

871—63.25(260F) Options and procedures on default.

63.25(1) The community college will notify the department whenever the community college determines that an event of default has occurred or is likely to occur.

63.25(2) The community college will document its efforts to reconcile the condition(s) responsible for the default and will provide the department with copies of all related correspondence and documents of the community college and the business.

63.25(3) The community college will notify the department when it has determined that an event of default cannot be cured.

63.25(4) When notice of failure to cure the default is received from the community college, the department will communicate with the business, in writing, in an attempt to resolve the default.

63.25(5) When the department's efforts to reconcile are successful, the department will notify the community college, in writing, to continue project operations. Continuation of project operations may be subject to new conditions imposed by the department as part of the reconciliation.

63.25(6) When the department's efforts to reconcile are unsuccessful and upon the department's request, the community college will assign the agreement to the department for appropriate proceedings at which time the department will institute collection procedures or notify the attorney general to initiate appropriate legal actions.

63.25(7) When a community college assigns an agreement to the department for a project declared to be in default, the community college will return all remaining 260F funds to the department within 45 days of assignment.

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