

# Village of Brooklyn Policy and Procedure Manual

<b>ACCOUNTS RECEIVABLE</b>
<b>INSUFFICIENT FUNDS RETURNS</b>

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## **I Purpose:**

The purpose of this policy is to establish acceptable procedures for handling accounts receivable payments returned for insufficient funds.

## **II Policy:**

The Village of Brooklyn is committed to providing excellent customer service to all its citizens.

## **III Scope:**

This policy applies to all payments received via check, credit card, ACH and direct payment.

## **IV Procedure:**

### **A. Payment of utility bills**

1. Upon receipt of insufficient funds notification, the customer will be contacted
2. A \$30 NSF fee will be charged to their utility account
3. The customer's account will be negatively adjusted for the amount of the payment
4. If two payments are returned for insufficient funds in a six-month period, only cash payments will be accepted going forward. If on direct payment, the direct payment will be turned off.
5. After paying cash payments for six months, the customer will be allowed to resume paying by check, credit card, ACH or direct payment.

### **B. Payment of other invoices**

1. Upon receipt of insufficient funds notification, the customer will be contacted
2. A \$30 NSF fee will be added to the amount due
3. Customer will be given 30 days to pay the invoice and NSF fee in cash
4. After 30 days, a letter will be sent to the customer that if payment isn't made in 10 days, the amount will be sent to collection.

**BY ORDER**

**Village of Brooklyn**