



POLICY #: F-04
Debt Collection

ISSUED: January 17th, 2013
May 17, 2018

PURPOSE:

To set forth procedures for collection of any debt due and owed to Clackamas Workforce Partnership (CWP). This establishes procedures for the recovery of unallowable and disallowed expenditures under the Workforce Innovation and Opportunity Act (WIOA) or other grants to help ensure that all funds administered by CWP are properly accounted for, and whenever feasible, recoverable.

REFERENCE:

- Workforce Innovation and Opportunity Act Sec 184
- Uniform Grant Guidance 2 CFR 200 and 2900

POLICY:

Once it has been determined that a debt is owed to CWP by any contractor or subcontractor, the following procedures will be followed.

PROCEDURE:

When a contractor or subcontractor's liability is established as a result of an audit, monitoring finding or other means CWP will notify the entity of the following:

1. Amount of the debt
2. Basis for the debt
3. Date debt will be considered delinquent
4. Interest rate to be charged after the delinquency date
5. Administrative appeal rights of the debtor

CWP will negotiate any resolution of the debt or any agreed upon repayment schedule. Options for debt resolution that may be offered at the discretion of CWP include cash or installment payments, offset against a subsequent grant, or a reduction in payments.

If the debt is not repaid or resolved in thirty (30) days, a second more strongly worded thirty (30)-day notice will be sent. If no satisfactory resolution occurs at the end of the sixty (60)-day period, a third and final collection letter will be issued. The final collection letter will indicate that CWP will impose one or more of the following sanctions:

1. Withholding payments due the contractor
2. Initiate litigation against the contractor
3. Withholding of future funding
4. Termination of current agreements
5. Initiation of debarment

In the event a contractor or subcontractor desires to compromise and settle the debt for less than the full amount, CWP shall make a determination as to whether or not the compromise is in its best interests. In making that determination CWP shall consider the following factors:

1. Amount of the debt
2. Possible repayment methods
3. Debtor's repayment history to date
4. Debtor's ability to satisfy the terms of the compromise
5. Cost of further debt collection proceedings
6. Probable success of any litigation

Before any debt is compromised or terminated an approval will be obtained from the appropriate governmental authorities with oversight of the affected funds.

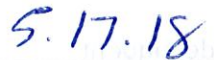
CWP may seek legal counsel to determine if litigation is in its best interests. If after considering the probable success of litigation, CWP determines to proceed, legal counsel will be retained to carry out the litigation. If after consultation it is determined that litigation is not in the best interests of CWP, a request for waiver may be submitted to the proper authority for any disallowed cost.

CWP must maintain a record of all actions taken during the collection process, including any supporting documentation. These records shall include any information supporting the outcome of any decisions made regarding courses of action during the collection process.

Approved:



Clackamas Workforce Partnership Chair



Date