

Employee Delinquent Debt Collection Policy

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| <p>Approved By: Northeastern State University Executive Cabinet</p> <p>Responsible Official: Bursar Services (918) 444-2185 nsuoba@nsuok.edu Tahlequah Administration 125</p> | <p>History: New August 20, 2024</p> <p>Related Policies: Employee Handbook Sectionxxx Faculty Handbook Sectionxxx</p> <p>Additional References: https://oksenate.gov/sites/default/files/2019-12/os68.pdf</p> |
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Purpose

The intention of this policy is to allow Northeastern State University to collect delinquent debt by way of interception of an employee's Oklahoma State Tax refund. The policy will affect any current employee of Northeastern State University that has a delinquent balance of \$50.00 or greater on their Bursar account and is not actively enrolled in student courses.

Disclosure Statement

Oklahoma Statutes Title 68. Revenue and Taxation

Oklahoma Statute § 68-205.2

Claims by state agencies, municipal courts, district courts, or public housing authorities against state income tax refunds.

A. For purposes of this section, a "qualifying entity" shall mean a:

1. State agency;
2. Municipal court;
3. District court;
4. Public housing authority operating pursuant to Section 1062 of Title 63 of the Oklahoma Statutes;
5. District attorney seeking to collect unpaid court-ordered monetary obligations; or
6. The designee of an entity described in paragraphs 1 through 5 of this subsection.

B. A qualified entity seeking to collect a debt, unpaid fines and cost or final judgment of at least Fifty Dollars (\$50.00) from an individual who has filed a state income tax return may file a claim with

the Oklahoma Tax Commission requesting that the amount owed to the qualified entity be deducted from any state income tax refund due to that individual. The claim shall be filed electronically in a form prescribed by the Tax Commission and shall contain information necessary to identify the person owing the debt, including the full name and Social Security number of the debtor....

<https://oksenate.gov/sites/default/files/2019-12/os68.pdf>

Process

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Employees receive an account billing notice by way of their Northeastern State University (NSU) email account at the beginning of each month. The account is also viewable at any time by logging into the employee portal on GoNSU. An account balance becomes delinquent 15 days after the billing date and is then subject to a monthly late charge at a rate of 1.5% of the balance due.

Oklahoma Statute § 68-205.2 allows a qualified entity to collect a debt of at least \$50.00 from an individual who has filed a state income tax return with the Oklahoma Tax Commission and is due to receive a state income tax refund. Annually in September and October, Bursar Services will run reports on accounts for outstanding debt in preparation for participation in the Oklahoma Tax Warrant Interception Program beginning in November. These reports gather data directly from Banner and reflect any charges and payments that have been applied to the account. The reports are analyzed and exclusions are made for accounts that have a balance below \$50.00 and/or accounts for employees who are actively enrolled in student courses at NSU. The remaining qualified accounts are then entered into a file and sent to NSU's contracted collecting agency through a secure file on the collecting agency's portal. The collecting agency works directly with the State of Oklahoma Tax Commission to intercept the individual's Oklahoma income tax refund. Upon interception of a debt under the above state statute, the collecting agency will send a letter to the individual detailing the amount to be deducted from the refund and the taxpayer's options to respond. If an individual files a past year's state income tax return, any resulting state income tax refund is subject to interception as well. The funds will be sent by way of wire transfer to NSU to be paid against the individual's delinquent debt.-The collection cost incurred during this process will be added to the employee's remaining account balance, if any, and will be reflected on subsequent monthly billing statement reminders that are sent to the individual's NSU email and are available on the GoNSU employee portal.

Definition

Delinquent: Refers to any amount that has been billed for and has exceeded the 15-day grace period.