
NORTH CAROLINA

STATEWIDE ACCOUNTS RECEIVABLE REPORT



***For the Year
Ended
June 30, 2009***

North Carolina Office of the State Controller

David McCoy, State Controller



State of North Carolina

Office of the State Controller

DAVID T. MCCOY
STATE CONTROLLER

February 5, 2010

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, 2009. This report is prepared in accordance with Article 6B of Chapter 147 of the 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.

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

Respectfully submitted,

David McCoy

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

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2009 Statewide Accounts Receivable Report

Introduction

The *Statewide Accounts Receivable Report* includes all receivables at June 30, 2009 reported to the Office of the State Controller (OSC) 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 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.

2009 Statewide Accounts Receivable Report

Types of Receivable

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

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

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

Notes - Primarily consist 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.

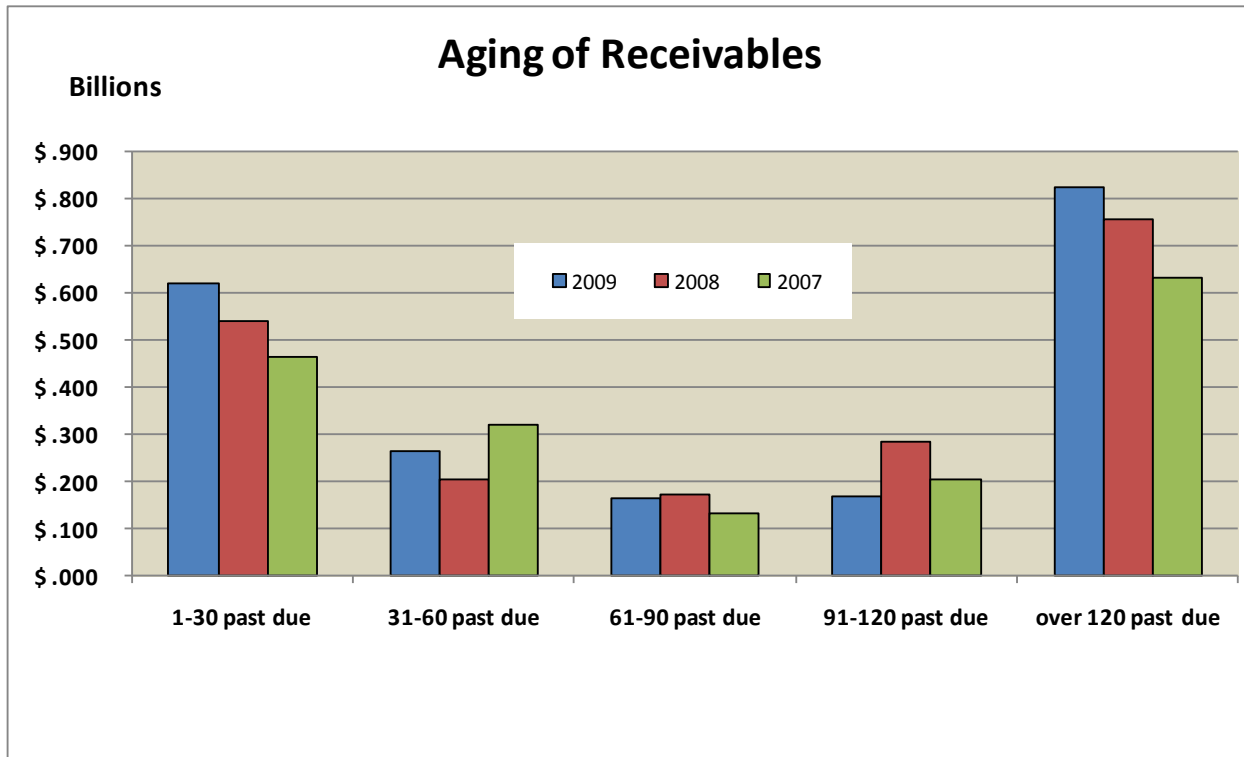
The chart below summarizes past due receivable activity.
(in thousands)

<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	\$45,496	\$53,544	\$37,356	\$46,244	\$432,236	\$614,876
Accounts Receivable	343,867	117,928	68,501	74,246	279,877	884,419
Intergovernmental Receivable	16,834	2,328	1,016	3,634	9,681	33,493
Notes Receivable	182,335	85,084	54,826	41,294	80,060	443,599
Interfund Receivable	4,196	1,717	84	50	90	6,137
Other Receivable	26,696	5,037	1,769	1,264	19,706	54,472
	<u>\$619,424</u>	<u>\$265,638</u>	<u>\$163,552</u>	<u>\$166,732</u>	<u>\$821,650</u>	<u>\$2,036,996</u>

Accounts past-due at year-end 2009 total \$2.037 billion of total receivables. The North Carolina Department of Revenue (NCDOR), Employment Security Commission (ESC), 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 \$1.975 billion, or 96%, 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 2009.

2009 Statewide Accounts Receivable Report

The chart below summarizes aging amounts for fiscal years 2009, 2008 (revised), 2007:



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 2009, 2008, 2007:

Total Receivables by Type - Fiscal Years 2009, 2008 and 2007 (in thousands)				Change FY08 to FY09	
	2009	2008	2007	Amount	Percent
Notes Receivable	\$ 6,896,887	\$ 6,201,896	\$ 5,512,619	\$ 694,991	11.2%
Taxes Receivable	1,297,218	2,014,119	2,244,294	\$ (716,901)	(35.6)%
Intergovernmental Receivables	959,690	808,722	1,064,674	\$ 150,968	18.7%
Accounts Receivable	1,500,511	1,407,746	1,027,565	\$ 92,765	6.6%
Interfund Receivables	551,008	621,591	679,036	\$ (70,583)	(11.4)%
Contributions, Premiums, Other Receivables .	482,496	512,222	585,108	\$ (29,726)	(5.8)%
Interest Receivable	28,321	52,525	111,035	\$ (24,204)	(46.1)%
Total Receivables	<u>\$11,716,131</u>	<u>\$ 11,618,821</u>	<u>\$ 11,224,331</u>	<u>\$ 97,310</u>	.8%

As shown in the table above, receivables totaled \$11.7 billion for fiscal 2009, \$11.6 billion for fiscal 2008 and \$11.2 billion for fiscal 2006. Total receivables grew by \$97.3 million or .8 percent during this period. Most of this increase was due to a \$695 million increase in notes receivable. The increase in notes receivable is predominantly due to the SEAA where loans increased by \$608.8 million.

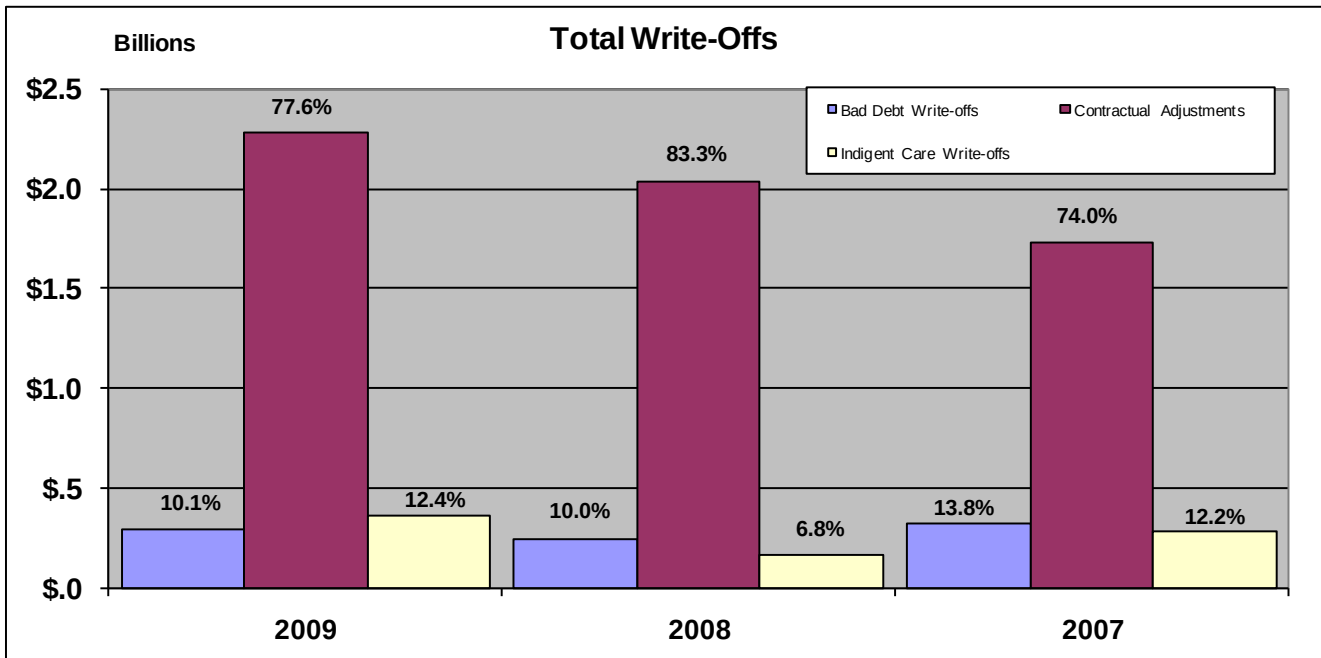
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Write-offs

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 2009 totaled \$2.938 billion consisting of \$296 million for bad debt, \$2.279 billion for contractual adjustments and \$363 million for indigent care. Total write-offs for 2008 were \$2.441 billion.

UNC Hospitals, including Rex Healthcare and Chatham Hospital, reported write-offs of \$1.99 billion of receivables based on Medicare and Medicaid adjustments, indigent care provider adjustments, and managed care contractual adjustments. NCDOR reported write-offs of \$102 million. UNC Chapel Hill (UNC CH) and East Carolina University (ECU) reported write-offs of \$371 million and \$231 million, respectively.

Appendix A details by receivable type, total agency write-offs during fiscal 2009. The chart below summarizes agency write-offs by type for fiscal years 2009, 2008, 2007.



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.

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Cost of Collection

State agencies, excluding NCDOR, reported collection activity costs totaling over \$46 million during 2009. Agencies also reported a total of 443 full-time equivalent (FTE) state employees dedicated to receivable activities during 2009. 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 2009 collection costs of \$8.7 million and 52 FTE. The UNC-CH Physicians and Associates, also part of the UNC Health Care System, reported collection costs of \$13.9 million, and FTE of 140. ECU reported collection costs of \$3.6 million for its medical faculty practice and FTE of 69. Regarding student loans, SEAA reported that loan administration and collection are out-sourced for a cost of \$11.0 million for 2009 and zero FTE.

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 statute to forward 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 (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 September 1, 2009, NCDOJ has contracts with nine collection agencies.

During fiscal calendar year 2009, a total of \$32.98 million was submitted to the Attorney General for collection on behalf of state agencies. During fiscal year 2009, \$177.41 million was submitted by state agencies to collection agencies, and \$20.48 million was collected at a cost of \$.94 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 \$56.2 million of net refunds to claimant agencies during the 2009 calendar year for the 2008 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.

Recent changes to G.S. 105A have expanded the list of claimant agencies to include all state agencies. This change was effective January 1, 2000. OSC requested that the NCDOR provide summary debt setoff information for the last five tax years to be included in the annual Statewide Accounts Receivable Report. Summary data for the prior five tax years is reflected below (whole dollars).

2009 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 2004-2008

Tax Year	2008	2007	2006	2005	2004
Debt Setoff Occurs in Calendar Year	2009	2008	2007	2006	2005
Gross amount of Refunds Setoff Collection Assistance Fees applied	\$57,376,802	\$49,108,212	\$41,158,165	\$38,222,241	\$34,982,536
Based on Prior Year Actual Expenses*	(1,098,000)	(930,645)	(791,445)	(864,931)	(665,191)
Net Amount of Refunds Paid to Claimant Agencies	\$56,278,802	\$ 48,177,567	\$ 40,366,720	\$ 37,375,310	\$ 34,317,346
DOR Administrative Expenses - Current Year	\$ 1,091,720	\$ 920,450	\$ 470,217	\$ 429,210	\$ 460,429
Total Setoffs (includes completed, denied, and cancelled setoffs)	253,045	222,832	191,876	180,207	167,723
Number of Completed Setoffs	248,830	216,296	185,971	172,907	161,749
Average Gross Setoff Amount	\$230.59	\$ 227.04	\$ 221.31	\$ 221.06	\$ 216.28
Average Cost per Setoff	\$ 4.31	\$ 4.13	\$ 2.45	\$ 2.38	\$ 2.75
Average Net Amount of Refunds Setoff	\$226.17	\$ 222.74	\$ 217.06	\$ 216.05	\$ 212.16

- 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 2009, collection assistance fees for child support debts collected through setoff were \$146,120 bringing the total collection assistance fees received by the NCDOR to \$1,244,120.
- Beginning with 2005 calendar year, the law was amended to impose a flat collection assistance fee of \$5.00 for each debt collected through setoff. The subsection was also amended to delete the provision that required the NCDOR to set the amount of the collection assistance fee based on the actual cost of collection (\$15.00) maximum for the immediate preceding year.

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.

2009 Statewide Accounts Receivable Report

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

The E-Commerce Task Force Report submitted to the General Assembly in April 2008 provided an assessment of the State's e-commerce program, as well as recommendations regarding how the program could further be enhanced and expanded. The report provides the foundation upon which the State Controller is pursuing the expansion of the use of electronic payments to enhance the collection of accounts receivables. A successful e-commerce program can have a very significant "green" impact on the elimination of paper usage while enhancing the state's ability to track and collect funds that it is owed. The report can be viewed on the State Controller's website at <http://www.osc.nc.gov/SECP/ECTaskForceReport2008.pdf>.

Accounts receivables can be categorized into "large dollar" payments and "small dollar" payments. The State has been very successful in the collection of large dollar payments electronically, primarily through automated clearing house (ACH) transactions. During fiscal year 2009, the NCDOR reported that 72% of the tax payments (\$17.8 billion of \$24.8 billion) were received electronically. Most other agencies and universities collect small dollar payments, with credit/debit cards being the primary method of receiving payments electronically. During fiscal year 2009, 7.6 million credit/debit cards transactions were processed under the statewide contract, totaling \$703 million. While this represented a 28% increase in the use of electronic payments for small dollar payments when compared to the previous year, it is still a small percentage of the total small dollar payments received statewide.

One of the findings of the 2008 E-Commerce Report was that the ability to accept online payments is deemed to be the biggest component to a successful e-commerce program, and that an enterprise solution is needed for those agencies that do not have the in-house expertise and/or resources to develop their own web capture applications. Responding to this finding, during fiscal year 2009 OSC amended its contract with the merchant card processor to offer agencies the opportunity to subscribe to an online web capture application known as PayPoint. The Department of Labor (DOL) participated as the pilot agency, and other agencies are planning to subscribe to the service during fiscal year 2010. Information on PayPoint can be viewed on the State Controller's website at http://www.osc.nc.gov/SECP/SECP_PayPoint.html.

2009 Statewide Accounts Receivable Report

Appendix A

Past Due Receivable Summary Aging Report Fiscal Year Ended June 30, 2009 (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	—	13	9	2	123	147	10
Office of the State Auditor	—	86	—	—	—	86	—
State Treasurer	—	1	—	—	3	4	—
Public Instruction	—	—	—	—	3	3	33
Justice	2,034	69	86	8	54	2,251	—
Agriculture	63	24	9	53	51	200	45
Labor	—	215	187	180	3,872	4,454	479
Insurance	1,914	1,579	—	—	2	3,495	—
Administration	3,048	1,930	1,308	680	—	6,966	—
Transportation	(136)	2,527	586	294	9,923	13,194	1,116
ENR	97	69	50	25	420	661	—
Wildlife	—	—	—	—	—	—	2
Juvenile Justice	124	9	—	—	2	135	—
DHHS	158,177	38,300	10,957	17,255	123,693	348,382	227,319
ITS	2,211	209	1,936	542	1,792	6,690	—
Correction	2,693	2,360	124	150	3,170	8,497	3
Commerce	3,525	116	125	46	295	4,107	22
Employment Security	6,591	4,751	5,461	5,774	87,391	109,968	4,625
Revenue	42,031	51,194	34,574	43,304	396,158	567,261	101,833
Cultural Resources	1	8	—	—	32	41	7
UNC Hospitals	136,516	52,383	33,930	26,576	84,907	334,312	1,993,499
Education Lottery	146	106	64	206	446	968	86
Housing Finance Agency	74,770	27,720	11,037	17,833	3,917	135,277	—
Major Medical-St. Health Plan	17,492	2,716	—	480	1,705	22,393	—
Agriculture Finance Authority	—	—	—	—	—	—	200
Global TransPark	12	9	7	2	15	45	—
NC Ports Authority	2,969	643	261	393	1,085	5,351	191
State Education Assistance Authority	108,548	58,024	44,209	23,288	61,576	295,645	42
UNC - Chapel Hill	40,828	12,961	9,517	6,754	18,391	88,451	370,828
North Carolina State Univ	2,469	3,077	1,587	7,108	1,948	16,189	1,019
UNC - Greensboro	240	202	176	95	2,221	2,934	574
UNC - Charlotte	1,889	557	45	2,497	139	5,127	1,226
UNC - Asheville	389	19	36	383	175	1,002	116
UNC - Wilmington	230	37	575	72	15	929	51
East Carolina Univ	1,882	1,190	4,276	4,162	3,251	14,761	230,597
NC A & T State Univ	364	150	117	48	1,457	2,136	601
Western Carolina Univ	425	262	1,275	247	891	3,100	5
Appalachian State Univ	5,529	662	89	823	4,004	11,107	205
UNC - Pembroke	677	932	115	293	2,894	4,911	898
Winston-Salem State Univ	198	146	120	—	1,157	1,621	216
Elizabeth City State Univ	415	57	(3)	69	—	538	208
Fayetteville State Univ	452	62	471	940	328	2,253	698
North Carolina Central Univ	610	263	236	6,105	3,616	10,830	1,000
North Carolina School of the Arts	—	—	—	45	528	573	—
	\$619,424	\$265,638	\$163,552	\$166,732	\$821,650	\$2,036,996	\$2,937,754

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Appendix B

Cost of Collecting Receivables by Agency Fiscal Year Ended June 30, 2009 (Whole Dollars)

<u>Agency</u>	<u>Collection Unit</u>	<u>Collection Cost</u>	<u># FTE</u>
Secretary of State	Accounts Receivable Department	47,937	1
State Treasurer	Accounts Receivable Department	5,257	—
Public Instruction	Other	16,420	—
Justice	Accounts Receivable Department	15,891	5
Agriculture	Agency/Division Budget/Fiscal Office	60,761	—
Agriculture	Payroll Section	19,228	—
Labor	Accounts Receivable Department	395,439	6
Labor	Collection Agency/Outsourced	603	—
Insurance	Agency/Division Budget/Fiscal Office	15,735	1
Transportation	Accounts Receivable Department	333,551	8
Transportation	Collection Agency/Outsourced	66,109	—
Wildlife	Accounts Receivable Department	600	—
DHHS	Accounts Receivable Department	2,734,719	51
DHHS	Collection Agency/Outsourced	5,810	—
ITS	Accounts Receivable Department	118,781	2
Correction	Accounts Receivable Department	115,580	3
Correction	Collection Agency/Outsourced	690	—
Commerce	Accounts Receivable Department	2,076	—
Employment Security	Other	616,481	9
Employment Security	Tax Department	1,239,581	19
Revenue * (see note below)	Agency/Division Budget/Fiscal Office		
UNC Hospitals	Collection Agency/Outsourced	5,349,400	—
UNC Hospitals	Patient Accounts	3,366,000	52
Housing Finance Agency	Agency/Division Budget/Fiscal Office	62,867	—
NC Ports Authority	Accounts Receivable Department	6,907	—
State Education Assistance Authority	Other	10,961,504	—
State Education Assistance Authority	Student Accounts	61,435	3
UNC - Chapel Hill	Accounts Receivable Department	25,000	1
UNC - Chapel Hill	Collection Agency/Outsourced	16,121	—
UNC - Chapel Hill	Patient Accounts	13,949,075	140
UNC - Chapel Hill	Student Accounts	7,997	1
UNC - Chapel Hill	Student Loans	1,740	1
North Carolina State Univ	Agency/Division Budget/Fiscal Office	132,611	3
North Carolina State Univ	Accounts Receivable Department	11,051	—
North Carolina State Univ	Collection Agency/Outsourced	126,056	—
North Carolina State Univ	Grants Office	44,204	1
North Carolina State Univ	Student Accounts	44,204	1
North Carolina State Univ	Student Loans	44,204	1
UNC - Greensboro	Collection Agency/Outsourced	38,255	—
UNC - Greensboro	Grants Office	51,147	1
UNC - Greensboro	Student Accounts	14,914	—
UNC - Greensboro	Student Loans	84,646	2
UNC - Charlotte	Collection Agency/Outsourced	66,089	—
UNC - Charlotte	Student Accounts	31,585	3
UNC - Charlotte	Student Loans	19,310	2
UNC - Asheville	Student Accounts	979	—
UNC - Asheville	Student Loans	2,019	—

2009 Statewide Accounts Receivable Report

Appendix B

Cost of Collecting Receivables by Agency Fiscal Year Ended June 30, 2009 (Whole Dollars)

<u>Agency</u>	<u>Collection Unit</u>	<u>Collection</u>	
		<u>Cost</u>	<u># FTE</u>
UNC - Wilmington	Accounts Receivable Department	21,851	1
UNC - Wilmington	Collection Agency/Outsourced	49,913	—
UNC - Wilmington	Student Accounts	47,661	1
UNC - Wilmington	Student Loans	9,101	—
East Carolina Univ	Collection Agency/Outsourced	412,891	—
East Carolina Univ	Other	14,847	1
East Carolina Univ	Patient Accounts	3,597,099	69
East Carolina Univ	Student Accounts	605,311	9
East Carolina Univ	Student Loans	233,242	4
NC A & T State Univ	Accounts Receivable Department	155,068	3
NC A & T State Univ	Collection Agency/Outsourced	12,225	—
NC A & T State Univ	Other	29,293	4
NC A & T State Univ	Student Loans	147,397	5
Western Carolina Univ	Student Accounts	76,609	2
Appalachian State Univ	Collection Agency/Outsourced	30,452	—
Appalachian State Univ	Grants Office	24,150	1
Appalachian State Univ	Student Accounts	95,920	3
Appalachian State Univ	Student Loans	49,912	2
UNC - Pembroke	Accounts Receivable Department	39,430	1
UNC - Pembroke	Collection Agency/Outsourced	12,215	—
Winston-Salem State Univ	Accounts Receivable Department	89,288	2
Winston-Salem State Univ	Collection Agency/Outsourced	12,096	—
Elizabeth City State Univ	Collection Agency/Outsourced	3,973	—
Fayetteville State Univ	Student Accounts	80,132	3
Fayetteville State Univ	Student Loans	9,462	—
North Carolina Central Univ	Accounts Receivable Department	22,054	11
North Carolina Central Univ	Student Loans	17,898	3
North Carolina School of the Arts	Student Accounts	11,094	—
North Carolina School of the Arts	Student Loans	34,054	1
Total		\$46,275,207	443.00

#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.