

CHAPTER 7. HEADQUARTERS PERSONNEL ROLES AND RESPONSIBILITIES

7-1. HEADQUARTERS DEBT COLLECTION. Debts originating at Headquarters are handled just as they are in the field, except for the following differences:

At Headquarters, when the initial request for payment is made to a debtor, the Action Official will send a copy of the invoice and other source documentation to the Cash and Credit Management Staff (CCM). The CCM will forward the source documentation to the appropriate organization within the Office of Finance and Accounting (OFA) for recording in the general ledger. Collections received will be handled in accordance with proper cash management techniques and with HUD Handbook 1911.1 REV, Handling and Protecting Cash and Other Negotiable Instruments.

If a payment is past due on a Headquarters debt account, the action Official will generate up to two follow-up demand letters to the debtor. If these letters do not result in satisfactory resolution of the debt, the originating Action Official will forward the debt file to the appropriate Claims Collection Officer (CCO) for aggressive collection.

7-2. ACTION OFFICIAL. Headquarters Action Officials have the same responsibilities with regard to debt as do Field Office Action Officials, except that accounting coordination will be carried out with the DCP as described above (see 7-1).

7-3. CLAIMS COLLECTION OFFICER. Headquarters CCOs are appointed by each Assistant Secretary. Their responsibilities for aggressive collection and coordination are the same as Field Office CCOs, except that accounting coordination is maintained as described above. In addition, Headquarters CCOs are responsible for direct entry and update of claims information in the Delinquent Debt Collection System (i.e., the A97 System).

7-4. DEBT COLLECTION PROJECT. The DCP reports to the Departmental Claims Officer (DCO) and is responsible for:

- o Managing all HUD delinquent debts.
- o Managing and controlling the A97 System.
- o Recommending, developing, and implementing improvements to debt collection policy and procedures.
- o Making improvements to the A97 System.

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- o Developing delinquent debt collection training packages for Department-wide use.
 - o Training all Regional Claims Collection Officers (RCCOs)

and Headquarters claims collection personnel.

- o Performing reviews of regional claims collection activities.

7-5. DEPARTMENTAL CLAIMS OFFICER. The Assistant Secretary for Administration appoints the DCO; this is either the OFA Director or Deputy Director. The DCO establishes and maintains policies and procedures for claims collection and coordinates all claims collection activities in the Field Offices and at Headquarters. The DCO designates a staff member to serve as Claims Officer and assist in debt/claims control activities.

The DCO's responsibilities include developing and implementing the claims collection system and reporting and adjudicating on claims received from CCOs. Specific duties performed by the DCO include:

- o Compromising, suspending, or terminating claims through \$20,000 exclusive of interest, penalties, and administrative costs.

Program officials have this authority under four HUD program areas: Title I property improvement loans, Section 312 rehabilitation loans, tenants or former tenants of HUD-owned properties and those properties where HUD is mortgagee-in-possession, and Government National Mortgage Association (GNMA) operational (nonadministrative) activities.

- o Forwarding claims referred from program officials in excess of \$20,000 to the Department of Justice (DOJ), with specific recommendations to compromise, terminate, or litigate the claims.

The DCO forwards claims arising from a General Accounting Office (GAO) audit exception to GAO.

- o Obtaining proper releases from DOJ to process actions on uncollected claims exceeding \$20,000 exclusive of interest, penalties, and administrative costs.
- o Reporting to the Internal Revenue Service (IRS) as additional income for the debtor the amount of a claim that remains uncollectible after the DCO has compromised or terminated a claim.

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- o Acting as a liaison between CCOs when a claim involves more than one region and between CCOs and Headquarters when Headquarters requires additional documentation or

assistance.

- o Developing and implementing a training program for debt/claims collection personnel at Headquarters and in Field Offices.
- o Providing -- to appropriate personnel as necessary -- debt and claims information and changes in personnel and regulations, including changes in U.S. Treasury interest rates.
- o Reconciling, on a quarterly basis, the claims inventory to the accounting records to ensure that receivables have been established and current transactions reflected.
- o Providing quarterly and fiscal year-end reporting to the Assistant Secretary for Administration.

7-6. ASSISTANT INSPECTOR GENERAL FOR AUDIT (AIGA). AIGA responsibilities relating to sustained costs include:

- o Maintaining a record of all audit reports issued that contain sustained costs.
- o Forwarding a copy of the audit report to the appropriate Action Official
- o Validating each Concurrence Memorandum and conferring with the Action Official as necessary to make corrections.
- o Forwarding a copy of all audit reports issued which contain findings with sustained costs due HUD, in addition to the Concurrence Memorandum, to the Regional Accounting Divisions or OFA.
- o Coordinating with Action Officials regarding the status of any audit findings raised in the resolution process.

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