

User Manual

DEFINITIONS

Administrative Offset: The process of withholding all or part of funds paid by the government to a person or entity who owes delinquent non-tax debt to the government and applying the funds to reduce or satisfy the that debt.

Bureau of the Fiscal Service (BFS): A bureau of the U.S. Treasury that serves as the federal government's financial manager, central disbursing agent, and collections agent, as well as its accountant, reporter of financial information, and collector of delinquent federal debt.

Certify: To verify as true and accurate.

Collection: The process of receiving amounts owed to the government, such as payment on a debt.

Creditor: A person or company to whom money is owed.

Creditor Agency: An agency or state that requests BFS services in collecting its delinquent debt by inclusion in TOP for administrative offset. State agencies that submit their debts to TOP for collection are considered creditor agencies. TOP collects debts by reducing federal and state payments and subsequently transferring collected amounts back to the creditor agency to which the debt is owed.

Debt: An amount of money that has been determined by an appropriate official to be owed to the government from any person, organization, or entity other than another government agency.

Debt Collection: The recovery of amounts due to the government by a delinquent debtor via TOP.

Debtor: Any person, organization, or entity that is in debt or under financial obligation to another; one who owes a debt.

Delinquency Date: The date on which a debt becomes delinquent.

Delinquent: A debt that has not been paid by the date specified in the agency's initial written demand for payment; the same meaning as past due.

Delinquent Debtor: Any person, organization, or entity certified as being delinquent.

Due Diligence: Appropriate notification to a debtor informing them their debt is past due and will be submitted to TOP if action to repay the debt is not taken in a specified time frame (60 days from date of notice).

Due Diligence Date: This is the date the creditor agency performed due diligence for the debt according to federal statutes and regulations.

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Kansas Treasury Offset Program (KTOP)

revised 1/2015

Due Process: The legal rights of a debtor to be informed of the proposed action and to be given the opportunity to review related records.

Employer Identification Number (EIN): A nine digit TIN assigned by the IRS to businesses that file tax returns in the United States.

Kansas Debt Recovery System (KDRS): A program that allows the State of Kansas to setoff monies owed to vendors and individuals against debts those entities owe to the State of Kansas.

Kansas Treasury Offset Program (KTOP): A State of Kansas program that provides for the collection of delinquent state debt by offset of federal non-tax payments, as well as for the collection of delinquent federal non-tax debt by offset of state payments.

Legally Enforceable: Refers to a characteristic of a debt and means there has been a final agency determination that the debt, in the amount stated, is due.

Match: The TIN and name of the payee on a payment record are the same as the TIN and name of a debtor on a delinquent debt record.

Notice of Intent to Offset: A notification or warning letter sent to the debtor or payee informing the debtor or payee that the U.S. Treasury intends to reduce or withhold future benefit payments to satisfy a delinquent debt owed to the creditor agency.

Offset: The process of reducing funds paid by the government to a person or entity who owes a delinquent debt or debts to the government and applying the funds toward the balance of the delinquent debt.

Past Due: A debt that has not been paid by the date specified in the agency's initial written demand for payment; the same meaning as delinquent.

Payment Agency: An agency or state that submits payment records for matching and offset.

Social Security Number: A nine digit personal identification number assigned by the Social Security Administration.

State Reciprocal Program (SRP): A reciprocity program within TOP whereby the participating states offset state payments to satisfy federal non-tax debts, and the federal government offsets federal non-tax payments to satisfy state debts.

Taxpayer Identification Number (TIN): A nine digit unique identifier assigned to all individuals and businesses that file tax returns in the United States. For individuals, the SSN serves as the TIN. For businesses, organizations, and non-profit entities, the EIN serves as the TIN. The TIN is the primary debtor or payee identification method for debt matching in TOP.

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Treasury Offset Program (TOP): A federal program, which is administered by BFS, for debt matching and payment offset. TOP uses payment and debt data received from federal and state agencies to collect delinquent debt from payments disbursed by the U.S. Treasury and other disbursing agencies.