

Administrative Regulation

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Category: Financial Matters

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**BILLING POLICIES AND PROCEDURES**

**1.0 Purpose**

The purpose of this Administrative Regulation is to provide guidance in determining acceptable billing transactions, and to define responsibilities for the proper preparation, recording, reporting and collections of such transactions.

**2.0 Subject: Billing Policies and Procedures**

**2.1 Statement of Policy**

- (1) The Finance Department under the direction of the Chief Financial Officer will be responsible for the preparation and distribution of all invoices.
- (2) Regularly scheduled invoices for board approved agreements/contracts will be administered by Treasury and billed in accordance with the agreement/contract.
- (3) Treasury will administer the monthly fulfillment and invoicing of the District's fare media to approved vendors.
- (4) All other billing invoices will be prepared within 30 days of goods sold, services performed, or work completed.
- (5) All collections activity on outstanding receivables will be administered by Treasury.
- (6) Authorization/Approval Levels:

All items to be billed are to be requested on the attached Billing Request form. This form requires that the following approval signatures appear on the billing request.

- For items **\$250.00** or less
  - Initial Requestor
  - Department Manager
  
- For items **\$250.00** to \$10,000.00
  - Initial Requestor
  - Department Manager
  - Appropriate Executive
  - Chief Financial Officer

- For items greater than \$10,000.00

- Chief Financial Officer
- General Manager

(7) Billing Preparation Requirements:

A. Once the billing request has been properly authorized the original request and the appropriate backup must be forwarded to:

Treasury Department  
3<sup>rd</sup> Floor – General Office

All status inquires can be forwarded to ext. 4771.

B. The Treasury Administrator will prepare the District invoice, record it to the subsidiary ledger, and will follow-up on collection. A copy of the invoice will be forwarded to the initiating department.

(8) The Treasury Manager will evaluate all billing requests and may add selected and authorized agreements/contracts to Treasury's regularly scheduled billing responsibility.

### **2.2.1 Statement of Responsibility:**

2.2.2 (1) The District's Treasury Manager will be responsible for administering all billing and collections activity for the District.

2.2.2 (2) The Treasury Department will be responsible for preparing all billing transactions on behalf of the District.

### **2.3 Definitions (as used in this procedure)**

2.3.1 Billing – an itemized account of the separate cost of goods sold, services performed, or work completed. This is usually in a written format commonly referred to as an invoice.

2.3.2 Accounts Receivable – A balance due to AC Transit on an open account.

2.3.3 General Ledger – The chart of accounts utilized within the Accounting department to record the District's assets and liabilities.

### **2.4 Appropriate Billing Transactions**

A. The following transactions are appropriate items to be billed:

- itemized detail of services performed (i.e., accounting services; duplication costs, printing costs, etc.)
- itemized detail of costs incurred by District (i.e., advertising costs, legal fees; wages of employees, etc.)

- itemized detail of miscellaneous goods intended for sale (i.e., bus engine #1234 valued at \$1,000.00, etc.)
- rental and/or lease of District facilities (i.e., Training Center).
- Interagency agreements (i.e., BART Transfer Agreement).

B. The following is a listing of required documentation to support the billing:

- A copy of any agreement or contract that specifies:
- Who to bill (complete address and telephone number).
- Amount to bill and deposit requirements, if applicable (i.e., rental of District facilities).
- Specific bill dates and payment due dates.
- Specific attachments to expedite billing.
- Specific GL account number to be charged.
- District contact person and extension number.

All of these items must be present in order to prepare a billing.

## **2.5 Collections**

- A. The Treasury Administrator, under direction of the Treasury Manager, is responsible for the collection of all invoices.
- B. The Treasury Administrator shall maintain and use all generally accepted collections tools (aging reports, past due notifications, phone calls etc.) to collect on District invoices.
- C. All invoices, unless specified differently by agreement/contract, will be invoiced net 30 days.
- D. The monthly fulfillment and invoicing of the District's fare media to approved vendors will include any vendor discount and will be payable net 30 days.

**ALAMEDA CONTRA COSTA TRANSIT DISTRICT**

**District Billing Request**

To: Treasury Department – 3<sup>rd</sup> Floor  
1600 Franklin Street

Date: \_\_\_\_\_

Fr: \_\_\_\_\_

Re: REQUEST FOR A DISTRICT INVOICE

ATTACHED PLEASE FIND THE NECESSARY DOCUMENTS TO INITIATE THIS REQUEST FOR AN INVOICE. PLEASE BILL THE FOLLOWING:

CUSTOMER NAME: \_\_\_\_\_

BILLING ADDRESS: \_\_\_\_\_

CITY/ZIP: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

DESCRIPTION: \_\_\_\_\_

TOTAL DOLLAR (\$): \_\_\_\_\_

G. L. NUMBER: \_\_\_\_\_

P. O. OR CONTRACT# (if applicable): \_\_\_\_\_  
(please attach copies)

REQUESTOR: \_\_\_\_\_ EXTENSION #: \_\_\_\_\_

APPROVAL: \_\_\_\_\_  
(Dept. Manager)

ADDITIONAL APPROVAL: \_\_\_\_\_  
(see approval levels)