

Debt Collection Handbook

Directive Number: **1900.25**

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410-8000**

OFFICE OF THE CHIEF FINANCIAL OFFICER

Special Attention of:

Transmittal: Handbook 1900.25 REV-4, Change 2
Issued: March 12, 2014

1. This Transmits:

Change 2 of Handbook 1900.25 REV-4, *Debt Collection Handbook*.

2. Explanation of Changes:

- a. OIG recommends that OCFO develop and implement formal financial management policies and procedures to require an evaluation by OCFO and applicable program offices of all allowances for loss rates and other significant estimates currently in use to ensure appropriateness.
- b. As part of the corrective action plan, this change adds an additional duty to the Departmental Claims Collection Officer (DCCO) in the Roles and Responsibilities section (1-4 A) of the Debt Collection Handbook.
- c. The new duty will be inserted after item 6 on page 1-4 of the handbook, which will cause changes to pages 1-4, 1-5, 1-6, and 1-7 to accommodate the insertion.
- d. Other corrective wording was added in sections 1-4.B.4 and 1-4.C.5 to incorporate the use of the acronym FWAC.

3. Filing Instructions

- a. Insert this change Transmittal, page i, in front of the existing Transmittals, and replace existing Transmittals with renumbered Transmittals, pages ii through v.
- b. Replace pages 1-4, 1-5, 1-6, and 1-7 of Chapter 1, dated April 2012, with pages 1-4, 1-5, 1-6, and 1-7, dated March 12, 2014.
- c. Replace Table of Contents pages v and vi, with revised Table of Contents pages vi and vii.