

FTBCOD

Franchise Tax Board Court Ordered Debt

RPCSTM

Version 2011

RevQTM

A Columbia Ultimate Company

Acknowledgments

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**Federal Tax Bureau
Court-Ordered Debt**

In an effort to reduce the amount of court-ordered debt (COD) owed to the state, the California Legislature mandated a partnership between the California Franchise Tax Board (FTB) and all California counties. This mandate allows the Franchise Tax Boards' automated systems and collection powers to act as a state taxing authority to collect COD. FTB collects certain criminal fines, penalties, forfeitures and restitution orders, as well as certain Vehicle Code violations for the counties.

FTBCOD Features

- Account forwarding
- Automatic updating of notes when accounts are transferred
- Electronic media transfer to FTB
- Uses the same collection processes as used with final delinquent personal income tax debts
- Updates account information monthly via electronic media
- Initiates collections through a 'Demand for Payment' letter
- Does not require a judgment prior to enforcement action
- Reconciliation between your records and those at FTB

FTBCOD Benefits

- Uses FTB's power as a state collection entity to assist in Court-Ordered Debt collection
- Enhances productivity by allowing staff to focus on areas of greatest return opportunity
- Selection of accounts forwarded to FTB is controlled by Collection Management
- Provides lower rates, in general, than other collection agencies

Getting Started

This manual will help you:

- Identify the features and benefits of the FTB-COD module
- Understand essential FTB-COD terms
- Provide your Columbia Ultimate Client Care representative with the standard setups related to the FTB-COD module
- Create the FTB-COD forwarding tape
- Load the FTB-COD action tape to RPCS
- Troubleshoot tape errors and be able to correct them

FTBCOD Setup Routine

Before you contact the RPCS Support Team, you must set up six fiscal field items that store FTB information. Information on setting up fiscal fields can be found in your RPCS Reference Guide, Chapter 10, section 9. These fields include:

Fiscal Field	Description
FTB Date	Date item was last sent to FTBCOD. This field is automatically updated by RPCS when an FTB Forward Tape is created.
FTB Action	Automatically updated after FTB Forward Tape is created. Options are: <ul style="list-style-type: none">• N = New request• R = Requested before, being reviewed• W = Withdraw from FTB
FTB W/Draw	Place a 'Y' in this Fiscal Field if you wish to have the account withdrawn from FTB consideration. RPCS reviews the flag for this field nightly to track withdrawn accounts and places them back into WIP consideration.

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Fiscal Field	Description
Rec Action	Action taken on the FTB item. Enter appropriate code for action taken. See Action Code for options.
Rec Date	Date FTBCOD received the item. Automatically updated when the FTB Action Tape is loaded.
Rec Bill	FTB Bill number for reference. Automatically updated when the FTB Action Tape is loaded.

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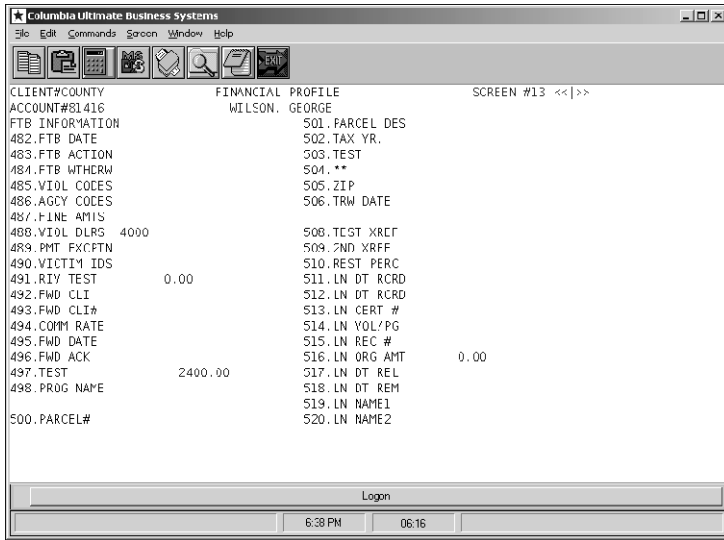
After creating these fiscal fields, contact the RPCS Support Team to establish a mutual time to prepare your FTB setups with you.

FTB Setup Items

Before setting up FTB, the following items must be set up at the TCL prompt, stored in the Codes file FTB-INFO. These items can be reviewed or updated at any time:

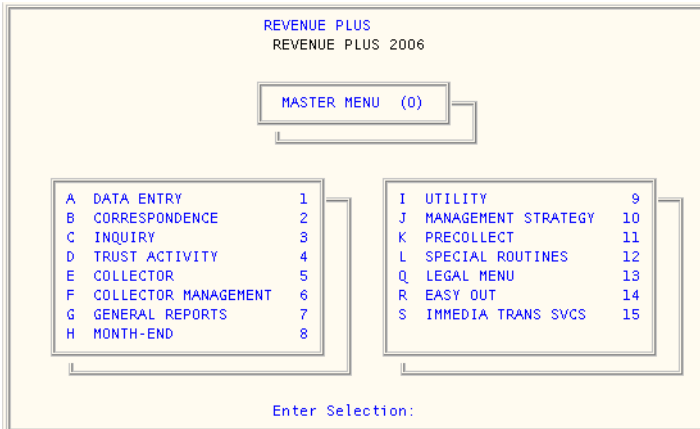
1. Attribute number of the FTB Date Fiscal Field
2. Attribute number of the FTB Action Fiscal Field
3. Attribute number of the FTB W/Draw Fiscal Field
4. Default Recall statement. Enter this during setup
5. The minimum dollar amount owing per account to be sent to FTB. Enter this information on this line
6. Line is a system action. It stores the last run date for creating FTB tapes
7. Attribute number of the Rec Action Fiscal Field
8. Attribute number of the Rec Date Fiscal Field
9. Attribute number of the Rec Bill # Fiscal Field
10. FTB Action Codes that indicate a withdrawal
11. Status Code to change to when account forwarded to FTB (determined by Client)
12. -17. Custom Only
18. Do not return codes
19. Transaction codes used for FTBCOD payments - Call your RPCS Support Team for Assistance
20. Two-digit county code
21. 5 digit COD assigned ID
22. New status used when accounts are forwarded (can be left null and may already be defined somewhere else within the control record)
23. Path and filename where the outbound file will be created

When the Fiscal Fields are set up, they appear similar to the following screen. The attribute numbers for these items 1 through 3, and 7 through 9 are the attribute numbers, not the line numbers needed to set up the FTB module. Directions on how to view or print attribute numbers can be found in your RPCS Reference Guide, Chapter 10, Section 9.2.



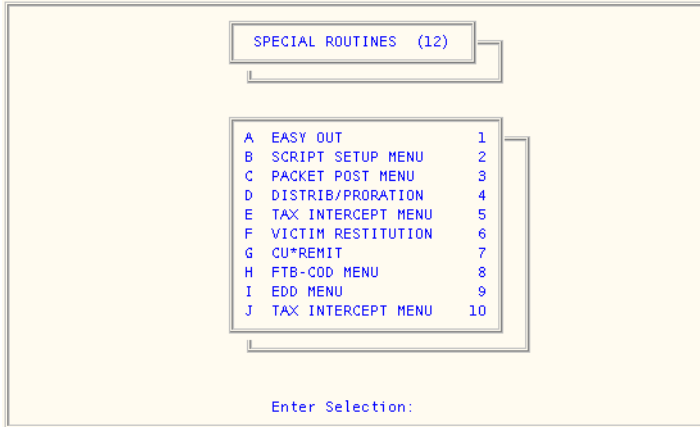
Master Menu

Use the Master Menu to access the FTB options from the Special Routines Menu (12).



Special Routines/Special Users Menu

Use the Special Routines or Special Users Menu to access RPCS modules and special routines that are created for your agency. Depending on the number of modules and special routines that your agency uses, this menu may be slightly different than the following screen.



As with all menus in RPCS, there are two methods of selecting the FTB option from the Special Users Menu:

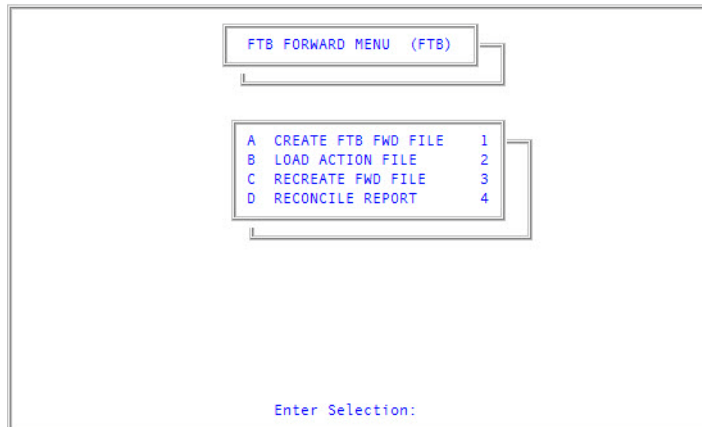
1. Press the letter option that corresponds with FTB.
- or -
Enter the numeric listing for FTB and press <Enter>.

The FTB Forward menu displays.

FTB Forward Menu

Use this menu to access the following processes:

- ♦ Create FTB Forward File
- ♦ Load Action File
- ♦ Recreate Forward File
- ♦ Reconcile Report



Create FTB Forward File

Use this option to create the file that will forward selected accounts to FTB for collection. Accounts may be selected by Specific Accounts or by Recall Select.

To write specific accounts to a file

Account numbers may be entered manually. This option is used when there are a small number of accounts to be placed in the forwarding file.

1. In the FTB Forward Menu, select Create FTB FWD File.
2. In the following screen select Specific Accounts and press Enter.

```
1 -- SPECIFIC ACCOUNTS
2 -- RECALL SELECT

ENTER OPTION (1 - 2 OR '/'):

```

3. At the *Enter Account #s For FTB File Separated By a Semicolon* prompt, enter the account numbers, each separated by a semicolon and press Enter.

Once RPCS finishes writing the accounts to the file, a line of text appears confirming the number of accounts that have been placed in the file as in the following example:

9 Accounts included in the file. File creation complete.
Press <CR>.

4. Press Enter to return to the FTB Forward Menu.

To write Recall Select accounts to file

1. In the FTB Forward Menu, select Create FTB FWD File.
2. In the following screen select Recall Select and press <Enter>.

```
Debtor Information File Creation Routine

1 -- SPECIFIC ACCOUNTS
2 -- RECALL SELECT

ENTER OPTION (1 - 2 OR '/'):

```

3. The default Recall Selection statement appears:

ENTER SELECT STATEMENT

The default Recall Statement entered on line four of the FTB setup appears.

4. Press <Enter> to initiate account selection based on the default statement, or type a new Recall statement directly onto this line for the selection process.

Once RPCS finishes writing the accounts to the file, a line of text appears confirming the number of accounts that have been placed in the file as in the following example:

9 Accounts included in the file. File creation complete.

Press <CR>.

5. Press <Enter> to return to the FTB Forward Menu.

Load Action File

Use this option to load the action file from the FTB Menu into the user's system. The appropriate fiscal fields are populated with action file information.

The information from the action file may result in accounts being withdrawn from FTB. These accounts will not be forwarded. This is determined by the action codes that are designated as withdrawal action codes.

Action Code Description

Reject Reason Codes

01	Duplicate of another case record
02	Invalid record type
03	Invalid debt type
04	Invalid action type code
05	Invalid county code

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Action Code Description

07	Blank client case number
08	New case record balance is less than \$25 or invalid
09	Case record does not contain at least one of the following codes: SSN, DL, or DOB
11	Last Name is invalid
12	First Name is invalid
13	Previously withdrawn or returned; required modifications not provided
14	Case balance less than \$100
15	Case not found
16	Address is invalid
17	Submitted as revised, contains no revisions
18	Revised balance reason, balance adjustment amount, and/or balance adjustment date not provided or invalid
20	New case record received for an existing case; resubmit as revised
22	One or more required fields are blank
23	Participant is bankrupt
24	Confidential
25	Confidential > 18 months in effect
26	Previously returned and cannot be reactivated automatically; contact FTB liason for assistance
27	Service Provider ID is invalid

Return Reason Codes

60	Unable to locate debtor with no SSN
61	Zero balance
62	Confidential > 18 months
63	Unable to locate asset with provided SSN
64	Debtor in bankruptcy
65	Confidential reasons

Informational Update Codes

80	Confidential
81	Demand for payment notice
82	Earnings withholding order
83	Order to withhold
84	Continuous order to withhold
85	Installment agreement notice
86	Case record withdrawn by client
87	Case record withdrawn by FTB

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Once the action file is returned from FTB the information must be loaded into the user's system to ensure the following:

- ♦ The Fiscal Screen Records of the selected accounts are updated
- ♦ The withdrawals are processed

To load the FTB Action file

1. In the FTB Forward Menu, select Load Action File.
2. At the Load the FTB Action File? prompt, type Y and press Enter.
3. Type the name of the FTB Action file and press Enter.
4. When the load is complete, a message displays the number of records processed, click Yes to return to the FTB Forward Menu.

The appropriate Fiscal Fields have been updated for those accounts reported to FTB.

Recreate Forward File

Use this option to save to file the last successful file run. This option is also used to correct errors when creating the forward file or when the forward file fails.

Information from the last file run is saved so that you can transfer requested information to file. While the file creation routine is running, the word "Processing" appears on the screen until the process is complete.

To recreate the Forward file

1. From the FTB Forward Menu, select Recreate FWD File.
2. The system prompts with the date of the last file created. Enter Y to recreate the file.
3. Type the name of the file.
A message displays the number of records written to the file.
4. Press Enter to return to the FTB Forward Menu.

Reconcile Report

The reconciliation report is used to resolve errors between RPCS and FTBCOD. There are two types of errors: status errors and balance errors.

In order to correctly check balances and open/close statuses, make sure the following conditions have been met before running the reconciliation report:

- ♦ A reconciliation file has been requested and received from FTBCOD
- ♦ The file has been placed on the RPCS server in a location that can be read by the report process
- ♦ All action files have been processed, up to the date of the reconciliation file
- ♦ All transaction files have been processed, or placed in the same folder as the reconciliation file, up to the date of the reconciliation file
- ♦ Files received from FTB after the date of the reconciliation file have not been processed or placed on the RPCS server until the reconciliation process has completed

Columbia Ultimate recommends you run this report at least quarterly.

Running the Reconciliation Report

1. From the FTB Forward Menu, select Reconcile Report.
The FTBCOD Reconciliation Options screen appears.

```

FTBCOD Reconciliation Options
Enter Reconciliation File Path      :
Print Report to Screen/Printer     :P
Update Last Balance from File?    :N
Include Trans from Unposted Files? :N

```

2. In Enter Reconciliation File Path, enter the path and filename of the file provided by FTB and press Enter.
3. In Print Report to Screen or Printer, enter either:
 - ♦ P - to send the report to your default printer
 - ♦ S - to view the report on screen
4. In Update Last Balance from File?, type N or Y and press Enter.
 This option forces a correction adjustment to be sent to FTB to reconcile the system with RPCS. It is recommended that you first run the report with this field set to N. After you fix any status issues and review the balance issues, you can set the option to Y and rerun the report to prepare the system for the next update. See [Preparing the Correction Adjustment](#).
5. In Include Trans from Unposted Files?, type N or Y and press Enter.
 This option directs the system to look in the folder named in the Enter Reconciliation File Path prompt for payment schedule files which have not been posted, but pre-date the reconciliation file date. If you have unposted schedules received prior to the reconciliation date, place those files in the folder and change this prompt to Y.
6. At the Run Reconciliation prompt, type Y to run the report and press Enter.
 A progress counter displays as the report processes. If you chose to print the report, the system prompts for the printer to use.

If the report is expected to be large, print it to a hold file so it can be viewed electronically.

Understanding the Reconciliation Results

There are two types of errors that may result from running the reconciliation report:

- ♦ Status errors
- ♦ Balance mismatch errors

Status errors

COD Returns with RPCS Active Status						
ACCOUNT	COD STS	LST ACT	RPCS DATE	COD ACT	FTB DATE	
257399	RETURNED	R	03-19-2009	D		
353119	RETURNED	R	06-01-2010	82		
353280	RETURNED	R	03-19-2009	D		
353313	RETURNED	R	06-01-2010	82		
366207	RETURNED	R	03-19-2009	81	04-03-2009	
366820	RETURNED	R	06-01-2010	82	05-13-2009	
523144	RETURNED	N	05-22-2009	81	06-01-2009	
492968	REJECTED?	R	03-19-2009			
532709	REJECTED?	N	06-24-2009			
532712	REJECTED?	N	06-24-2009			
390118	WITHDRAWN	R	03-19-2009			
391814	WITHDRAWN	N	06-24-2009			
COD NOT withdrawn with RPCS withdrawn Status						
ACCOUNT	COD STS	LST ACT	RPCS DATE	COD ACT	FTB DATE	
214687	ACTIVE	W				
218114	ACTIVE	W		81		
225033	ACTIVE	W		82		
419817	ACTIVE	W	02-06-2009	82	04-15-2009	

Column	Definition
Account	RPCS account number
COD Sts	Status provided by FTB on the reconciliation file <ul style="list-style-type: none"> Returned Withdrawn Active
Active, Lst Act	Last RPCS activity <ul style="list-style-type: none"> N - New submission sent R - Revision sent W - Withdraw sent Accounts displaying N or R are considered actively forwarded to FTB.
RPCS Date	Date of last RPCS activity
COD Act	Last action performed by FTB; received in the weekly action file
FTB Date	Date of the last COD action

Balance errors

Account	Balance	does NOT RECONCILE COD BAL	Match COD RECON DATE	RPCS Balance LST SBMIT RPCS BAL	LST SBMIT DATE	COD PYMTS SINCE LST	COD FUTURE PAYMENTS	ADJST AMT TO SEND	OVERWRITE LST BAL
226762	4900.54		06-02-10	2385.29	06-01-2010	195.91	403.45	-3114.61	5499.90
232250	370.52		06-02-10	303.77	06-01-2010	0.00	2.22	-68.97	372.74
239196	817.08		06-02-10	274.94	06-01-2010	0.00	0.00	-542.14	817.08
245540	25179.64		06-02-10	24879.64	06-01-2010	100.00	100.00	-500.00	25379.64
245604	386.33		06-02-10	292.64	06-01-2010	0.00	0.00	-93.69	386.33
247157	1028.09		06-02-10	417.81	06-01-2010	0.00	29.01	-639.29	1057.10
249776	833.34		06-02-10	240.42	06-01-2010	0.00	0.00	-592.92	833.34
250023	467.45		06-02-10	354.09	06-01-2010	0.00	0.00	-113.36	467.45
255585	63.16		06-02-10	54.36	06-01-2010	0.00	0.00	-8.80	63.16
260575	1160.00		06-02-10	1025.30	06-01-2010	0.00	0.00	-134.70	1160.00
261352	291.80		06-02-10	98.21	06-01-2010	0.00	0.00	-193.59	291.80
267600	902.71		06-02-10	778.21	06-01-2010	0.00	0.00	-124.50	902.71
268825	1520.35		06-02-10	740.59	06-01-2010	0.00	0.00	-779.76	1520.35
279900	371.59		06-02-10	281.44	06-01-2010	0.00	0.00	-90.15	371.59
290923	1470.18		06-02-10	1436.20	06-01-2010	0.00	0.00	-33.98	1470.18
291784	688.75		06-02-10	552.73	06-01-2010	0.00	17.45	-153.47	706.20
294369	832.80		06-02-10	695.21	06-01-2010	0.00	0.00	-137.59	832.80
295740	14616.78		06-02-10	13338.24	06-01-2010	0.00	175.50	-1454.04	14792.28
296441	3071.45		06-02-10	3012.52	06-01-2010	0.00	0.00	-58.93	3071.45
298123	28111.29		06-02-10	27874.99	06-01-2010	0.00	0.00	-236.30	28111.29
298274	932.22		06-02-10	651.60	06-01-2010	0.00	0.00	-280.62	932.22
300643	132.34		06-02-10	63.92	06-01-2010	4.97	6.95	-80.34	144.26
306010	577.81		06-02-10	166.69	06-01-2010	0.00	0.00	-411.12	577.81
307184	802.73		06-02-10	692.03	06-01-2010	0.00	0.00	-110.70	802.73

Column	Definition
Account	RPCS account number
Reconcile COD Bal	Amount FTB sent in their reconciliation file
COD Recon Date	Date the reconciliation file was generated
Lst Sbmtr RPCS Bal	RPCS balance at the time the last update was sent to FTB
Lst Sbmtr Date	Date the account was last submitted to FTB
COD Pymts Since Lst	Payments received from COD after the last submission but prior to the reconciliation date that have been posted to RPCS
COD Future Payments	Payments received after the last submission date but prior to the reconciliation date that have not been posted to RPCS

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Column	Definition
Adjst Amt to Send	The adjustment amount needed to reconcile the two systems
Overwrite Lst Bal	Internal use only

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Preparing the Correction Adjustment

After fixing any status issues and reviewing the balance issues generate a standard submission file to transmit to FTB so they can correct their balances to match yours. To do this, set the Update Last Balance from File? prompt on the FTBCOD Reconciliation Options screen to Y. When the report completes, a standard submission file can be generated. The standard process sees the last submitted balance and compares it to the current actual RPCS balance. Any discrepancies automatically generate a correcting adjustment transaction to force the FTBCOD balance to adjust in the amount necessary to reduce or raise it to the current RPCS balance.