



**Functional Series 600  
Budget and Finance**

**INTERIM UPDATE 08-13**

**SUBJECT:** Revision of ADS 625 to Address Claims Collection and Debt Determination Responsibilities

**NEW MATERIAL:** This revision of ADS 625 is issued to clarify the individual roles and responsibilities of debt determination under contracts and assistance agreements and the enforcement of debt collection actions.

**EFFECTIVE DATE:** 09/09/2008

**ATTACHMENTS:** 1. [ADS 625 Account Receivable and Debt collection](#)

POLICY

USAID/General Notice  
M/CFO/FPS  
09/24/2008

Subject: Revision of ADS 625 to Address Claims Collection and Debt Determination Responsibilities

This revision of ADS 625 is issued to clarify the individual roles and responsibilities of debt determination under contracts and assistance agreements and the enforcement of debt collection actions. ADS subsection 625.3.3.2 (Billing Activity) states that indebtedness for claims due USAID must be recorded within 5 working days. Form AID 7-129, bill for collection, is no longer prescribed as the only authorized billing document. The negotiated settlement or the final settlement letter that a Contracting Officer or Agreements Officer issues is used by USAID billing offices as documentation of a debt. The settlement letter fixes a claim and authorizes M/CFO to record the debt in the financial records of USAID.

The provision in the policy also makes it clear that establishment of debts under contracts and grants are the responsibility of the Contracting or Agreements Officer, and separate responsibility in the policy states that it is the sole responsibility of M/CFO to enforce collection activity to ensure that all claims are collected promptly and efficiently.

Point of Contact: Any questions concerning this Notice may be directed to Shawn Barrett, M/CFO/FPS, (202) 712-0519.

<b>File Name</b>	IU6_0813_092508
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<b>Notice Date</b>	09/24/2008
<b>Effective Date</b>	09/09/2008
<b>Editorial Revision Date</b>	09/23/2008
<b>ADS CD No.</b>	N/A
<b>Remarks</b>	This IU will remain on the ADS Web site for three months.

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