

INDIAN AFFAIRS MANUAL

Part 27
Chapter 4

Financial Management
Debt Management

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- 1.1 Purpose.** This chapter establishes Indian Affairs' (IA) policy for managing debt owed to IA. The IA Debt Management Program ensures all debt collection efforts are timely, fair, and aggressive. For detailed procedures, refer to 27 IAM 4-H: Debt Management Handbook.
- 1.2 Scope.** This policy applies to all IA programs and offices under the authority of the Assistant Secretary – Indian Affairs (AS-IA), including the AS-IA offices, the Bureau of Indian Affairs (BIA), and the Bureau of Indian Education (BIE).
- 1.3 Policy.** It is the policy of IA to comply with all federal laws and regulations regarding debt management and the Department of the Interior (DOI) policy and guidance, including the DOI Credit and Debt Management Handbook.
- 1.4 Authority.**

A. Statutes and Regulations.

- 1) P.L. 104-134, Debt Collection Improvement Act (DCIA) of 1996
- 2) P.L. 113-101, Digital Accountability and Transparency Act (DATA) of 2014
- 3) 5 CFR 550, Pay Administration (General)
- 4) 31 CFR Chapter IX, Federal Claims Collection Standards (FCCS)
- 5) 5 U.S.C. 5514, Installment deduction for indebtedness to the United States
- 6) 31 U.S.C. 3719, Reports on debt collection activities

B. Guidance.

- 1) Office of Management and Budget (OMB) Circular A-129, Policies for Federal Credit Programs and Non-Tax Receivables
- 2) 205 Departmental Manual (DM) 7, Claims by the United States for Money or Property
- 3) Managing Federal Receivables – A Guide for Managing Loans and Administrative Debt, U.S. Department of the Treasury, Financial Management Service
- 4) Treasury Financial Manual, Volume I: Federal Agencies, Part 6: Other Fiscal Matters, U.S. Department of the Treasury, Bureau of the Fiscal Service

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C. Handbooks.

- 1) DOI Credit and Debt Management Handbook
- 2) 27 IAM 4-H: Debt Management Handbook

1.5 Responsibilities.

- A. **Deputy Assistant Secretary - Management (DASM)** is responsible for the development and coordination of related policies and procedures, compliance with government regulations, oversight, monitoring, and program reviews within IA.
- B. **Office of the Chief Financial Officer (OCFO)** is responsible for establishing internal controls, policies, and procedures for the debt management program. In addition, the OCFO manages IA's debts to include issuing bills; accepting and posting collections; referring debts to the U.S. Treasury; performing reviews and reconciliations; and processing debt waivers, compromises, and write-offs.
- C. **IA Accounts Receivable (AR) staff, OCFO** are responsible for:
 - 1) issuing administrative bills for collection and Dunning Notices;
 - 2) establishing payment plans;
 - 3) referring eligible debts to the Treasury's Cross Servicing Program;
 - 4) preparing debt waiver/write-off letters for approval, and documentation for Administrative Wage Garnishment (AWG) hearings;
 - 5) providing proof of debt as it relates to disputes; and
 - 6) supporting payroll debt processing and reconciliation activities, to include the processing of debt modifications and creating new system interfaced debts.
- D. **Office of Indian Economic Development (OIED), Division of Capital Investment (DCI)** is responsible for managing the Loan Guaranty, Insurance, and Interest Subsidy Program. Direct and Guaranteed Loans which have defaulted are considered Receivables and are managed by Credit Officers. The Loans Management Team performs debt management activities in accordance with OCFO policy.

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
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- E. BIA Office of Trust Services (OTS), Division of Water and Power (DWP)** provides oversight and technical assistance to BIA regions and agencies that have Indian irrigation projects or BIA-owned electric power utilities under their respective jurisdictions. The Branch of Irrigation and Power performs management of the National Irrigation Information Management System (NIIMS) and the Electric Utility Management System (EUMS).
- F. Indian Irrigation Project Managers/Engineers and Electric Power Utility Managers** are responsible for local irrigation and electric power utility project services to customers, and ensure that all billing, collections, and debt management activities are performed in accordance with OCFO policy.
- G. IA Program Offices** are responsible for maintaining supporting documentation as related to billing requests.
- H. IA Mail Clerk Collection Officers** are responsible for receiving and recording remittances in the Office 365 form, and mailing remittances to the lock box for deposit with the U.S. Treasury, Bureau of Fiscal Services.

Approval

JASON
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