

**Cottonwood, Incorporated  
Policies and Procedures**

**SECTION:** Administrative

**POLICY NO:** 04-030

**SUBJECT:** Collection of Sub-Contract Accounts Receivable

**PAGE(S):** 1 of 1

**EFFECTIVE DATE:** April 1994

**Policy:**

It is Cottonwood, Inc.'s policy to review all outstanding accounts receivable balances for sub-contract vendors on a timely basis. If timely payment has not been made for services performed, it shall be the policy of Cottonwood to collect all outstanding accounts.

**Procedures:**

1. The Finance Manager will review all accounts receivable on a monthly basis. The Finance Manager will inform the Director of Work Services of all accounts outstanding past ninety (90) days.
2. The Finance Manager will send a notice to all vendors ninety days in arrears informing them that payment is due and notify the Chief Financial Officer of said action.
3. After an account is one hundred eighty (180) days past due, work will be in default until payment is received.
4. The Finance Manager and the Chief Financial Officer will have the responsibility of determining means of collection and possible referral to a collection attorney.