



Team Name: Accounts Receivable Team Lead: Regional Manager – Corporate Financial Services Approved by: VP Finance & Planning	Reference Number: ORG.1312.PL.001 Program Area: Finance Policy Section: Accounts Receivable
Issue Date: November 17, 2017 Review Date: Revision Date:	Subject: Collection Policy - General

POLICY SUBJECT:

Accounts Receivable Collection Policy - General

PURPOSE:

To provide clear direction on the collection of general accounts receivable.

BOARD POLICY REFERENCE:

Executive Limitation 5 – Financial Condition & Activities

POLICY:

The organization will make the maximum effort to collect payment for all accounts.

DEFINITIONS:

Site Clerk – one responsible for the monthly billing and collection of Workers Compensation Board invoices
 Finance – Financial Analyst, Accountant, Junior Accountant or Accounts Receivable Clerk

PROCEDURE:

The following collection procedures will apply to accounts receivable, except for residential charges (please see ORG.1312.PL.002 for this policy) and authorized charges (please see ORG.1312.PL.003 for this policy):

1. Site Clerk or Finance will send invoice to client ***within*** 30 days of the client receiving the service or goods.
2. A Non-Sufficient Funds (NSF) fee will be charged for all NSF cheques or Pre-Authorized Debits based on the current Schedule of Charges.
3. Where an account remains outstanding at the end of the month and falls within the 31-60 day aging category, Finance will contact the client by telephone. If contact is unsuccessful, a written notice will be sent to the client indicating the status of the outstanding account. Documentation of the contact will be noted on the client's account.
4. Where an account remains outstanding at the end of the month and falls within the 61-90 days aging category, Finance will contact the client by telephone. If contact is unsuccessful, a written notice will be sent to the client indicating the status of the outstanding account. Documentation of the contact will be noted on the client's account.

5. Where an account remains outstanding at the end of month and falls within the 91 days and over aging category, a final written notice will be sent to the client indicating the account will be sent to a Collection Agency if payment or payment arrangements are not made within ten days. Documentation of this notice will be made on the client's account.
6. All accounts needing involvement of a Collection Agency will be reviewed by the Regional Manager – Corporate Financial Services or designate prior to being sent.
7. Documentation will be made on the client's account once the account has been sent to the Collection Agency.
8. Any communication with the client will be documented on the client's account.

Outstanding accounts under \$10.00 are not involved in the collection process outlined in steps 3 to 7 of the above procedure. The account will be written off with the permission of the Vice-President of Finance and Planning or designate (please see ORG.1312.PL.004 for this policy).

Deceased Client

1. When notified that a client is deceased, Finance will seek confirmation of death.
2. Once confirmed, Finance will add "Estate of" to the customer's name and note the deceased date on the client's account.
3. Finance will seek information as to who is the executor and how to reach him or her.
4. Finance will follow the above-mentioned collection process with the executor.

Workers Compensation Board (WCB)

- Workers Compensation Board invoicing and statements must be followed-up at the Facility by the Site Clerk per above collection procedures with the exception of sending WCB to a Collection Agency.

REFERENCES:

[ORG.1312.PL.002 Collection Policy – Residential Charges](#)

[ORG.1312.PL.003 Collection Policy – Authorized Charges](#)

