

Exhibit 13-2 Debt Monitoring

13-2.1 DEBT MONITORING

Debt and repayment agreement payments must be monitored on a monthly basis. If the monthly payment is not received by the close of business on the sixth (6th) calendar day of the month, the repayment agreement is in default.

13-2.1.A Debt Monitoring Report

To identify families in default, run the CCS report, *Balance Report from Current Month*, CCSTA path 2.12.12. The report lists all outstanding client adjustments. The last column has a flag for whether the family has a repayment agreement.

Print the above report on the first (1st) business day following the sixth (6th) day of the month. Resolve any client debts not on a repayment agreement.

Each Field Office will designate staff to review the report and collect client debts. Make notations directly on the report. Retain the report in the monthly work folder.

Sample One:		
Action Date	Action	Due Date
January 7	-Debt monitoring report run. -No monthly payment by client. -Send client <i>Repayment Agreement Default</i> , form PW306.	January 17, close of business
January 13	-Client makes monthly payment.	
January 18	-Debt monitoring report run. -Monthly payment current. -No further action.	

Sample Two:		
Action Date	Action	Due Date
January 7	-Debt monitoring report run. -No monthly payment by client. -Send client <i>Repayment Agreement Default</i> , form PW306.	January 17, close of business
January 18	-Debt monitoring report run. -No monthly payment by client. -Send client <i>Repayment Agreement Final Notice</i> , form PW307.	February 17, close of business

Sample Two:		
Action Date	Action	Due Date
February 2	-Client makes monthly payment for January and February.	
February 7	-Debt monitoring report run. -Payments current.	

Sample Three:		
Action Date	Action	Due Date
January 7	-Debt monitoring report run. -No monthly payment by client. -Send client <i>Repayment Agreement Default</i> , form PW306.	January 17, close of business
January 18	-Debt monitoring report run. -No monthly payment by client. -Send client <i>Repayment Agreement Final Notice</i> , form PW307.	February 17, close of business
February 7	-Debt monitoring report run. -No payment made yet. -No action yet.	
February 18	-Debt monitoring report run. -No monthly payment by client. -Forward copies of Repayment Agreement and both repayment default notices to Central Office for collection.	