

(b) *Inspection of Endowment records related to the debt.* (1) In accordance with § 1150.5, if you want to inspect or copy Endowment records related to the debt, you must send a letter to the Endowment official designated in the Notice stating your intention. Your letter must be received within 30 days of the date of the Notice.

(2) In response to the timely request described in paragraph (b)(1) of this section, the designated Endowment official will notify you of the location and time when you may inspect and copy records related to the debt.

(3) If personal inspection of Endowment records related to the debt is impractical, reasonable arrangements will be made to send you copies of those records.

(c) *Review official.* The Chairperson shall designate an officer or employee of the Endowment (who was not involved in the determination of the debt) as the review official. When required by law or regulation, the Endowment may request an administrative law judge to conduct the review, or may obtain a review official who is an official, employee, or agent of the United States, but who is not under the supervision or control of the Chairperson. However, unless the review is conducted by an official or employee of the Endowment, any unresolved dispute you have regarding whether all or part of the debt is past due or legally enforceable (for purposes of collection by tax refund offset under § 1150.31) must be referred to the Chairperson for ultimate administrative disposition, and the Chairperson must notify you of his or her determination.

(d) *Review procedure.* After you request a review, the review official will notify you of the form of the review to be provided. The review official shall determine whether an oral hearing is required, or if a review of the written record is sufficient, in accordance with the Federal Claims Collection Standards. In either case, the review official shall conduct the review in accordance with the Federal Claims Collection Standards. If the review will include an oral hearing, the notice sent to you by the review official will set forth the date, time, and location of the hearing.

(e) *Date of decision.* The review official will issue a written decision, based upon either the written record or documentary evidence and information developed at an oral hearing, as soon as practical, but not later than 60 days after the date on which the Endowment received your request for a review, unless you request, and the review official grants, a delay in the proceedings.

(f) *Content of review decision.* The review official will prepare a written decision that includes:

(1) A statement of the facts presented to support the origin, nature, and amount of the debt;

(2) The review official's findings, analysis, and conclusions; and

(3) The terms of any repayment schedule, if applicable.

(g) *Interest, penalty charge, and administrative cost accrual during review period.* Interest, penalty charges, and administrative costs authorized by law will continue to accrue during the review period.

**§ 1150.7 What interest, penalty charges, and administrative costs will I have to pay on a debt owed to the Endowment?**

(a) *Interest.* (1) The Endowment will assess interest on all delinquent debts unless prohibited by statute, regulation, or contract.

(2) Interest begins to accrue on all debts from the date that the debt becomes delinquent. The Endowment will not recover interest if you pay the debt within 30 days of the date on which interest begins to accrue. The Endowment shall assess interest at the rate established annually by the Secretary of the Treasury under 31 U.S.C. 3717, unless a different rate is either necessary to protect the interests of the Endowment or established by a contract, repayment agreement, or statute. The Endowment will notify you of the basis for its finding when a different rate is necessary to protect the interests of the Endowment.

(3) The Chairperson may extend the 30-day period for payment without interest where he or she determines that such action is in the best interest of the Endowment. A decision to extend or not to extend the payment period is

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final and is not subject to further review.

(b) *Penalty.* The Endowment will assess a penalty charge, not to exceed 6 percent a year, on any portion of a debt that is delinquent for more than 90 days.

(c) *Administrative costs.* The Endowment will assess charges to cover administrative costs incurred as a result of your failure to pay a debt before it becomes delinquent. Administrative costs include the additional costs incurred in processing and handling the debt because it became delinquent, such as costs incurred in obtaining a credit report or in using a private collection contractor, or service fees charged by a Federal agency for collection activities undertaken on behalf of the Endowment.

(d) *Allocation of payments.* A partial or installment payment by a debtor will be applied first to outstanding penalty assessments, second to administrative costs, third to accrued interest, and fourth to the outstanding debt principal.

(e) *Additional authority.* The Endowment may assess interest, penalty charges, and administrative costs on debts that are not subject to 31 U.S.C. 3717 to the extent authorized under common law or other applicable statutory authority.

(f) *Waiver.* (1) The Chairperson may (without regard to the amount of the debt) waive collection of all or part of accrued interest, penalty charges, or administrative costs, if he or she determines that collection of these charges would be against equity and good conscience or not in the best interest of the Endowment.

(2) A decision to waive interest, penalty charges, or administrative costs may be made at any time before a debt is paid. However, where these charges have been collected before the waiver decision, they will not be refunded. The Chairperson's decision to waive or not waive collection of these charges is final and is not subject to further review.

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### § 1150.8 Will failure to pay my debt affect my eligibility for Endowment programs?

In the event that you fail to pay your debt to the Endowment within a reasonable period of time after the date of the Notice of debt, the General Counsel of the Endowment shall place your name on the Endowment's list of debarred, suspended, and ineligible contractors, grantees, and other participants in programs sponsored by the Endowment. You will be advised of this action.

### § 1150.9 How can I resolve the Endowment's claim through a voluntary repayment agreement?

In response to a Notice of debt, you may propose to the Endowment that you be allowed to repay the debt through a voluntary repayment agreement in lieu of the Endowment taking other collection actions under this part.

(a) Your request to enter into a voluntary repayment agreement must:

(1) Be in writing;

(2) Admit the existence of the debt; and

(3) Either propose payment of the debt (together with interest, penalty charges, and administrative costs) in a lump sum, or set forth a proposed repayment schedule.

(b) The Endowment will collect claims in full or one lump sum whenever feasible. However, if you are unable to pay your debt in one lump sum, the Endowment may accept payment in regular installments that bear a reasonable relationship to the size of the debt and your ability to pay.

(c) The Endowment will consider a request to enter into a voluntary repayment agreement in accordance with the Federal Claims Collection Standards. The Chairperson may request additional information from you, including financial statements if you request to make payments in installments, in order to make a determination of whether to accept a voluntary repayment agreement. It is within the Chairperson's discretion to accept a repayment agreement instead of proceeding with other collection actions under this part, and to set the necessary terms of any voluntary repayment