

ACCOUNTS RECEIVABLE

POLICY #9

April 25, 2024

1. It is the policy of the District that accounts receivable be reviewed monthly, as it is critical to the cash flow of the District and requires continued follow-up and attention.
2. Procedures:
 - a) The accounts receivable balances are reviewed monthly by the Chief Financial Officer or Treasurer, along with assigned staff.
 - b) Notices are sent for all accounts 30 or more days past their due date.
 - c) Finance charges of one percent (1%) per month are assessed on all accounts past due.
 - d) Credit memos are limited to control of the CFO or designee.
 - e) At month-end closing, an accounts receivable schedule is prepared, reviewed, and reconciled to the General Ledger. The trial balance report is compared to the General Ledger for accuracy.
 - f) An appropriate allowance for bad debt is carried on the Balance Sheet. Every attempt is made for collection. At year-end it is determined if there are uncollectible items and, if so, those are written off by the Agency Administrator or designee. Any amount over the approved allowance for bad debt must be approved by the Board of Directors prior to write off.

Approval Signatures:

Chair, Board of Directors

Date

Secretary, Board of Directors

Date