

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER



Office of Finance and Treasury

CCU POLICIES FOR INSTALLMENT PAYMENT PLANS

Central Collection Unit Qualifying Debts

To be considered for any type of Central Collection Unit (CCU) payment arrangement, the debt(s) must qualify as a CCU debt. In general terms, that means that the delinquent debt must be over 90 days old. If a CCU customer has delinquent debts both under and over 90 days old, the CCU will only address delinquent debts over 90 days old.

The customer will be advised by CCU Collections Representatives (customer service representatives) that legislation prohibits the CCU from working out any arrangements unless the delinquent debt is over 90 days old.

DMV Related Payment Arrangements

DMV related payment agreements may be considered for those qualifying **DC residents** in need of a DMV service, such as renewal of a driver's license and/or registration. Payment arrangements that do not involve renewal of services should be handled by the CCU outside collection agency, currently Harris & Harris, whenever possible.

District of Columbia Residents

An initial Installment Payment Plan or "IPP" is a payment agreement that requires a down payment, while the remaining balance must be paid in equal monthly payments, until the balance due is paid in full.

The number of allowable months to pay is based on the outstanding balance due, and other factors as determined by CCU personnel.

A down payment is generally required, and monthly payments are required on the due date, as stated in the terms of the IPP.

Each customer will be provided a copy of the CCU Installment Payment Plan form outlining the terms and conditions of the established plan.

Failure to keep the terms of an IPP will result in a default.

Second Chance Installment Payment Plans

If a CCU customer previously defaulted on an installment payment plan, it is unlikely that a second chance installment payment plan will be approved.

Second Chance Installment Payment Plans (SCIPP) are subject to managerial approval, and are considered on an exception basis, and only when its determined to be in the best interest of the District. To minimize default probability, debtor must verify an ability to make monthly payments through employment or some other means prior to initiating this type of agreement. The CCU may require submission of financial information such as bank statements, pay statements, tax returns, and verification of necessary living expenses. A larger down payment may be required.

NOTE: Undue hardship may be a valid reason to reinstate or allow an SCIPP.

Undue hardship is defined as a valid and justified inability to keep the terms of the agreement. Examples may relate to a medical condition, unemployment after initiating payment arrangements, incarceration, military deployment, unforeseen family emergency, etc.

Non-District of Columbia Residents

As a rule, IPP's are not permitted for non-District residents unless the customer is a District government employee and subject to the OPRS payroll attachment, or if payments can be made through an approved payroll deduction agreement.

Payroll Deduction Agreements

Payroll deduction agreements require written verification from a management official of the employer, on official letterhead, verifying employment and agreeing to the terms of the payroll deduction agreement.

Once this information is obtained by CCU personnel, the CCU will consider initiating a payroll deduction agreement for signature by the delinquent debtor and the employer.