Debt Collection

GENERAL DESCRIPTION: This procedure applies to debt collection for monies that legally belong to CESD such as accounts receivable, employees receivable, or advances to grant participants.

PRIMARY RESPONSIBILITY: Chief Financial Officer

REFERENCE OR AUTHORITY: Superintendent

PROCEDURAL STEPS:

1. The responsibility for debt collection resides with Fiscal Services for employees, local component school districts, and local and state governmental agencies. All other debt collections reside with the department or program closely related to the person or organization that received services or products from the District and has failed to remit payment in a timely manner.

2. Fiscal Services will notify departments or programs of outstanding receivables generated by the department, as defined in Step 1, that are over 60 days overdue.

3. Each department or program will pursue the collection of the outstanding debt by contacting the individual or organization to request a plan for repayment. The plan for payment should be communicated in writing to Fiscal Services to provide documentation for collection attempts.

4. Payment plans for debt collection should not be extended for more than 30 days from the time the payment plan is discussed.

5. Failure to receive payments within the 30-day period after the payment plan has been established requires notification to the CFO.

6. The CFO will develop a debt collection plan including possible legal remedies. A signed note should be obtained whenever possible for the amount due to enhance the legal collection process.

7. The collection plan will be reviewed with the department or program director and the superintendent before formal legal collection methods are pursued.