



Regional Housing Authority

# Accounts Receivable Collections Policy

Tlingit Haida Regional Housing Authority

Adopted by the Board of Commissioners on  
November 16, 2022

Resolution No. 22-23

*This edition of the Accounts Receivable Collections Policy was adopted by the Board of Commissioners of the Tlingit-Haida Regional Housing Authority by Resolution No. 22-xx, November 16, 2022, in Juneau Alaska. This document and its subsequent amendments, supersede all prior editions of the Collections Policy.*

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## **I. PURPOSE**

Tlingit Haida Regional Housing Authority (THRHA) establishes the following uniform policy for the administration and operations for the collection of debts. THRHA follows state and federal guidelines and/or laws for collecting debt which are found in the fair-debt collection practices in Public Law 111-203, title X, 124 Stat. 2092 and in the State of Alaska Landlord & Tenant Act (AS 34.03.010).

Payments are vital to the operation of Tlingit Haida Regional Housing Authority (THRHA). Timely payments are a program requirement, and essential for the agency's cash flow. This policy will enable THRHA to receive these necessary payments.

## **II. AUTHORITY & RESPONSIBILITY**

The President /CEO and their designee shall ensure that confidentiality will be maintained and the conflict of interest policy will be followed during the collection of debts. The President/CEO has the discretion to make exceptions or rescind notices.

The collection of accounts receivable is a shared responsibility between the operating department and finance department. All staff will make every effort to collect outstanding accounts receivable as efficiently and effectively as possible.

## **III. DEFINITIONS**

**Accounts Receivable:** means a claim for money, goods, services, and other non-cash assets.

**Allowance for Doubtful Accounts:** is a contra account on the balance sheet that represents the estimated amount of accounts receivable that will not be collected.

**Bad Debt Expense:** the amount of an accounts receivable that cannot be collected.

**Tenant Charges:** The cost of eviction proceedings, damages, key replacements, vehicle towing, or trash removal may be charged to the tenant/homebuyer accounts receivable account.

**Collection Agencies/Credit Bureau Reporting:** are businesses established to collect past due accounts. If the account is not paid in full within the established time, THRHA will write off the account and refer the overdue account to a collection agency.

**Counseling:** Tenant/Homebuyer will be required to participate in a financial program or receive one on one coaching provided by THRHA upon receiving Thirty (30) Day Notice or Notice to Quit which must be completed within six (6) weeks.

**Debt:** Any obligation that requires one party to pay money to THRHA for services provided, money paid, or other legal agreements, such as Binding Commitments, Lease Agreements and/or Memorandum of Agreements.

**Delinquency List:** Persons who have a debt that has either been written-off or currently exists will be placed on list which will prevent their selection if applying for THRHA housing or other services in the future until the debt is paid in full or they have entered into a payback agreement.

**Delinquent Account:** means accounts receivable that is late or 1 or more days overdue on a payment.

**Employee:** If employed by THRHA or entity owned by THRHA and currently reside in one of the properties, the employee must complete a payroll deduction to have the rent deducted from his/her payroll.

**Late Fee:** A late fee will be charged if an account is overdue for more than fifteen (15) days.

**NSF fee:** A fee will be charged for returned checks.

**Payback Agreement:** To maintain occupancy, the tenant/homebuyer must participant in a financial counseling program before a payback agreement is approved.

**Repeat Offenders:** Tenants/Homebuyers who have received a termination notice or notice to quit and become delinquent again within six (6) months after initial Notice will be considered a repeat offender

**Security Deposit:** Money given to THRHA as proof of intent that may be used to pay for damages caused by the tenant/homebuyer.

**Tenant/Homebuyer Damages to Unit:** Any damages caused by the Tenant/Homebuyer will be added to the outstanding balance owed by the Tenant/Homebuyer per State of Alaska Landlord & Tenant Act.

**Termination of Tenancy:** Either landlord or tenant can terminate the tenancy by giving proper notice.

**Verbal or Written Communication:** A log of all verbal and written communication regarding past due payments documented in the Tenant/Homebuyer's file.

**Write-Off:** means to remove an accounts receivable that is deemed uncollectible, recorded as a bad debt expense, and sent to the collection agency.

#### **IV. SCOPE**

##### **A. Types of Non-Tenant/Homebuyer Notices:**

1. Invoice: THRHA will generate and mail an invoice the month it is owed.
2. Statement: The following month if the debt has not been paid, a monthly statement will be mailed as a reminder.

3. Sixty Day (60) Notice: Written notice will be sent if payment is not received which will notify that if no payment is received within 30 days, the debt will be referred to a collection agency.

B. Types of Tenant/Homebuyer Notices:

1. Notice of Fifteen (15) Day Delinquency: Written notices must be sent when payments are 15 days late
2. Notice of Thirty (30) Day Termination or Notice to Quit: If tenant/home buyer fails to make the payment requirements, the next step will be issuance of termination notice or notice to quit. The notice must be in writing and state why the tenancy is being terminated and provide the date and time when the tenant must leave property. This notice can be delivered in person to tenant/homebuyer, left at the dwelling if tenant/homebuyer is absent, or sent by registered or certified mail per State of Alaska Landlord & Tenant Act.

C. Types of Repayment Methods that THRHA may use:

1. Collection Agencies
2. Employee Payroll Deductions
3. Voluntary Assignments of State of Alaska Permanent Funds
4. Court Judgement Orders
5. Payback Agreement
6. Security Deposits

D. Mandatory Financial Education

Tenants/Homebuyers who receive a Thirty (30) Day Notice of Termination or Notice to Quit will be required to participate in a THRHA sponsored financial education program or receive one on one financial coaching if they will remain in a THRHA unit. This must be completed within six (6) weeks of the Thirty (30) Day Notice of Termination or Notice to Quit. If not completed, then another Thirty (30) Day Notice of Termination or Notice to Quit will be sent.

E. Repeat Offenders

For repeat offenders, THRHA will bypass the normal Thirty (30) day notice and serve a three (3) or five (5) Day written Notice of Termination or Notice to Quit per Alaska State Landlord & Tenant Act.

F. THRHA Employee Accounts

If the tenant is a THRHA employee, the tenant must agree to sign up for auto payment. If the employee's rent is past due, they must agree to have the balance deducted from their paycheck. All other terms of this policy apply.