

## UTAH TRANSIT AUTHORITY POLICY

### UTA.02.06

#### ACCOUNTS RECEIVABLE ADJUSTMENTS

1) Purpose

This Utah Transit Authority (UTA) policy is intended to ensure that Adjustments to Accounts Receivable amounts are made at the appropriate approval level and with full documentation of the reason for the Adjustment.

2) Definitions

“*Accounts Receivable*” means a legally enforceable claim for payment held by UTA for goods supplied or services rendered that a customer ordered or received but has not paid for.

“*Adjustments*” means a decrease in the amount of an Accounts Receivable for reasons other than a mistake in calculation of the original Accounts Receivable amount, a Reduction or Write-off, a change in timing of payment, or a Special Payment Arrangement.

“*Reduction*” means an accounting action that partially reduces the value of an Accounts Receivable.

“*Special Payment Arrangement*” means an arrangement with the entity owing UTA an amount that provides a longer time in which to make full payment of the amount owed.

“*Write-off*” means an accounting action that completely reduces the value of an Accounts Receivable.

3) Policy

A. Requests to adjust Accounts Receivable must have written approval from UTA employees authorized under the applicable UTA Spending Authority and Contracting Authority policies. Approval thresholds will mirror those established in UTA’s Spending Authority and, Contracting Authority policies, and the Public Transit District Act. These thresholds will automatically update whenever the corresponding policy tables or statutory amounts are revised.

1. Written approval must include the reason for the Adjustment and a record of the collection efforts to date on the account. Written approvals will be provided to the Comptroller who will conduct an independent review of the Adjustment, countersign the written approval, record the Adjustment, and maintain all documentation for the Adjustment.
2. The Chief Financial Officer administers this policy.

4) Review

This policy will be reviewed every four years.

5) Cross-References

- UTA Board of Trustees Policy 2.1 Financial Management

- UTA.02.01 Spending Authority
- UTA.02.02 Contracting Authority
- Utah Code § 17B-2a-808.1(2)(v) -

This UTA Policy was reviewed by UTA’s Chief Financial Officer on 03/03/2026, and approved by the Executive Director on \_\_\_\_\_. This policy takes effect on the latter date.

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Jay Fox  
Executive Director

Approved as to form and content:

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*Mike Bell*  
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Counsel for the Authority

**History**

Date	Action	Custodian
08/07/2018	Adopted – Corporate Policy 3.1.9 Write-Off Authority	Chief Financial Officer
02/23/2022	Rescinds – Corporate Policy 3.1.9 Write-Off Authority	Chief Financial Officer
02/23/2022	Board Approved – UTA.02.06 Accounts Receivable Adjustments Policy	Chief Financial Officer
02/23/2022	Adopted – UTA.02.06 Accounts Receivable Adjustments Policy	Chief Financial Officer
	Board Reviewed – UTA.02.06 Accounts Receivable Adjustments	Chief Financial Officer
	Revised and Adopted – UTA.02.06 Accounts Receivable Adjustments	Chief Financial Officer