




**To:** Jennifer Stackpole, Tara Williams-Brown, Phil Hooper, Tom Chambers, Carrie Shortt, Cliff Dautrich, Don Kinney, Allison Jay, Kevin Beauregard, Scott Mabry, Tammy Higgins, Christine Ryan, Kisha Holmes, Adriana Jordan

**From:** Jill F. Cramer, General Counsel 

**cc:** Britne Becker, Carla Rose, Art Britt

**Date:** April 23, 2019

**Re:** Legal Affairs Division/Bankruptcy Procedures for Filing a Proof of Claim

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Due to several factors, a recent decision was made to move the responsibility for the filing of a Proof of Claim (POC) in bankruptcy proceedings for monies owed to NCDOL from the Attorney General's Office to the NCDOL Legal Affairs Division (LAD). This memo is to confirm the process for filing a POC and to explain the applicable items for which a POC may be filed.

Bankruptcy notices are received by LAD Paralegal Carla Rose through the federal online PACER (Public Access to Court Electronic Records) system and via regular US Mail. Upon receipt of a bankruptcy notice, LAD will send email inquiries to: (1) Financial Services to see if any outstanding debts are owed or if any current payment arrangements exist, and (2) Wage & Hour (W&H) to see if any employer has listed NCDOL as the payee for wages owed directly to a complainant/employee. (W&H will provide notice to a complainant regarding their right to file a POC.) Financial Services will check all bureaus, then notify LAD of any amounts owed. If any monies are owed, LAD will file a POC in PACER for the amount(s) owed to NCDOL. No POC will be filed unless the debt is owed directly to NCDOL for inspection fees or penalties, or NCDOL has a Confession of Judgment, Default Judgment, or an Order for wages owed to a complainant in a W&H matter. If NCDOL has either a judgment or an order, a file-stamped copy of the court document will be submitted with the POC. If no judgment or order exists, other documents showing the exact amount owed should be provided to LAD.

Filing a POC in bankruptcy matters will be considered only for the following:

- Elevator and Amusement Devices - Inspection Fees and Penalties
- Boiler - Inspection Fees and Penalties
- OSH - Penalties
- W&H - Orders/Default Judgments/Confessions of Judgment and Penalties

If the amount owed to NCDOL is extremely nominal in relation to the total amounts owed in the bankruptcy, LAD will consult with Financial Services to ascertain whether the amount may be written off as a loss to the agency. Any such decisions will be made on a case-by-case basis by LAD and Financial Services. If you have any questions, please contact LAD.