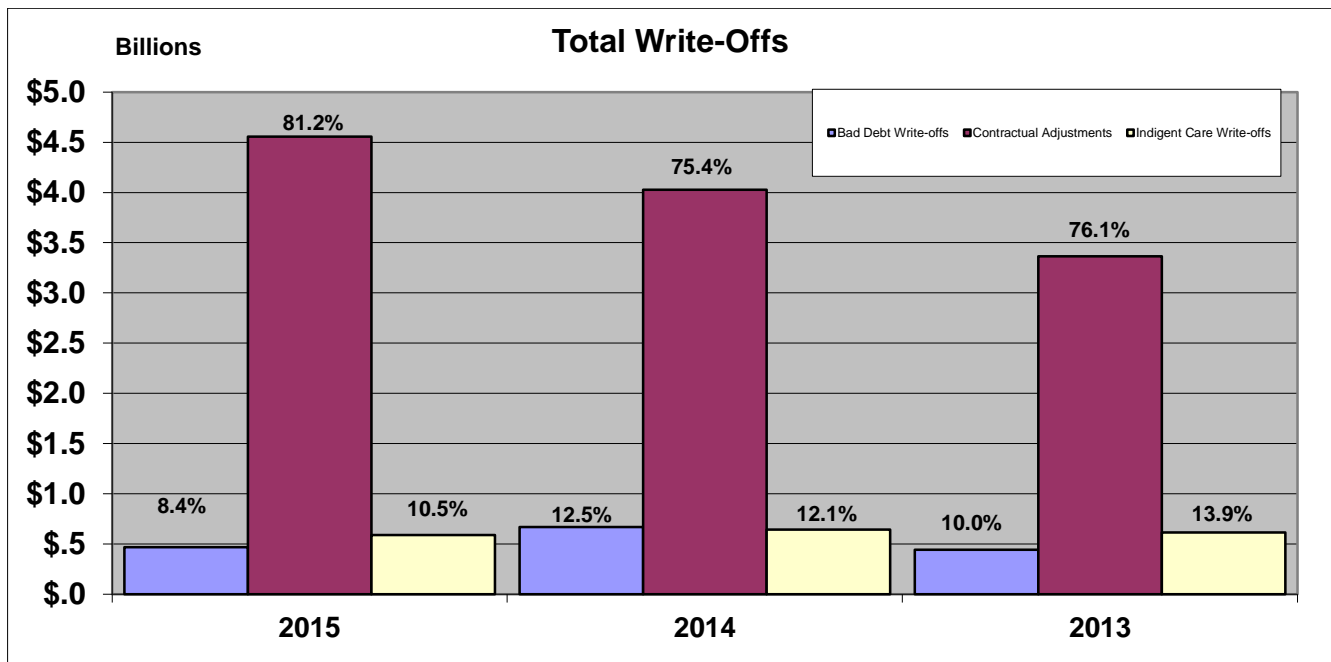
2015 Statewide Accounts Receivable Report

Write-offs

Write-offs are receivables that agencies will not, or most likely will not, collect and have been 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 2015 totaled \$5.6 billion consisting of \$469 million for bad debt, \$4.6 billion for contractual adjustments and \$589 million for indigent care. Total write-offs for 2014 were \$5.3 billion.

UNC Hospitals, including Rex Healthcare, Chatham Hospital, High Point Hospital, Caldwell Hospital, and Triangle Physicians Network, reported write-offs of \$4.3 billion of receivables based on Medicare and Medicaid adjustments, indigent care provider adjustments, and managed care contractual adjustments. NCDOR reported write-offs of \$82 million. UNC Chapel Hill (UNC CH) and East Carolina University (ECU) reported write-offs of \$515 million and \$253 million, respectively.

Appendix A details total agency write-offs during fiscal 2015 by receivable type. The chart below summarizes agency write-offs by type for fiscal years 2015, 2014, 2013.



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.

2015 Statewide Accounts Receivable Report

Cost of Collection

State agencies, excluding NCDOR, reported collection activity costs totaling over \$80 million during 2015. Agencies also reported a total of 758 full-time equivalent (FTE) state employees dedicated to receivable activities during 2015. 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 2015 collection costs of \$18 million and 159 FTE. The UNC-CH Physicians and Associates, also part of the UNC Health Care System, reported collection costs of \$30 million, and FTE of 298. ECU reported collection costs of \$3 million for its medical faculty practice and FTE of 84. Regarding student loans, SEAA reported that loan administration and collection are out-sourced for a cost of \$13 million for 2015.

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

Collection Activity – Attorney General

State agencies are required by G.S. 147-86.11(e)(4) to forward unpaid billings to the Attorney General for collection. Statewide policy specifies the unpaid billings be turned over no more than 60 days after the due date of the billing. The North Carolina Department of Justice (NCDOJ) 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. As of July 1, 2015, NCDOJ has contracts with six collection agencies.

During fiscal year 2015, a total of \$135.9 million was submitted to the Attorney General for collection on behalf of state agencies. During fiscal year 2015, \$86.8 million was submitted by state agencies to collection agencies, and \$6.6 million was collected at a cost of \$1.2 million.

Setoff Debt Collection Program Activity

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 \$37.7 million of net refunds to claimant agencies during the 2015 calendar year for the 2014 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. G.S. 105A, also requires a State agency to register with the NCDOR and OSC. Each State agency must report annually to OSC the amount of debts owed to the agency for which the agency did not submit a claim for setoff and the reason for not submitting the claim. OSC reviews this information annually to confirm program participation compliance.

2015 Statewide Accounts Receivable Report

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

Debt Setoff Activity for Tax Years 2010-2014

Tax Year	2014	2013	2012	2011	2010
Debt Setoff Occurs in Calendar Year	2015	2014	2013	2012	2011
Gross amount of Refunds Setoff	\$38,526,590	\$68,252,280	\$79,178,212	\$73,640,930	\$67,889,978
Collection Assistance Fees applied Based on Actual Expenses	(\$852,895)	(\$1,326,395)	(\$1,492,065)	(\$1,380,525)	(\$1,294,975)
Net Amount of Refunds Paid to Claimant Agencies	\$37,673,695	\$66,925,885	\$77,686,147	\$72,260,405	\$66,595,003
DOR Administrative Expenses - Current Year	\$532,229	\$563,096	\$567,448	\$556,175	\$537,355
Total Setoffs (includes completed, denied, and cancelled setoffs)	194,269	299,166	330,945	311,122	291,300
Number of Completed Setoffs	190,935	294,044	326,832	305,108	287,092
Average Gross Setoff Amount	\$201.78	\$232.12	\$242.26	\$241.36	\$236.48
Average Cost per Setoff	\$2.74	\$1.89	\$1.72	\$1.79	\$1.85
Average Net Amount of Refunds Setoff	\$197.32	\$227.61	\$237.70	\$236.84	\$231.97

- 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 2015, collection assistance fees for child support debts collected through setoff were \$101,695 bringing the total collection assistance fees received by the NCDOR to \$954,590.
- A flat collection assistance fee of \$5.00 is imposed for each debt collected through setoff.

Agency Compliance with Statewide Accounts Receivable Program

Since the 2007 fiscal year, OSC has required each state agency to complete an attestation document signed by the agency's chief executive officer and chief financial officer. All state agencies must and have returned a signed letter stating that:

- 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 OSC 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.

2015 Statewide Accounts Receivable Report

Vendor Attachment

OSC and NCDOR in September 2010 implemented a vendor attachment program. The program is authorized by G.S. 105-242(b) and G.S. 147-86.25. Phase I involves state agencies using the North Carolina Accounting System (NCAS). The program identifies vendor payments for attachment due to uncollected taxes.

In Vendor Attachment, OSC provides NCDOR a file each night of vendors who are to be paid through the North Carolina Accounting System. NCDOR compares the file against outstanding collections cases. As matches are discovered, the process generates an attachment and garnishment notice and the funds are redirected to NCDOR before the vendor receives the payment. The funds are applied to the vendor's tax debt.

As of December 31, 2015, the program has collected approximately \$10.3 million in unpaid taxes due to the state.

2015 Statewide Accounts Receivable Report

Appendix A

Past Due Receivable Summary Aging Report

Fiscal Year Ended June 30, 2015

(in thousands)

Past Due Receivables by Department/Institution	Past Due					Total	Total
	1-30 Days	31-60 Days	61-90 Days	91-120 Days	Over 120 Days	Past Due	Write-offs
General Assembly	\$ —	\$1	\$ —	\$ —	\$ —	\$1	\$ —
Secretary of State	6	4	10	4	33	57	28
Office of the State Auditor	—	212	—	—	40	252	—
State Treasurer	1,107	2,064	2,083	396	28,229	33,879	138
Public Instruction	—	3	—	1	7	11	—
Justice	250	70	1,162	9	160	1,651	1,853
Agriculture	201	108	20	24	278	631	116
Labor	—	160	72	58	3,309	3,599	1,245
Insurance	682	682	2	3	2	1,371	—
Administration	116	911	1,144	3,448	152	5,771	5
Office of State Controller	—	—	—	—	1	1	—
Transportation	2,612	1,513	2,581	2,123	30,720	39,549	4,319
ENR	148	322	127	14	962	1,573	265
Wildlife	—	69	—	3	12	84	6
Public Safety	923	220	161	42	3,517	4,863	174
DHHS	98,657	33,140	7,536	12,759	126,281	278,373	400,297
ITS	2,254	—	889	209	385	3,737	—
Commerce	6,799	6,310	6,608	3,836	174,407	197,960	8,944
Revenue	66,377	38,588	54,812	29,403	866,363	1,055,543	81,695
Cultural Resources	—	—	—	—	2	2	—
UNC Hospitals	98,311	44,493	36,141	35,612	100,864	315,421	4,336,945
Community Colleges	—	—	—	—	—	—	—
Board of Elections	49	25	20	4	72	170	—
Education Lottery	84	29	30	37	713	893	36
Office of Administrative Hearings	—	—	—	—	—	—	—
Housing Finance Agency	45,860	11,949	5,707	10,501	15,947	89,964	976
North Carolina Board of Nursing	—	—	—	3	7	10	5
North Carolina Board of Cosmetic Arts	—	—	—	—	36	36	—
North Carolina Board of CPA Examiners	—	—	—	—	—	—	1
Global TransPark	22	—	—	—	1	23	—
NC Ports Authority	3,706	711	497	230	278	5,422	19
State Education Assistance Authority	165,821	85,799	62,691	37,443	72,961	424,715	61
Golden Leaf Foundation	—	—	—	—	—	—	—
Gateway University Research Park	4	5	—	—	3	12	—
UNC General Administration	—	—	—	—	—	—	—
UNC - Chapel Hill	20,570	15,148	10,795	11,726	79,416	137,655	514,649
North Carolina State Univ	6,852	5,865	2,715	793	7,464	23,689	1,826
UNC - Greensboro	—	517	264	110	4,128	5,019	800
UNC - Charlotte	2,246	782	176	1	2,720	5,925	2,085
UNC - Asheville	485	31	66	450	269	1,301	108
UNC - Wilmington	402	567	(23)	5	1,255	2,206	209
East Carolina Univ	7,965	5,592	3,452	1,800	27,276	46,085	253,314
NC A & T State Univ	330	202	41	369	1,781	2,723	541
Western Carolina Univ	489	409	1,136	265	781	3,080	2
Appalachian State Univ	508	128	141	132	1,519	2,428	604
UNC - Pembroke	733	71	99	113	1,460	2,476	406
Winston-Salem State Univ	620	153	309	154	2,800	4,036	663
Elizabeth City State Univ	124	144	78	—	1,009	1,355	342
Fayetteville State Univ	136	353	7	41	1,093	1,630	758
North Carolina Central Univ	383	169	254	116	10,281	11,203	—
North Carolina School of the Arts	—	8	—	37	481	526	16
North Carolina School of Science and Math	—	—	—	—	49	49	—
	\$535,832	\$257,527	\$201,803	\$152,274	\$1,569,524	\$2,716,960	\$5,613,451

2015 Statewide Accounts Receivable Report

Appendix B

Cost of Collecting Receivables by Agency Fiscal Year Ended June 30, 2015 (Whole Dollars)

<u>Agency</u>	<u>Collection Unit</u>	<u>Collection Cost</u>	<u># FTE</u>
Secretary of State	Accounts Receivable Department	\$13,357	—
Office of the State Auditor	Agency/Division Budget/Fiscal Office	31	—
Public Instruction	Other	8,734	—
Agriculture	Collection Agency/Outsourced	203	—
Labor	Accounts Receivable Department	442,459	6
Labor	Collection Agency/Outsourced	299	—
Labor	Other	2,650	1
Insurance	Agency/Division Budget/Fiscal Office	32,508	1
Transportation	Accounts Receivable Department	616,548	—
Transportation	Collection Agency/Outsourced	6,353,830	—
ENR	Accounts Receivable Department	229,350	1
Wildlife	Accounts Receivable Department	2,150	—
Public Safety	Accounts Receivable Department	101,721	3
Public Safety	Collection Agency/Outsourced	658	—
Public Safety	Payroll Section	31,488	1
DHHS	Accounts Receivable Department	2,563,477	87
DHHS	Collection Agency/Outsourced	34,191	—
DHHS	Tax Department	6,065	—
ITS	Accounts Receivable Department	108,535	2
Commerce	Tax Department	1,154,891	16
Commerce	Other	367,839	6
Revenue * (see note below)	Agency/Division Budget/Fiscal Office		
UNC Hospitals	Collection Agency/Outsourced	8,275,278	—
UNC Hospitals	Patient Accounts	9,989,902	159
Board of Elections	Other	1,827	—
Education Lottery	Accounts Receivable Department	114,218	3
Education Lottery	Collection Agency/Outsourced	1,689	—
Office of Administrative Hearings	Agency/Division Budget/Fiscal Office	3	1
Housing Finance Agency	Agency/Division Budget/Fiscal Office	45,000	—
North Carolina Board of Cosmetic Arts	Accounts Receivable Department	7,440	—
NC Ports Authority	Accounts Receivable Department	13,334	—
State Education Assistance Authority	Other	13,019,478	—
State Education Assistance Authority	Student Loans	284,351	5
Gateway University Research Park	Accounts Receivable Department	3,863	—
UNC - Chapel Hill	Collection Agency/Outsourced	40,410	—
UNC - Chapel Hill	Patient Accounts	29,870,973	298
UNC - Chapel Hill	Student Accounts	49,722	1
UNC - Chapel Hill	Student Loans	1,621	1
North Carolina State Univ	Agency/Division Budget/Fiscal Office	200,004	3
North Carolina State Univ	Accounts Receivable Department	65,408	1
North Carolina State Univ	Collection Agency/Outsourced	112,695	—
North Carolina State Univ	Grants Office	55,611	1
North Carolina State Univ	Student Accounts	92,272	2
North Carolina State Univ	Student Loans	92,272	2

2015 Statewide Accounts Receivable Report

UNC - Greensboro	Collection Agency/Outsourced	65,563	—
UNC - Greensboro	Grants Office	66,598	1
UNC - Greensboro	Student Accounts	30,009	1
UNC - Greensboro	Student Loans	63,473	1
UNC - Charlotte	Collection Agency/Outsourced	103,078	—
UNC - Charlotte	Student Accounts	25,100	2
UNC - Charlotte	Student Loans	24,215	2
UNC - Asheville	Student Accounts	1,576	—
UNC - Asheville	Student Loans	3,306	—
UNC - Wilmington	Accounts Receivable Department	5,015	—
UNC - Wilmington	Collection Agency/Outsourced	110,879	—
UNC - Wilmington	Other	1,175	—
UNC - Wilmington	Student Accounts	80,722	2
UNC - Wilmington	Student Loans	36,250	1
East Carolina Univ	Accounts Receivable Department	2,983	1
East Carolina Univ	Collection Agency/Outsourced	429,977	—
East Carolina Univ	Grants Office	786	1
East Carolina Univ	Other	253,596	9
East Carolina Univ	Patient Accounts	2,961,360	84
East Carolina Univ	Student Accounts	674,426	21
East Carolina Univ	Student Loans	27,849	5
NC A & T State Univ	Accounts Receivable Department	—	1
NC A & T State Univ	Collection Agency/Outsourced	66,780	—
NC A & T State Univ	Student Loans	67,137	—
NC A & T State Univ	Student Accounts	72,324	1
Western Carolina Univ	Student Accounts	7,986	—
Western Carolina Univ	Student Loans	94,794	2
Appalachian State Univ	Collection Agency/Outsourced	131,707	—
Appalachian State Univ	Grants Office	42,919	1
Appalachian State Univ	Student Accounts	163,440	3
Appalachian State Univ	Student Loans	25,034	1
UNC - Pembroke	Accounts Receivable Department	16,112	—
UNC - Pembroke	Student Accounts	3,134	—
UNC - Pembroke	Other	1,193	—
Winston-Salem State Univ	Student Accounts	27,528	1
Elizabeth City State Univ	Accounts Receivable Department	61,924	—
Elizabeth City State Univ	Collection Agency/Outsourced	4,912	—
Fayetteville State Univ	Accounts Receivable Department	36,069	1
Fayetteville State Univ	Student Loans	28,525	1
North Carolina Central Univ	Collection Agency/Outsourced	75,257	12
North Carolina Central Univ	Student Accounts	709	1
North Carolina School of the Arts	Student Accounts	9,258	—
North Carolina School of the Arts	Student Loans	37,031	1
Total		<u>\$80,350,064</u>	758.00

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

One of the core functions of the NCDOR 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.