



NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

R. Scott Ralls, Ph.D.

President

May 8, 2012

MEMORANDUM

**TO: Chief Business Officers
Controllers**

**FROM: Jennifer Haygood, Vice President for Business and Finance and
Chief Financial Officer**

SUBJECT: Change in Debt Collection Procedures

Due to budget constraints, the Department of Justice (DOJ) will no longer be able to support colleges' debt collection efforts absent compensation. At this time, the System Office will not be pursuing an agreement with DOJ to compensate them for debt collection services. Consequently, DOJ will no longer accept debt submitted by community colleges.

Colleges are still required to follow all other debt collection procedures consistent with your local cash management policy. These procedures may include such practices as sending past-due notices to those with past due accounts, submitting debts to collection agencies on contract with the State, pursuing debts through your local college attorney, and submitting debts to the Department of Revenue's Set-Off Debt Collection Program. Please note that colleges continue to be required to participate in the Set-Off Debt Collection program authorized under Chapter 105A of the General Statutes.

If you have any questions or concerns, please call (919-807-7021) or e-mail (haygoodj@nccommunitycolleges.edu)

**CC12-012
E-Mail Copy**