

# MEMORANDUM OF UNDERSTANDING

## STATE OF UTAH DIVISION OF FINANCE

and

COUNTY, UTAH

- 1) **PARTIES:** The Parties to this Memorandum of Understanding (MoU) are: The Division of Finance of the State of Utah (“Finance”) and County, Utah (“County”). County agrees that any local agency, as defined in Utah Code § 63A-3-301(4), acting on behalf of County is also, by extension, subject to the terms agreed to by County. County agrees to be liable for ensuring any local agency acting on County’s behalf abides by the terms for which County is liable in this Agreement. County is liable for any action or inaction taken or failed to be taken by a local agency on County’s behalf. If County contracts with a local agency to carry out certain aspects of this MoU, County will identify the local agency in this agreement.
- 2) **PURPOSE:** This MoU establishes an agreement by which the Parties can work together to collect certain debts owed to County.
- 3) **TERM:** This MoU will become effective the Date that all Parties have signed the MoU. The MoU will remain in effect until terminated by a 60-day advance written notice sent by any Party hereto to an individual of sufficient authority (i.e, manager, administrator, etc.) for the other Party.
- 4) **AUTHORITY:** Finance has statutory authority to levy state tax overpayments for County under Utah Code §§ 63A-3-301 *et seq.*, and County has authority to assess taxes, fees, and other amounts under Title 11 of the Utah Code. This MoU outlines the understanding between the Parties, and is meant to comply with Utah law. In any apparent conflict between the Utah Code and this MoU, the Utah Code shall govern.

Each signor to this MoU hereby represents that he or she has sufficient knowledge, permission, and authority to enter into this agreement on behalf of his or her respective entity and to agree to each and every term herein.

- 5) **RELATIONSHIP:** There exists a service-provider / service receiver relationship between Finance and County.
- 6) **COLLECTION:**
  - A) **RECEIVABLES:** County is solely responsible for the creation of accounts receivable and for establishing that accounts receivable meet the definitions and requirements set forth in Utah Code §§ 63A-3-301 *et seq.*

- B) SUBMISSION OF ACCOUNTS:** A full list of accounts receivable will be transmitted to Finance from County via an interface program or method specified by Finance. The County is responsible for the accuracy of data submitted. Finance is responsible for ensuring that the account receivable information received from County is maintained accurately.
- i) The County will provide a list of one or more contact persons along with contact information to which requests for information or documentation may be made.
  - ii) County will provide all required information requested by Finance via the transmission method referred to above. This information is intended to be used by Finance to identify state tax refunds and to levy them.
  - iii) Inquiries by debtors which are beyond information provided to Finance will be referred to County. County may designate a person for such inquiries by providing contact information for that person to Finance in writing.
- C) INDEMNIFICATION:** County is responsible for providing its own legal counsel in relation to the levying of state tax refunds under Utah Code § 63A-3-301, et seq. and this MoU. County indemnifies Finance for any actions taken by Finance on behalf of County in relation to the process of levying a person's state tax refund.
- D) MATCHING OF DEBTS:** County is responsible for levying matched debts within system specified by Finance. County agrees to regularly log into the system to check for matched debts. County will either garnish or release matched debts within twenty-one (21) calendar days of the match date. If County fails to garnish or release matches within twenty-one (21) days, Finance may independently change the status of such matches.
- E) FINANCE FEES:** Finance may add fees, costs, interest or other amounts to accounts when they are received from the County, as allowed by the Utah Code or the Utah Administrative Code. Finance may take its fees, costs, or other amounts added after an Account is sent to Finance, out of amounts levied or payments received prior to remitting the remainder of the payment amount(s) or amount(s) due to County.
- F) MODIFICATION OF RECEIVABLES:** County has the right to modify accounts. County may recall or modify accounts receivable by changing the file submitted to Finance. Any information modified or removed from the file will be modified or removed within the system specified by Finance.
- G) PAYMENTS TO COUNTY:** Remittance will be made to County and other payees by draft or electronic transfer. Remittance to the County will be done in a single draft or electronic transfer each business day. Monies collected do not accrue interest for the time from collection to remittance to the County.

- 7) **APPEALS:** Challenges to levied amounts must be defended by County in accordance with Utah Code and Administrative Rule R21-3. This obligation may not be delegated to a local agency or any other third party.
- 8) **REPORTING:** Finance will provide access to an online reporting tool for County to keep track of the accounts sent to Finance. The system shall allow for reporting that shows outstanding accounts receivable, balances, matched accounts, and collected amounts.
- 9) **ISSUE RESOLUTION:** The Parties will be available to meet as needed to discuss any issues with the ongoing collection. Additionally, each Party will ensure that all other Parties have good contact information (name, email address, and phone number) of the primary contact for that party.
- 10) **DELEGATION:** The County may delegate terms within this agreement to a local agency pursuant to Utah Code § 63A-3-302(2). County hereby acknowledges obligations and requirements set forth in Utah Code and within this agreement which cannot be delegated to a local agency. Any agreement made between County and a local agency is independent of this MoU.

County Delegation: \_\_\_\_\_

\_\_\_\_\_  
*Name of signatory*  
 as (title)  
 on behalf of the (department) of  
 \_\_\_\_\_ County  
 (a/k/a “County” herein)

\_\_\_\_\_  
 Date

\_\_\_\_\_  
*Paul Bowers*  
 as Disbursements Supervisor  
 Division of Finance for the State of Utah  
 (a/k/a “Finance” herein)

\_\_\_\_\_  
 Date