

POLICY The Poverello Center, Inc. shall accurately record, monitor, and collect all accounts receivable and program income in compliance with 45 CFR Part 75 (especially §§75.300–75.308 on Program Income and §75.403–75.405 on Allowability), Ryan White HIV/AIDS Program requirements, and GAAP. All funds owed to the agency shall be identified, invoiced promptly, and pursued as appropriate.

PROCEDURE

I. Identification of Receivables

A. Receivables arise from:

1. Ryan White or other grant reimbursements
2. Thrift store credit-card or third-party payments
3. Fee-for-service contracts
4. Fundraising pledges/donations
5. Program income (client fees, insurance reimbursements, etc.)

B. The Fiscal Department shall record receivables in QuickBooks upon becoming aware of the obligation if appropriate.

II. Invoicing and Billing

A. Invoices for grant drawdowns or contract billings shall be submitted within fifteen (15) days of the end of the service month or per the funder's schedule.

B. Client fees or insurance reimbursements shall be billed promptly upon service delivery.

C. All invoices shall include:

1. Agency name, address, and federal tax ID
2. Payer name and address
3. Description of services/items
4. Dates of service
5. Amount due and payment terms (net 30 days unless otherwise specified)

III. Aging and Collections

A. The Fiscal Department shall generate an Aged Accounts Receivable report monthly.

B. Follow-up actions:

1. 30 days past due – email or phone reminder
2. 60 days past due – second notice and phone call
3. 90 days past due – CEO review to determine if final demand letter;
4. Over 120 days – consider write-off with CEO and Board approval (if uncollectible) C.
Program income shall be tracked separately and used in accordance with 45 CFR §75.307 and RWHAP policy.

IV. Allowance for Doubtful Accounts An allowance for doubtful accounts shall be established and reviewed annually during the audit process.

V. Record Retention Accounts receivable records, including invoices, correspondence, and payment receipts, shall be retained for at least seven (7) years after final collection or write-off.

Approvals:

Signature: _____

Date: _____

Thomas S. Pietrogallo, Chief Executive Officer

BOD Approved Date: Pending: Date Established: 11.30.25; Date Revised: N/A (new policy)