

Kansas Treasury Offset Program

From: KTOP
Sent: Wednesday, March 18, 2015 2:59 PM
Subject: KTOP Interception of State Payments
Attachments: SAMPLE Payor Agency Notice of Offset.pdf; SAMPLE PA Notification Letter to Vendor.docx

On March 2, 2015, the State of Kansas Department of Administration, Kansas Treasury Offset Program (KTOP) began matching eligible SMART payments to the Treasury Offset Program (TOP). Since the program launched, KTOP has intercepted a number of state payments that have been applied to delinquent federal debts. When state payments are intercepted, the payor agency contact person receives an email notifying them that KTOP has completed processing SMART payments made by their agency. Attached to that notification email is a list of payments that KTOP offset (see attached *SAMPLE Payor Agency Notice of Offset* pdf). As a courtesy, we have developed a sample letter that agencies can utilize to send to a vendor when a state payment has been intercepted and offset for a federal debt (see attached *SAMPLE PA Notification Letter to Vendor* word document). You may revise the sample letter to fit your agencies requirements.

Prevention of Offsets:

In previous emails, we strongly emphasized to payor agencies that when offsets occur they take effect immediately. Agencies should contact KTOP before proceeding with the payment request if they believe the payment should not be eligible for federal offset. It is extremely important that agencies review all type of payments their agency processes to determine if they should not be offset. If you recognize that a payment type should not be offset, please send documentation for the exemption to KTOP staff for review. If determined that those types of payments should not be offset, your agency will need to provide the funding distribution line(s) for those types of payments. Any payments issued with those specific funding distribution lines would then be excluded from offset. Only payments not subject to offset should be coded with those specific funding distribution lines. Anytime your agency initiates new types of payments, offsets should be considered.

In addition, **contact KTOP promptly if there is an issue with a payment that has already been offset.** Reversals are accepted or declined at TOP's discretion, so it is possible that funds could not be recovered.

NOTE: You are receiving this email because KTOP records indicate you are the accounts payable contact for your agency. If you are not the accounts payable contact for your agency, please notify us of the correct individual's name, email address, and phone number by sending an email to ktop@da.ks.gov. If you have questions, please don't hesitate to contact our office.

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