

CALAVERAS PUBLIC UTILITY DISTRICT POLICIES

Policy Name:	2100 – ACCOUNTS RECEIVABLE POLICY FOR NON-WATER RELATED CHARGES		
Approval Authority:	CPUD BOARD OF DIRECTORS	Adopted:	10/13/2020
Resolution No.	Resolution 2020-14	Revised:	

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:

- a) The accounts receivable balances for non-water related charges are reviewed monthly by the Administrative Account Assistant, along with assigned staff.
- b) Notices are sent for all invoicing 30 or more days past their due date.
- c) Finance charges of one and one half percent (1.5%) percent per month are assessed on all accounts past due.
- d) Credit memos are limited to the control of the Administrative Account Assistant, after consulting with the General Manager or his or her 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) 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 Administrative Account Assistant, upon approval by the General Manager or his or her designee not to exceed \$500. Any amount over the approved allowance for bad debt must be approved by the Board of Directors prior to write off.