

SECTION: ADMINISTRATION

SUBJECT: CREDIT FOR SALES OF GOODS
AND SERVICES

Original Resolution No.: 03-01-52

Establishing Credit for Sales of Goods and Services

It is the policy of the County of Warner No. 5 to make certain goods and services available on credit to the taxpayers of the County of Warner as well as other individuals and businesses.

Guidelines

1. When determining if goods and services can be charged to an individual, business or other entities, the following criteria should be considered:
 - a. Where goods and services are being charged and the customer is present, the customer/staff shall complete a sales order with their name, mailing address and telephone number and the customer shall sign the sales order and agree that the account will be paid within thirty (30) days.
 - b. Where a sales request comes over the telephone and is approved for credit, the staff shall complete the sales order with a note that the request was received by telephone, rather than receive the customer's signature.
 - c. If the customer's miscellaneous accounts receivable is greater than ninety (90) days old or tax receivable is greater than one (1) year old, their credit request or privileges may be refused or suspended.
2. The following individuals, business and government entities may be eligible to charge goods and services based on the restrictions within this policy:
 - a. A **County taxpayer** (individual or business) may charge goods or services on condition the criteria in this policy is met.
 - b. If the customer or business is **not a taxpayer** of the County of Warner, they should be requested to pay by cash or cheque before receiving the goods or services. Staff shall use their discretion in establishing customer credit based on the circumstances. Staff may request a company purchase order or an order on company letter head.
 - c. If the customer is a **municipality, local authority, legal firm, provincial or federal government department or an associated board**, they may be permitted to establish a charge account. If a purchase order is not received, the individual receiving the goods or services shall sign a sales order with their organization's name, mailing address and telephone number.
3. If Staff are concerned with establishing a charge for goods and services, they may ask Management to confirm or deny the credit privilege to the potential customer.

4. If an individual, business or other entity have a history of not paying their miscellaneous account receivable balance within ninety (90) days, their charging privileges may be suspended for one (1) year before Management may consider renewing their credit.
5. If a miscellaneous accounts receivable balance has been written off as a bad debt, the customer shall be placed on a cash or cheque basis until the amount has been reimbursed to the County, or a written request asking that credit privileges be reinstated. Reinstatement is at the discretion of Management.
6. The outstanding miscellaneous accounts receivable list will be made available to the appropriate county staff in order to assist them in making decisions whether charging privileges are granted or not. The outstanding tax receivable list can be confirmed by checking the computer or with the tax roll department.
7. Credit privileges will not be granted to persons or businesses who live or are located outside the province of Alberta, unless permission is granted by Management.