



STARLAND COUNTY POLICY MANUAL

FUNCTION: Finance and Accounting

FUNCTION NUMBER: 970

POLICY: Account Receivable Collection Process

POLICY NUMBER: 970-15

DATE: April 08, 2003

PURPOSE:

To establish uniform guidelines for the collection of accounts receivable. The County shall promote and encourage the timely payment of accounts receivable and pursue delinquent accounts in a prudent and diligent manner.

PROCEDURES:

1. All invoices received by the Administrative Assistant – Accounts, will be reviewed to ensure that they are complete; ie. name, address and account number are provided from the invoicing source or department.
2. Any invoices which appear to be incomplete will be returned to the originator or clarification will be obtained by phone.
3. When an account remains unpaid after 60 days, telephone contact is made and /or a letter inquiring and requesting prompt payment is written. An interest penalty of 1.5% per month is added to the account 30 days after the account is mailed.
4. After an account is overdue for 90 days a letter is written indicating that the following actions will be taken if the outstanding account is not paid within 30 days of the notification:
 - i) Account will be referred to the collection agency
 - ii) The individual will be added to the delinquent list, and will be unable to access further goods or services from Starland County
 - iii) Court actions will be authorized for any account in excess of \$200.00
5. Actions required will be sensitive to the customer's specific circumstances, and if unusual circumstances exist, the Chief Administrative Officer has the authority to temporarily delay the timelines prescribed herein.

6. Accounts that have been referred to a collection agency and still proved to be uncollectable shall be written off one year after they have been referred to the collection agency. The write off shall be charged to the accounts of the originating department.
7. Should the account be collected by the collection agency within the seven year period the file remains active, the collected amount will be applied to a general collection account, and the individual will be removed from the collections listing.

AMENDMENT HISTORY:

Adopted: April 08, 2003

Path: Company Files/Bellamy/Starland County Policies/Accounts Receivable Policy 970-15 1.doc