

UTAH TRANSIT AUTHORITY POLICY

No. UTA.02.06

ACCOUNTS RECEIVABLE ADJUSTMENTS

1) Purpose.

This 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, or a change in timing of payment, 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.

“UTA” means Utah Transit Authority.

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

3) Policy.

Requests for Adjustments to Accounts Receivables require written approval from authorized UTA employees in accordance with UTA approved Spending Authority Policy. Approval thresholds are intended to mirror those contained in UTA.02.01 Spending Authority Policy Table A (Spending Authority) and UCA 17B-2a-808.1(v) and will be deemed to automatically adjust as the amounts in Table A or the statute are adjusted.

A. Written approval shall 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 shall conduct an independent review of the Adjustment, countersign the written approval, record the Adjustment, and maintain all documentation for the Adjustment.

B. The Chief Financial Officer shall administer the Accounts Receivable Adjustments policy.

4) Cross-References.

- UTA Board of Trustees Policy 2.1 Financial Management
- UTA.02.01 Spending Authority Policy


This UTA Policy was reviewed by UTA’s Chief Officers on 07/07/2021, approved by the Board of Trustees on _____ and approved by the Executive Director on _____. This policy takes effect on _____.

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William Greene, Chief Financial Officer
Accountable Executive

Jay Fox
Executive Director

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Counsel for the Authority

History

Date	Action	Owner
8/7/2018	Adopted - Corporate Policy 3.1.9 Write-Off Authority	Chief Financial Officer
	Rescinds - Corporate Policy 3.1.9 Write-Off Authority	Chief Financial Officer
	Board Approved – UTA.02.06 Accounts Receivable Adjustments Policy	Chief Financial Officer
	Adopted – UTA.02.06 Accounts Receivable Adjustments UTA Policy	Chief Financial Officer