



Frequently Asked Questions

Revised April 2008

GENERAL

What is the Core Banking System (CB\$)?

On July 1, 2003, the North Carolina Department of State Treasurer (NCDST) implemented a new core banking system (CB\$), replacing the old legacy systems that had been utilized for over 20 years. The new consolidated core system provides the accounting for all budget codes, disbursing accounts, STIF accounts, and depository bank ledgers. The system also replaced NCDST's old General Ledger and participant accounting programs. Additionally, CB\$ provides NCDST's various customers (agencies, universities, community colleges, and local school systems) with a web-based online banking component. A power point presentation giving a preview is available for viewing at the State Treasurer's web site (Core Banking Updates page).

What functions are available online?

- View informational bulletins
- View various contacts associated with each agency account
- View current account balance(s)
- View transaction activity between selected dates
- Inquire about whether a particular warrant number has paid or not
- Retrieve images of paid warrants
- Download monthly disbursing and STIF account statements
- Submit requests for adjustments for warrants paid incorrectly
- Verify completion of monthly statement reconciliation
- Initiate stop payments (adds and deletes)
- Perform maintenance on positive pay warrant issuance files (adds and deletes)
- Submit stop payments and positive pay records via batch uploads
- View and download active stop payments and positive pay records
- Submit messages to the NCDST and other CB\$ users within the agency

What types of accounts does an agency have access to?

An agency can access its: 1) disbursing account(s); 2) STIF account(s); and 3) certain budget codes. Additionally, an agency that uses one of the six main depository banks as an official depository can access its CIT bank account(s). (See question regarding CIT bank accounts.)

Did CB\$ replace the Warrant Image Retrieval System (WIRS)?

Yes. All images can be retrieved through CB\$. WIRS was discontinued September 30, 2003.

BUDGET CODE APPLICABILITY

Does CB\$ replace CMCS?

No. Although budget codes are maintained, CB\$ is intended to be an additional tool that the agency can use to view certain transactions which may also be on CMCS. For example, the agency is able to view deposit activity, requisitions, and agency transfers, as well as balances. The primary utilization of CB\$ is for disbursing and STIF accounts which, except for university trust funds, are not maintained on CMCS.

Which budget codes are available for viewing on CB\$?

All budget codes except general fund codes (type 1XXXX) are available for viewing. All other types (i.e., 2, 3, 4, 5, 6, 7, and 8) are available. No transactions affecting budget codes can be initiated through CB\$.

Why are general fund (type 1XXXX) not available for viewing on CB\$?

CB\$ does not accommodate “appropriations” postings. General fund budget code balances on CB\$ reflect “cash” balances only. Consequently, those codes may have negative balances and not reflect balances that are “available” to the agency. The agency should rely upon CMCS for information on general fund budget codes.

Does CB\$ reflect the same information as CMCS?

CMCS balances reflect the modified accrual method (i.e., accommodates “set back transactions”), while CB\$ balances reflect the cash method. There is a daily reconciliation of receipts and expenditures between CB\$ and CMCS. There is also a monthly reconciliation of ending balances between the two systems. Therefore, all transactions that post to CMCS should also be reflected on CB\$. Any differences in ending balances will be the result of “set back transactions” that may appear on CMCS but not on CB\$. Additionally, for interest bearing budget codes, there will be a difference in the balances on the last day of the month. This is because the interest for a given month is posted on CB\$ on the last day of the month (valued dated to the first day of the following month), while it is not posted on CMCS until the first day of the following month.

Is there any special treatment of Capital Improvement Budget Codes?

In the case of capital improvement budget codes (4xxxx series), allotments are posted in CB\$. The cash balance reflected on CB\$ should therefore equal the code’s “unexpended allotment balance” in CMCS.

USER ACCESS

What is the web site address of CB\$?

The URL is <https://www.ncdstbanking.com>. The logon screen can be linked to from the State Treasurer’s main web page, <http://www.treasurer.state.nc.us>. To log on to the site, the agency must have been provided a User ID and password.

Is the CB\$ web site secure?

Yes. Users accessing the site must use browsers that support 128-bit encryption. No security certificates are required to be utilized. A valid user ID and password is required to login.

Is data in CB\$ considered “confidential” data?

Some data is considered confidential, and some is not. For example, some warrant images are written against accounts that are specifically exempt from the Public Records Law – Chapter 132 (e.g., tax refunds and medical-related payments). Warrants also reflect bank checking account numbers that are not appropriate for disclosure. Since the NCDST is not in the position to make the appropriate determination as to which data is confidential and which is not, public inquiries are referred to the entity’s chief fiscal officer, who is in the best position to make such determination.

What computer requirements are needed to access CB\$?

The entity must have a personal computer that: 1) has access to the Internet; 2) has a current version of a "browser" that supports 128-bit Secured Socket Layer (SSL) encryption capability; and 3) has appropriate "viewer" software. Acceptable browsers are Microsoft Internet Explorer version 5.01 with Service Pack 2 or higher (IE 5.5 and higher recommended) and Netscape version 4.75 or higher. Your browser's encryption capability (cipher strength) can be tested by accessing the following site:

<https://www.treasurer.state.nc.us/ssltest/128okay.htm>. Additionally, some operating systems have image viewers that may not be compatible with the CB\$ image formats. See next question below.

Is a special image viewer required to view images on CB\$?

In most cases, yes. Images received by NCDST from the Federal Reserve Bank on and after June 26, 2003 were received with a different compression version (JPEG.v7) than those received prior to that date (due to a change made by the FRB, not NCDST). The NCDST has acquired an enterprise license for a viewer plug-in available for downloading that should be compatible with all images downloaded from CB\$. The Tiff Surfer browser plug-in may be downloaded by viewing the "CB\$ Troubleshooting Tips" document. Each agency's technical support personnel should be consulted regarding the agency's computer capabilities to ensure that the appropriate equipment and software is installed.

During what hours can CB\$ be accessed?

The site is generally available from 7:00 a.m. until 5:00 p.m., Monday through Friday, for most functions. The NCDST utilizes after-business hours to perform nightly updates and routine maintenance. However, the site may be available during after-business hours if updates and maintenance are not being performed. Attempted access when the site is not available will result in a "page not found" error message. The exception is for submitting stop payment, positive pay records, and electronic warrants. After 4:30 p.m., although the site may be available, these transactions cannot be submitted, due to these databases being closed. In such cases, a message will be displayed.

AGENCY ADMIN USER

Does each agency have an Admin User?

Yes. The Admins for most departments, universities, community colleges, LEAs, and boards (agencies) were all provided their User ID and password during the startup period (July – September 2003). Each agency's Admin has the responsibility of setting up individual users at their respective agency, allowing them to access CB\$.

What are the duties of the agency CB\$ Admin user?

There are four primary duties: 1) Set up users (create and activate); 2) Assign roles; 3) Map accounts to the users; and 4) Perform ongoing password maintenance (reset loss passwords, etc.).

Will the CB\$ Admin User's ID always remain the same for an agency?

The Admin User ID is assigned to the agency and generally does not change whenever the individual changes.

Can there be more than one Agency Admin?

Yes, if requested, NCDST can create one or more backup Admin User IDs for an agency.

Is there a naming convention for UserIDs assigned to agency users?

Yes. The naming convention for a user under CB\$ will require that the User ID be 6-10 characters in length, with at least one alpha and one numeric. For agencies having a policy that the User ID is

associated with their position number, the agency should be aware that all audit activity is associated with the User ID, not the individual.

How is security handled for accounts that have a centralized State agency responsible for multiple accounts for decentralized locations?

There is one Admin at the central State agency, which is in turn responsible for assigning User IDs to individuals at the various decentralized locations. This procedure allows the central agency to have access to all the accounts, yet limits each decentralized location to only its account. Maintenance of the decentralized User IDs is the responsibility of the Admin at the central State agency.

Who is the Admin for the accounts pertaining to community colleges?

Disbursing accounts of the community colleges are considered to belong to NCDST's customer, the Department of Community Colleges (DCC), because the accounts are reconciled centrally by DCC. The administrator is an employee of the DCC. The DCC in turn creates users at the various colleges, granting them access to their respective disbursing accounts. However, for any STIF accounts that an individual college may have with the NCDST, the college is considered NCDST's customer, in which case, the college has its own CB\$ Admin. This means a user at a college may have two different User IDs, one assigned by DCC for the disbursing account, and one assigned by the college's Admin of the STIF account(s). The college's Admin is also responsible for establishing users for any foundation STIF account, if applicable.

Who is the Admin for each of the Local Education Agencies (LEAs)?

Since both disbursing and STIF accounts of the LEAs are reconciled by each LEA individually, each LEA is considered a direct customer of NCDST. Therefore, each LEA has its own CB\$ Admin. There is not a central Admin at the Department of Public Instruction for LEAs.

Who is the Admin for Public School Building Capital Fund accounts?

Each of the 100 counties has a Public School Building Capital Fund (PSBCF) account with the NCDST. Effective July 1, 2003, the PSBCF program's administration responsibilities were transferred from the Office of State Budget and Management (OSBM) to the Department of Public Instruction (DPI). To accommodate a central administration for the 100 accounts, the accounts are established under a single customer number (PSB3000) assigned to DPI. The DPI Admin has the ability to grant the individual counties, or associated LEAs, access to their respective accounts. Each county can download the statement in .pdf format.

Can the agency CB\$ Admin also perform end-user functions?

Yes but not under the same User ID that the admin functions are performed. If the CB\$ Admin needs to perform end-user functions, he has to assign himself a separate User ID to perform those functions. The agency Admin User ID is solely for admin functions.

What other functions can an agency Admin perform?

After creating a user, the Admin can activate, lock, and unlock a user. He can reset a user's password. The Admin can also view and modify all users he has created, including their status and profile. Whenever a user is created, or his password is reset, a system-generated email is sent to the user via email.

What are "roles?"

When the agency's CB\$ Admin sets up an agency end-user, he can then assign one or more roles to the end-user. There is a list of roles, as pre-established by the NCDST, available for assigning. Each role will consist of one function, or a group of functions. Examples of functions are: view balances, view

transactions, download statements, initiate stop payments, perform positive pay maintenance, retrieve warrant images, and submit batch files. There is a minimum of two standard roles that **must** be assigned to each user: “Security” and “Messaging.” Additional roles may be assigned according to the job duties of the user.

How are accounts and functions mapped to a user?

After one or more roles are assigned to a user, appropriate accounts can then be mapped to individual functions, which are part of the role(s). (Functions are sometimes referred to as transactions.)

Can a user perform any function associated with a role?

Not necessarily. The user must be mapped to a combination of a function and an account. For example, although a user may have a role that allows him to submit stop payments, he can only submit stop payments for accounts mapped to him.

How are available roles and functions displayed to a user?

Upon log-in, only the functions available to the user are displayed in the left-hand menu column. Functions not assigned to the user are not displayed.

PASSWORDS

How are passwords assigned?

In the case of the agency Admin, when NCDST activates the Admin’s User ID the first time, the system generates a unique password, which is communicated to the agency Admin’s email address on file. For security reasons, the email does not contain the Admin’s User ID, but is communicated separately.

In the case of an agency end-user, the agency’s Admin assigns the end-user a User ID upon being created. Upon the user being activated, the system automatically sends the user an email notification that contains the initial password. The method the Admin uses to notify a new user of their User ID is determined by the Admin. For security purposes, the Admin should never submit an email containing both the User ID and password. While a user may have been created on the system by an Admin, the email notification of the password is not sent by the system until the user is activated.

How are passwords changed?

The first time an individual accesses the CB\$ logon screen using his User ID, he is prompted to change the password initially assigned. The initial password is a randomly generated combination of upper and lower case letters and numbers, and is unique for each user. Because of the convention of the system-generated password, it is recommended the “copy and paste” method be used to input the password. Be careful not to highlight any spaces when using the “copy and paste” method. The new password must be typed twice for verification purposes. The user may also change his password at any time.

What is the format for passwords?

The password must be from 8-16 characters; it must contain at least one uppercase alpha, one lowercase alpha, and one numeric character. The required convention is shown on the ‘change password’ screen.

What if a user forgets his password?

An Admin must contact the NCDST to have the user’s password reset. Upon being reset, the system automatically sends an email notification to the email address on file for the Admin. An agency user must contact his Admin or backup Admin, not NCDST, to have his password reset. Upon being reset, the system automatically sends an email notification to the email address on file for the user.

Can a user request his password to be emailed to him?

No. WIRS had a feature that allowed a user to request his password be emailed to him if forgotten. However, CB\$ does not offer this feature.

Do passwords expire?

Yes. Passwords expire after 45 days. Seven (7) days prior to expiration, the system notifies the user of the expiration date upon successful login. When changing passwords, the old password must be entered. The most recent three passwords cannot be repeated for use as a new password.

Can a password become invalid?

Yes. If a user attempts to log-on with an incorrect password three successive times, his User ID becomes locked. The agency's Admin must reset the password, which will unlock the user. The Admin also has the option of locking a User ID for a period of time (e.g., while the user is on vacation.)

CUSTOMERS AND ACCOUNT NUMBERS

How are agencies recognized on CB\$?

Each agency that is considered a customer of NCDST has been assigned a customer number. The format of a customer number consists of both alpha and numeric characters, as follows: AAANNNN.

- The 3-alias represents the abbreviated name of the customer, and in most cases is the same three letters used to identify the agency's Admin's User ID.
- In the case of agencies and universities, the 4-numeric represents the agency identifier recognized by NCAS or OSC. In the case of LEAs, the 4-numeric is comprised of the last four digits of the LEA's disbursing account.
- In the case of community colleges and boards with STIF accounts, the 4-numeric is comprised of the last four digits of the STIF account.
- Examples: Department of Administration is DOA4100; and East Carolina University is ECU6065.
- The customer number is displayed on disbursing/STIF account statements as "Agency ID."

Is there any change in the length of account numbers?

No. On CB\$, all account numbers are 7 digits. Any account number that is naturally less than 7 digits will have leading zeros. Examples: 1) The 5-digit budget code 23456 will be displayed as 0023456; 2) The 6-digit CIT bank account 100123 will be displayed as 0100123; 3) Disbursing accounts and STIF accounts are already 7 digits as assigned. However, some disbursing and STIF accounts may have leading zeros within the 7 digits (i.e., 0-000-161 is displayed as 0000161.)

Is there any change in the account number format?

Disbursing and STIF account numbers appear on warrants with dashes in the format. Example: 5-000-060. On CB\$ reports and menu screens, the account numbers will appear without the dashes (e.g., 5000060). On certain menu screens, the account name will be displayed in front of the account number.

How are account numbers selected when inquiring on an account?

Whenever an account number has to be selected (e.g., inquiring on balances, viewing images, submitting stop payments, etc) there will always be a drop down menu. The menu will contain all (and only) the accounts mapped to the user, for that particular function.

What account numbers are displayed in dropdown menus?

Regardless of what function is selected, all accounts mapped to the user for that particular function will be displayed. This will include budget codes, disbursing accounts, STIF accounts, and CIT accounts. The order of the accounts will be in descending account number order. Since disbursing and STIF accounts

are 7 digits, CIT accounts are 6 digits, and budget codes are 5 digits, the disbursing and STIF accounts will, in most cases, be displayed at the top of the dropdown menu. The exception will be where a disbursing account starts with a '0.' When mapping accounts, it is recommended that accounts not applicable to a particular function not be mapped to that function. For example, budget codes should not be mapped to the warrant retrieval and stop payment functions. Doing so only makes the dropdown list for that particular function longer than necessary.

INTEREST BEARING ACCOUNTS

Do accounts earn interest?

There are three types of customer accounts that could potentially earn interest, as specified by law. They are certain budget codes, STIF accounts, and a select few disbursing accounts. Some accounts earn for themselves, some for other budget codes or STIF accounts, while the interest on non-interest bearing accounts accrue to the benefit of the General Fund.

Are there any changes in the crediting of interest for interest-bearing accounts?

Yes. Under the old system, interest was posted to an account generally the first week following the end of the month for which the interest applied. Under CB\$, the interest is posted on the **last** day of the month for which the interest applies (with a "value date" of the first day of the following month). In the case of budget codes, the agency should record the interest the following month, as the credit posting will not appear on CMCS until the following month. In the case of a STIF account, the agency should determine which month to record the interest credit on its books. This is because, on the monthly statement, the interest credit will be reflected as a posting on the last day of the month and will be included in that month's ending "book" balance, even though it is value dated the first day of the following month.

Are there any changes in the interest calculations?

Yes. Under the old system, the interest rate applied was not determined until after the end of month. Under CB\$, the interest rate is predetermined at the beginning of the month in which the funds will earn interest. The rate is calculated based on the previous month's earnings. This will allow the agency to know at any time what rate the balances are currently earning.

How does an agency know what the current interest rate is?

There is a standing message bulletin displayed each time a user logs on to CB\$ that indicates the current month's interest rate. The bulletin page is the first page a user sees when he logs on to CB\$.

Is a monthly interest advice provided?

Yes. The advice (interest statement) shows the amount of interest credited and the earnings rate. If there were any interest adjustments made, the adjustment amount is shown separately. The agency can view the interest posting on CB\$ before the advice is received in the mail.

Can a user view/change the name and address of the individual to whom interest advices are mailed?

Yes. Using the View Contacts function, a user can view the name and address, etc. of the individual to whom the NCDST sends the monthly interest advice (statement), for each account. If a change in contact is needed, the user can send an internal message to the NCDST, requesting the contact information be changed.

CONTACT MAINTENANCE

What types of contacts are maintained on CB\$?

There are two categories of contacts: those that are "customer (agency) specific" and those that are "account specific." Only the contacts that are account specific are available through CB\$.

What contacts are “customer (agency) specific?”

There are two fixed contacts for each agency that are agency specific: *Chief Fiscal Officer* and *technical help contact*. There are two other contacts that are variable by title/label. The variable contacts are determined by NCDST, depending upon the type of agency and the nature of the contact needs. None of the agency specific contacts are viewable to the agency on CB\$.

What contacts are “account specific?”

There are five fixed contacts that are account specific. Each agency’s account (i.e., budget code, disbursing account, STIF account, and CIT account) can each be assigned a different contact, if desired. For each account, all or some of the contacts can be assigned. The five contacts include: Account Statement Rendering, Deposit Reporting, Positive Payment, Stop Payment, and Interest Statement Rendering. All five of these contacts are viewable to the agency on CB\$. The first four contacts accommodate the needs of disbursing and STIF account customers, while the fifth contact (interest statement rendering) accommodates the needs of any interest bearing account, budget code or STIF account. The Deposit reporting contact also accommodates the needs of CIT account customers.

Are there any variable contacts that are account specific?

In addition to the five fixed viewable contacts there are two variable contacts that can be assigned to each account. These two variable contacts are for use by NCDST and are not available for viewing by the agency. These contacts could have any one of the following labels assigned: Finance / Budget Officer, CMCS Reporting, Deposit Discrepancies, Electronic Warrants, Bad Checks, Wire Transfers, Fraud Collections, Cashier’s Office, and Deposit Ticket Ordering. Even though these contacts are not available for viewing on CB\$, the agency can still use the Contact Change Feature within the Messaging function to request a change in the contact name and/or address information.

How does a user view the contacts that are available for viewing on CB\$?

There is a View Contact item on the menu. Contracts can be viewed only if the agency’s Admin User has assigned a role to the user that allows this function, and has mapped the account to the user.

How does an agency notify NCDST of a contact change needed?

CB\$’s “Message” function is to be used to notify NCDST of any contact changes needed. There is a form that can be accessed, completed, and submitted online. The form is routed to the appropriate person at NCDST who will update CB\$. If it is one of the five contacts viewable on CB\$, the user will be able to see when the change has been made.

QUERY BALANCES

What types of balances can be viewed?

The “current balance” of a disbursing account, STIF account, budget code, and CIT account can be viewed. (See separate discussion of CIT accounts.)

What is the definition of current balance?

CB\$ is updated realtime throughout the day. Therefore, the current balance can change throughout the day. For disbursing and STIF accounts, debits are generally posted against the account prior to 12:00 noon, as warrants are presented by the FRB, and credits are posted to the account when the CMCS interface is performed, normally around 2:00 p.m. For budget codes, both credits and debits are posted to the account at the 2:00 p.m. CMCS interface. Since the warrant postings are posted prior to the 2:00 p.m. CMCS interface, there may be intra-day overdrafts, depending upon when the balances are viewed.

Can the balance for a previous day be viewed?

Yes. Refer to the section on query transactions.

QUERY TRANSACTIONS

For what types of accounts can transactions be viewed?

Transactions can be viewed for a disbursing account, STIF account, budget code (except general fund code), and CIT account. (See separate discussion of CIT accounts.)

What types of transactions can be viewed?

All transactions that post to the account are displayed. Types of transactions include: CMCS certifications, CMCS requisitions, CMCS agency transfers, interest postings (for interest bearing accounts), electronic warrants, paid paper warrants, fraud refunds, and adjustments relating to paid warrants. In the case of paid paper warrants, for each day, the summary amount is displayed, which then allows the user to drill down to see the individual warrant transactions comprising the summary amount.

For what dates can transactions be viewed?

There are two options to select. The current period option will display the most recent 45 days. The date range option will allow the user to inquire on a period of days, with the limitation that the range between start date and end date cannot exceed 90 days. The earliest start date cannot be prior to July 1, 2003.

Are transactions posted prior to July 1, 2003 available for viewing?

No. CB\$ does not display any transactions dated prior to the conversion. Therefore, July 1, 2003 is the earliest “start date” that can be selected. However, images for warrants paid prior to July 1, 2003 are available for retrieving/viewing.

How are the transactions identified?

Each transaction has a “trans code description,” providing a description of the posting (e.g., CMCS Requisition, CMCS Deposit, etc.). There are separate columns for debits and credits, and each may be either a positive or negative figure. Negative figures are normally denoted as ‘reversals.’

Does the transaction query feature show the daily running balance?

Yes. The ending balance for each day is displayed. This feature can be utilized whenever one desires to know the balance at the end of some day, other than the current day.

What are the options for printing a transaction query result?

Two options are available for printing the results of the query. On each page of the query results, a “Print” button and a “Download” button are available options. The Print button is similar to a Print Screen button, in that the resulting printout provides only the information you see on the screen. The Download button allows the entire report to be downloaded into a comma-delimited file (.csv format), which can then be opened in MS Excel. Excel will automatically prompt you to use the Text Import Wizard.

CIT ACCOUNTS

What are CIT accounts?

Some agencies make bank deposits into one of the six banks that provide the NCDST a cash concentration service. These agencies are each assigned a 6-digit agency location number. This number is contained on the lower left-hand corner of the agency’s bank deposit tickets (on the MICR line). An

Agency utilizing a separate settlement account for credit card collections may also be assigned a CIT account. When submitting a “certification of deposit” on CMCS, this 6-digit number is reported in the “bank account” field. CIT stands for “Certifications in Transit.” This feature accommodates an automated reconciliation process performed by the NCDST, which matches “CMCS-reported” deposits to “bank-reported” deposits. These 6-digit CIT numbers appear on CB\$ as 7-digit numbers, with a leading zero.

Do all agencies utilize CIT accounts?

No. For depository services, some agencies use community banks, Raleigh main banks, or the State Treasurer’s teller window in the Albemarle building. Bank accounts that are not designated as CIT accounts are not viewable on CB\$, mainly because these accounts are shared with other agencies. Therefore, bank accounts are assigned to the NCDST, not to any particular agency. CIT accounts are not applicable to LEAs.

Are CIT accounts viewable on CB\$?

Yes. The user must be assigned the role “Account Data” with the viewing transaction function being mapped to the account. In addition to the six-digit account number, a CIT account can be recognized by the description, which is the same as on CMCS, and begins with a bank code (i.e., BOA, BBT, CCB, FCB, CENT, WAC). In the case of community colleges, the Department of Community Colleges is considered as owner of the accounts. The DCC Admin User can map a particular community college’s CIT account number to one or more users at the college, just like disbursing accounts. Other central agencies can do the same (i.e., DMV-Drivers License Offices, DMV-License Plates Agencies, AOC-Clerks of Court).

What types of transactions are reflected in the CIT accounts?

CMCS Certifications are reflected in the debit column and bank-reported (BAI) transactions are reflected in the credit column. The balance column reflects the net difference of any transactions that do not offset. This allows the agency to view, for each unmatched deposit, the amount reported on CMCS versus the amount reported by the bank.

What is the Unmatched CIT Bank Deposits Menu Item?

This item allows for the display of a report that displays the transactions (CMCS certifications and bank-reported deposits) that have not matched off. This is the same report viewed by the NCDST’s Bank Recon Unit and used in its reconciliation function. Agencies should use this report to monitor, on a daily basis, its own discrepancies, as opposed to relying upon the NCDST to contact them regarding discrepancies. It is particularly useful for a central agency office to monitor the deposit activity of decentralized depositing offices. This report generally displays outstanding items as of the end of the previous business day. The user must be assigned the role “Deposit Reporting Recon” and be mapped to the account.

STATEMENTS

Are monthly statements available on CB\$?

Monthly account statements are generated for disbursing and STIF accounts. CB\$ allows the statements to be downloaded by the agency. Statements are not generated for budget codes or CIT accounts. In the case of several high-volume disbursing accounts, a mini-statement is generated (does not contain paid warrant data). The regular statements rendered are:

- Letter size (landscape).
- Contain the period’s opening balance and period’s closing balance.

- Contain a debit column and a credit column for transactions.
- Contain a running daily balance column.
- Contain a trans code description for each posting.
- Contain the total number and amount of all warrants paid on a given day.
- Contain a separate section containing the details of all warrants paid during the period, in warrant number order.
- Contain the total (item count and amount) of all debits and credits on the statement.
- Contain the total (item count and amount) of all paid warrants. The total does not include any warrants that were paid and reversed within the month. The 'rebooked' warrant is included. This total should equal the monthly paid warrant file retrievable from ITS.
- Downloadable in a .pdf format, requiring Adobe Reader.
- Available for downloading for the previous twelve months.

Are statements older than twelve months available?

Statements older than twelve months are not available for download, but can be recreated internally by NCDST. If needed, the agency can submit a request through the messaging function requesting those statements.

Can statements be downloaded into MS Excel?

No. Official statements are only downloadable in .pdf format, thus requiring Adobe Reader. However, the agency can perform a transaction query on a range of dates (e.g., 1st day of a month thru the last day of the month) and create a comma-delimited report (.csv format) that is downloadable into Excel. Refer to the section on Query Transactions. Should the agency desire to have the entire month's paid warrant data available for sorting, it can retrieve the monthly paid warrant data from ITS, which is provided in a comma-delimited format.

Are paper statements rendered to the agencies?

Paper statements have been discontinued. The September 2003 statement was the last paper statement rendered and mailed. Online statements provide a cost savings to the State and a convenience to the agencies.

ADJUSTMENTS

How does an agency submit warrant adjustment requests to NCDST?

For requested adjustments, for errors (encoding errors, etc.) found during the reconciliation process, the agency submits the request through the messaging system after completing a preformatted form. A separate request form is to be submitted for each adjustment. After acting upon the request, NCDST sends a message confirming that the request has been acted upon. A paper advice containing the details is also mailed to the agency.

Are there any changes in the way warrant adjustments are made to the accounts?

Under the old system, both sides of an adjustment (correcting amount of a previously paid warrant) were reflected on the account statement as "deposit transactions" (positive and negative deposits), with no transaction being reflected on the "paid warrant file." Under CB\$, the amount of the new 'rebooked' warrant is reflected on the paid warrant file. The rebooked warrant retains its original *DIN Date* and *DIN*, but shows a new paid date (process date). This method allows a warrant paid for the wrong amount to remain on the agency's outstanding list until it is matched during the next processing of the paid warrant file. Additionally, while viewing the transaction activity of the date it was originally paid and after the warrant has been adjusted by NCDST, the screen will distinctly display the warrant as a "reversed warrant" and indicates the warrant number that was reversed. The account statement shows the reversal

side of the transaction as a negative debit, denoted with the code "R." The credit adjustment will show on the statement as a "negative debit," having a negative sign in front of the figure.

Does the entity receive an advice for adjustments made to the account?

Yes. The advice contains the *DIN Date* and *DIN* of the warrant being adjusted, the CB\$ reference number, and a trans code description. The trans code description indicates if the adjustment was initiated by the agency or by the FRB, as the FRB sometimes discovers the error before the agency does.

Can anyone at the agency perform the adjustment request function?

The agency user must have been granted Messaging Role, with the NCDST Support and Services function being mapped to the account.

STOP PAYMENTS

How are stop payments initiated?

Under the old system, stop payment requests were submitted to NCDST via paper forms and phone calls. Under CB\$, requests for stop payment "adds" and "deletes" are submitted online, as single item requests. The online method assures that the individual is authorized to submit stop placements, minimizing the risks associated with the old paper/telephone method. Additionally, the agency knows at the time that the request is initiated if the item has already paid or not. Those few agencies that submit large volumes of requests can submit batch files. Stop payment is a separate menu item on CB\$.

Can anyone at the agency perform the stop payment function?

The agency user must have been granted the role that includes the stop payment initiation function, and it has been mapped to the account. Viewing stop payments is a separate role. Therefore, some users can be given the ability to view active stop payments without being given the ability to initiate.

Is there a cut-off time for accepting stop payments changed?

There is not a specific cut-off time under CB\$ as there was under the old system. Because CB\$ is a real time system, warrant presentments are posted to an agency's account when received from the Federal Reserve Bank, generally between 11:00 a.m. and 12:00 noon. The earlier in the day that a stop payment is submitted, the better the chance that the request will be accepted before the warrant has had the opportunity to pay that day, if not already paid on a prior day. Stop payments cannot be entered into CB\$ past 4:30 p.m. each day.

How does an agency know if a stop payment request is accepted?

When a single stop payment request is submitted, CB\$ determines if the item has already paid, either on some prior date, or at some time earlier during the current day. (CB\$ does **not** check for warrants paid prior to July 1, 2003, the conversion date.) If the item has not yet paid, the stop payment request is accepted. Shortly after submission, the record that was added online can be viewed under the Active Stop Payment menu. When a batch file is submitted, there is a confirmation that the file has been successfully sent. Additionally, the status of the uploaded file can be viewed under the Batch Upload Status menu item (under Account Data).

What type of message is displayed if a warrant has already paid?

If the warrant has already paid, a message appears indicating that it has already paid. If desiring to know when the item was paid, a query under the warrant image retrieval can be made.

Can an agency submit duplicate stop payments?

CB\$ will not accept a duplicate warrant number for the same amount, but will if the amount is different. However, CB\$ will not accept a “positive pay add” for a duplicate warrant number (that is active), even if the amount is different. Agencies should not be recycling warrant numbers, within the period of time that the same warrant number is shown as outstanding on the positive pay issuance file.

Can a stop payment be placed on a series of warrant numbers?

Yes. This feature is provided in the situation where a series of warrant numbers have perhaps been stolen. However, the agency cannot perform this function online, and must contact the NCDST directly for instructions. This feature may not be necessary for accounts on positive pay.

Can a stop payment be placed on a specific warrant number without specifying an amount?

For a particular account, a stop payment can be placed on a warrant number with the insertion of amount as zero. The zero amount in effect serves as a wild card. This feature would be used when a particular warrant number is being counterfeited, but the amount is not known. It would also be used when a particular blank check has been stolen. However, the zero amount cannot be used if the same check number with a specified amount is already on file.

If CB\$ indicates that a particular warrant number has paid, will the image be available?

Not necessarily. There is at least a two-day delay between the posting of the financial transaction and the receipt of the image from the FRB. When a query is made on the transaction, the availability of the image will be indicated.

Can a previously submitted stop payment be deleted (lifted)?

Yes, under the Single Stop Payment menu function. It can also be deleted by including it on the batch upload file, with a ‘D’ instead of an ‘A’ in the appropriate field.

How long do stop payments remain on the system?

Stop payments are purged 3 years after the date it was added (not the date of the warrant). An agency can delete items anytime prior to NCDST’s purging if desired.

Can all active stop payments be viewed?

Yes, under Active Stop Pay menu function. If desired, a comma-delimited report (.csv format) can be downloaded into Excel. The date indicated for each record is the issue date of the warrant, not the date the stop payment was added. After submitting a single stop pay, the active stop payment can be viewed. However, there is generally a 10-15 minutes delay before the item is viewable.

Should leading zeros be keyed for warrant numbers?

No. Keying leading zeros should not be keyed when keying single stop payment adds or deletes.

WARRANT IMAGES

Which warrants are retrievable through CB\$?

All paid warrant images, including those paid prior to the implementation of CB\$ are available through CB\$.

How long are images of warrants available online?

Images are available online for approximately two years after date paid. After that time, the images are stored off-line at the NCDST (on optical platters) for an additional five years, for a total of seven years.

(Seven years is the length of time that the Uniform Commercial Code requires financial institutions to maintain copies of paid checks, as well as the Office of State Controller's timeframe for maintaining historical data for the State's CAFR.) For disaster recovery purposes, the NCDST has a duplicate copy of the images stored off-site.

How is a warrant image obtained if it is no longer available online?

When attempting to access an image that is no longer stored online, a message will be displayed so indicating. The CB\$ Help Desk should then be contacted via email. NCDST will have the appropriate optical platter loaded onto the system within 24 hours. NCDST will notify the agency of the availability of the image. This will allow the agency to retrieve the image. The image will only be available for approximately three days.

Are warrants that paid prior to November 1, 1999 available for viewing through CB\$?

No. Microfilm copies must still be relied upon and requested through the NCDST. The official records retention schedule for a State warrant is seven years.

How can the image of a warrant be viewed?

To view an image, the user must first be granted a role that includes the functions of either transactions query or warrant image retrieval and must also be mapped to the account. It is important to note that while a paid warrant transaction may be reflected on CB\$, the image may not yet be available, as the image is generally not available until 2-3 days after the item has paid. An image may be retrieved in one of two ways:

- Through the "transaction inquiry" function, inquire on transactions for a range of dates. Once a "paid warrant" transaction is identified, an attempt to retrieve the image can be made. If the image is available, it will be displayed. If the image is not yet available, a message will be displayed.
- Through the "warrant image query" function, attempt to retrieve a warrant, using one of two methods: 1) account number and warrant number; or 2) *DIN* and *DIN Date*. This option is best to use if you do not know if or when a particular warrant has paid. If the warrant has paid, the transaction will be displayed; if not, a transaction will not be displayed. If a transaction is displayed, you can attempt to retrieve the image. If the image has been received from the FRB, the image will then be displayed.

When querying on an image, what will be displayed?

This will depend upon which query method is utilized:

- When using the account number / warrant number query, the details of each record for which there is a match will be displayed, as there may be multiple matches. Either the back or front can then be selected for retrieval. After viewing the first image, the user can make additional inquiries.
- When using the *DIN* / *DIN Date* query, there cannot be multiple matches. Either the back or front can then be selected for retrieval.

What is *DIN Date* and *DIN*?

The combination of a *DIN Date* and *DIN* is used to uniquely identify a warrant image, not the transaction. *DIN* stands for Document Identification Number and is assigned by the FRB. Under CB\$, there is a separate CB\$ identifier that identifies the transaction associated with an image. *DIN* and *DIN Dates* play less of a role for the user under CB\$ than it did under WIRS. It is still very useful to identify warrants paid prior to July 1, 2003. The *DIN* is not displayed on the monthly statement as it was under the old system. However, it is provided on the monthly paid warrant file retrievable from ITS.

Will a paid warrant always be retrievable by keying the 'account number' and 'warrant number?'

The warrant number that is captured by the FRB's sorting equipment may not be the correct warrant number, due to a "misread." Therefore, failure to retrieve the warrant by keying the true warrant number

does not necessarily mean that the item has not paid. The monthly statement (paid warrant listing) will indicate the warrant number that the item actually paid under. The warrant number on the account statement (paid warrant listing) should be the number used to retrieve the image. There may be times when there are two different warrants paid under the same warrant number. In the case of accounts participating in the positive pay program, the item should pay under the correct warrant number, as the NCDST would have corrected any "misread" when presented by the FRB.

Can a search be made on a range of warrant numbers or amounts?

No. For security purposes, you must know the specific warrant number you are inquiring on, or know the *DIN* and *DIN Date*. For security purposes there is no "wildcard" query feature available.

If CB\$ indicates that a particular warrant number has paid, will the image be available?

Not necessarily. There is at least a two-day delay between the posting of the financial transaction and the receipt of the image from the FRB. If the image is not yet available, a message will so indicate.

How do I print the image?

You must have a printer connected to your PC or LAN, from which you can print the images (one image of front and a separate image of the rear). If using the Tiff Surfer viewer, the 'cut icon' (scissors) can be utilized to cut the item and paste it to a word document.

What image viewing modification features are available?

This depends upon the "viewer" (e.g., WANGIMG, KODAK, Tiff Surfer, etc.) that your operating system utilizes. Most viewers allow the user to *zoom in, fit to width, rotate, and annotate*, etc. The images (front and back) can each be cut and copied to a Word document if desired.

What if I cannot view an image after opening it?

You may not have an updated version of an acceptable viewer. A compatible viewer is available for downloading from the State Treasurer's website. See the document entitled "CB\$ Troubleshooting Tips."

What format are the images in?

The images are captured by the FRB in the JPEG format, but are available for viewing on the NCDST's system in the TIFF format (.tif extension). Prior to 2005, all images were "gray scale" (more like a photo). Beginning in 2005, due to Check 21 legislation, some of the images may be "black and white." Images created on and after June 26, 2003 were created by the FRB using the JPEG v.7 format.

When will the image of a paid warrant be available for viewing on the system?

Under normal conditions, the image will be available for viewing online by the second business day after the item has been paid.

How will an entity be able to provide copies of paid warrants requested by an auditor?

The entity's Admin can assign User IDs and passwords to individual auditors, just as he would any other employee. Obviously, there should be control on role assigned, just as with any employee.

Is there any statutory authority for utilizing images of warrants as official records?

Various laws, both Federal and State, address the admission of images as "evidence." North Carolina General Statutes 8-45.1 was amended during the 1999 Session of the General Assembly to specifically address this issue. The NCDST's system incorporates the proper procedures and mediums to ensure that the requirements of the law are met, in order for the images to be considered "admissible in evidence." The NCDST's system utilizes the "Write Once Read Many" (WORM) technology.

Are there any implications for hand writing analysis that may be required of the SBI?

The *Questioned Documents Section of the North Carolina State Bureau of Investigation* has a policy of not performing questioned document examinations from copies or reproductions unless it is the only alternative, and then only qualified opinions can be rendered. Qualified opinions alone are usually insufficient to gain a conviction in court. While the benefits of the new system will greatly outweigh the potential loss that could result by not having the original warrant, all parties should be aware that there is some element of risk. This is one of the prime reasons for agencies and other entities to perform their account reconciliation on a timely basis. The original warrant can be obtained from the FRB for a period of 60 days after being paid.

POSITIVE PAY

What is positive pay?

Positive pay is where the agency, on a daily basis, submits to NCDST a check-issuance file containing the warrant data for all warrants being issued (i.e., account number, warrant number, amount, issue date, and optional payee name). NCDST performs an upfront matching of warrants presented through the FRB. This allows the NCDST to: 1) detect any counterfeits presented; and 2) correct upfront any amount and warrant number encoding errors. The program helps to ensure that only valid warrants for the correct amounts are posted to an agency's account. Positive pay also has a stale date feature, allowing warrants presented more than a specified number of days after the issued date to be dishonored. For most accounts, the specified number of days is 750 (by which time the warrant should have already been escheated). For certain accounts involving federal funds (i.e., ESC, Child Support, and Social Services), the specified number of days is 180 (by which time the funds are required to have been returned to the federal government). A more detailed description of the positive pay program is available on the State Treasurer's Web page, under Financial Operations Publications.

<http://www.treasurer.state.nc.us/DSThome/FinOperations/Publications.htm>.

Are there any changes for the accounts currently participating in Positive Pay Program?

Agencies participating through NCAS and those submitting files directly to ITS for NCDST to pick up will continue to do so. However, there is a file format change. Refer to the file layout available on the Core Banking Updates web site.

How does an agency submit positive pay files through CB\$?

An agency can, through CB\$ either: 1) submit a batch file to NCDST (containing "adds" and/or "deletes;" and in the proper format); or 2) submit single items "adds" and/or "deletes" to NCDST.

Is there a transition period to begin participating in the Positive Pay Program?

Yes. Before an account can be "turned on" (activated) to positive pay, all outstanding issued warrants must be submitted to CB\$, as well as all newly issued warrants. An agency can submit outstanding and newly issued warrants over a period of time, before the account is activated. This may take several weeks, depending upon the agency's ability to identify the outstanding items. Once an agency has determined that all warrants have been submitted, NCDST can then activate the account. This requires coordination with the NCDST.

When will community colleges be able to participate in the Positive Pay Program?

In the case of disbursing accounts, coordination will be made with the Department of Community Colleges and the contracted software vendor to allow for the creation of warrant issuance files, for transmission to NCDST. Expectations are that the colleges will be phased in during the summer of 2005, with all being converted by October 2005.. However, in the case of STIF accounts, where the volume is

low, the individual college should begin participating in the system as soon as possible by utilizing the “single item add” feature.

When will universities and LEAs be able to participate in the Positive Pay Program?

Some are already participating. All others should make plans to participate by July 2005.

When will boards and escrow customers be able to participate in the Positive Pay Program?

These entities should begin as soon as possible. Since the volume of warrants issued by these customers is normally low, they can participate by utilizing the single item add feature.

Can anyone at the agency perform the positive pay function?

The agency user must have been granted the role that includes the positive pay initiation and maintenance function, and it has been mapped to the account. A separate role is available for viewing only. In the case of agencies uploading files through CB\$, the Batch Upload role must also be granted.

Can the status of an uploaded batch positive pay file be viewed?

Yes. After submitting a batch file, the status can be viewed under the menu item, Batch Upload Status, which is under the heading of Account Data. The status will be displayed as follows:

- Unprocessed – Received by DST, but not yet added to the database (pending).
- Processed – Received by DST and added to the database.
- Error – Received by DST, but file format contains an error.

Upon selecting the menu item, a variety of query criteria can be entered, viewing single or multiple files that have been uploaded. This feature only applies to batch files submitted via CB\$, not batch files submitted via NCAS or directly to NCDST via FTP.

When should batch positive pay files be submitted?

Files should be submitted before the warrants have an opportunity to be presented to NCDST by the Federal Reserve Bank. The deadline for submitting a batch positive pay file is 10:00 a.m., which is when NCDST begins to process all submitted files. Files submitted after this time will not be process until the following business day. A submitted file will have the status of “unprocessed” until it is processed.

How do the positive pay and stop payment functions work together?

A stop payment may be on a particular warrant drawn on an account that participates in the Positive Pay Program. The positive pay edit takes priority over the stop payment edit. If warrant number has been deleted from the positive pay outstanding file and has a stop payment on it, the warrant will be returned as a result of the item not being on positive pay, not because of a stop payment. If the warrant is on the positive pay outstanding file as a valid warrant and has a stop payment on it, it will pass the positive pay edit first, but it will be returned as a result of the second edit, the stop payment edit. Agencies should not use stop payments to prevent stale dated warrants from paying, instead agencies should use the positive pay delete feature to instruct CB\$ not to honor stale dated warrants. This will allow the warrant to be returned with the correct reason denoted (i.e., “stale dated” instead of “payment stopped.” If it is desirable for the warrant to be returned for reason of “payment stopped” (e.g., lost, stolen, or issued by mistake), the item should be left on CB\$ as an active positive pay record.

How does positive pay affect escheated warrants?

Prior to positive pay, some agencies put stop payments on warrants that were being escheated. When an account begins to participate in positive pay, this practice should be discontinued. Instead, the agency should submit positive pay “deletes,” which takes the warrant numbers off of the active positive pay file. The agency can submit “deletes” either as individual transactions or as a batch. This will allow the warrant to be returned with the correct reason denoted (i.e., “stale dated” instead of “payment stopped.”)

Can an agency view all warrants that are active on the positive pay file?

Yes, under Active positive pay menu function. The agency can also download a comma-delimited active positive pay file into Excel. At any given time, this file should be the same as the agency's own outstanding warrants file (issued but not paid). If not, the agency should either submit "adds" and/or "deletes" to the CB\$'s active positive pay file.

OTHER

Are there any changes in the processing of fraud items?

There are some changes at NCDST, but they will not affect the method utilized by agencies for collection requests. NCDST uses CB\$ to track the outstanding fraud collection items, which include forgeries, altered items, and counterfeit items. If within the 60 days (before the original is destroyed), the original warrant will be obtained from the FRB. If the original warrant is no longer available, the image copy (the best available evidence) will be utilized, with the NCDST providing the appropriate certification of the genuineness of the image. All fraud items will be processed on a "collection basis." Unsuccessful attempted collections will be referred back to the entity for possible legal action. The publication, "Banking Services Handbook" should be referenced for more detailed discussion of fraud items.

Are there any changes in the format of the "Paid Warrant Listing" retrieval from ITS?

- The account number has the check digit as leading digit (i.e., CXXXXXX). The old format had the check digit as the trailing digit (i.e., XXXXXC). The new format is how it appears to the agency on statements and on warrants.
- There is a new informational field for the 16-digit CB\$ transaction reference number.
- The file is in the comma-delimited format instead of packed data, allowing for utilization in Excel.
- The new format can be viewed on the Core Banking Updates site.

What should I do if I have questions?

The latest version of the FAQs is available for viewing and downloading from the CB\$ site address. You can also contact the CB\$ Help Desk. Questions may be E-mailed to [CB\\$.help@treasurer.state.nc.us](mailto:CB$.help@treasurer.state.nc.us) , or made by telephone at (919) 508-5914.