

# **PGI 232.6 -CONTRACT DEBTS**

**Parent topic:** [PGI Part 232 - CONTRACT FINANCING](#)

## **PGI 232.603 Debt determination.**

Upon transfer of a case to the contract financing office, the contracting officer shall close the debt record by reference to the date of transfer.

## **PGI 232.604 Demand for payment.**

(1) For contract debts resulting from other than a termination for default, the office that first determines an amount due, whether it be the contract administration office, the contracting office, the disbursing office, or the selling office/agency, shall—

- (i) Make a demand for payment; and
- (ii) Provide a copy of the demand to the payment office cited in the contract.

(2) For contract debts resulting from a termination for default, the contracting officer shall make the demand and direct the debtor to make such payment to the designated office.

## **PGI 232.670 Transfer of responsibility for debt collection.**

Disbursing officers will transfer responsibility for debt collection to department/agency contract financing offices in accordance with comptroller regulations. Notwithstanding the transfer of the debt collection responsibility, contracting officers shall continue to provide assistance as requested by the debt collection office.

## **PGI 232.671 Bankruptcy reporting.**

(1) For those debts covered by this subpart, the department or agency that awarded the contract shall furnish the Department of Justice any claims in bankruptcy, insolvency, or in proceedings for reorganization or arrangement. Furnish claims that—

- (i) Have been transferred to a contract financing office;
- (ii) Are on the way to a contract financing office at the inception of bankruptcy or insolvency proceedings;
- (iii) Are pending and not forwarded to a contract financing office at the inception of bankruptcy or insolvency proceedings; and
- (iv) Are the result of bankruptcy or insolvency proceedings.

(2) The contract financing office or other office designated within a department or agency will furnish proof of claims to the Department of Justice.

(3) The office of origin of a debt will provide, as soon as possible, information on a bankruptcy, insolvency, reorganization, or rearrangement to the office designated within a department/agency to receive this information.

(4) The information and proof of claim requirements in paragraphs (2) and (3) of this section do not apply to debts of less than \$600.