**POLICY TITLE: Accounts Receivable Policy**

**POLICY NUMBER: 2100**

2100.1 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.

2100.2 Procedures:

1. The accounts receivable balances are reviewed monthly by Office Admin/Treasurer, along with assigned staff.
2. Notices are sent for all accounts 30 or more days past their due date.
3. Finance charges or resolution imposing late payment charges of [x] percent per month are assessed on all accounts past due as provided by District [identify the ordinance].
4. Credit memos are limited to control of the Office Admin/Treasurer, after consulting with the General Manager or his or her designee.
5. At month-end closing, within quickbooks, 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.
6. 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 [position title], upon approval by the General Manager or his or her designee. Any amount over the approved allowance for bad debt must be approved by the Board of Directors/Trustees prior to write off.