

The Peak Ballet Theatre Account Collections Policy and Process

Approvals:

OWNER: Jim Zietlow	DATE	ORIGINATOR: Quinn Capen	DATE
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Revision History

Rev	Date	Description of Change	Originator
A	10/9/07	Initial Issue	Jim Zietlow

SUBJECT: The Peak Ballet Theatre Accounts Collection Policy and Process

PERSPECTIVE

The purpose of the Accounts Collection Policy and Process is to establish a process of open and clear communication with customers of The Peak Ballet Theatre regarding overdue accounts. It is also to ensure a timely and consistent collections process maintain the financial integrity of the entity.

DEFINITIONS

Customer: Individual listed as billing party on registration form and thus liable for any expense incurred at The Peak Ballet Theatre.

Open Account: An account that is created through the registration process. An account is considered open, whether the student still attending or not, if there is a balance on the account.

ROLES/RESPONSIBILITIES

Treasurer- Performs the function assessing payment history of an open account, communication with billing parties that are past 30 days due, and interfaces with collection agency if needed.

GUIDELINES

Policy- It is The Peak Ballet Theatre's policy to consistently apply its account receivable policies without regard to without regard to citizenship, race, color, religion, gender, national origin, ancestry, marital status, age, sexual orientation, medical condition, physical or mental disability, veteran status, or any other legally-protected status.

1.0 Process

- 1.1 Invoices will be sent to families via email 4 days prior to the first of the month.
- 1.2 Account balances will be reviewed on the 15th of every month by the Treasurer.
- 1.3 A late charge of \$20 will be applied to accounts that have not been paid by the 10th of the month, whether or not notification has been sent by The Peak Ballet Theatre. The Peak Ballet Theatre is not responsible for invalid email addresses or internet issues.
- 1.4 An additional charge of 15% of the balance of the receivable due will be added on the 30th day, 60th day, 90th day and 120th day. The 15% will not continue to be added if a payment plan is in place (see section 3.0), however the customer is responsible for all late fees incurred before plan acceptance.
- 1.5 Upon review of Customer balances and payment history the following dispositions will occur:
 - 1.5.1 For balances \geq 30 days, send first past due letter. Letter will be mailed via US Postal Service and email. A copy will be maintained in their family folder. Any discussions regarding the account must be noted and placed in the file, with the date the conversation occurred and the parties in the conversation.
 - 1.5.2 >60 days, second stronger letter (same document management as 3.5.1) demand of full payment or a comprehensive payment plan (see 4.0). Dancer will be suspended from participation in class. Dancer may be recast in productions with no refund of production fees.
 - 1.5.3 >90 days account will be sent to external collection agency and family will be terminated from The Peak Ballet Theatre.

2.0 Late Fees Exceptions

If a billing party has communicated that payment will be after the due date with a valid reason as determined by the treasurer and the commitment to that date has been met, a late fee will not be assessed. Accounts that are not current after the 10th day of the month and no exception has been granted will be assessed a late fee.

3.0 Payment Plans

- 3.1 Families may be given the opportunity to submit a comprehensive payment plan to address past due balances. The plan must be submitted in writing to the Treasurer. The request must be received prior to account being sent to collections (90 days delinquent). These plans must be approved by the Treasurer or the President of the Board.
- 3.2 Once the payment plan is approved, it must be adhered to or debtor is again subject to late payment/debt collection process. Late balance timing that applies is subject to the Board of Directors.

4.0 Prior Delinquent Account returning to The Peak Ballet Theatre

- 4.1 Accounts that were delinquent before a departure from the school may return if their account was resolved successfully.

REFERENCES

Fair Credit Reporting Act- <http://www.ftc.gov/os/statutes/031224fcra.pdf>
Appendix A: 30 day correspondence
Appendix B: 60 day correspondence
Appendix C: 90 day correspondence
Appendix D: Registration form

Appendix A

The Peak Ballet Theatre
810-A Arcturus Dr.
Colorado Springs, CO 80906

November 01, 2007

Name
Address
City, State, Zip Code

Dear **Responsible Party for Billing**:

The purpose of this letter is to demand payment of money owed regarding your Peak Ballet Theatre Open Account. Your account is over 30 days in arrears.

On specific dates during the period of **dates of service**, you incurred charges to your Open Account with us by contracting for dance instruction. The current balance of this account is **\$balance**.

In addition, on _____, interest began to accrue at a rate of 15% per month. As of **today's date** the accrued interest you owe equals **\$0.00**.

You also owe late charges of **\$amount**.

You are now past due in making payment. Demand is made upon you for full payment of the following amount:

Payments Past Due	\$amount
Late Charges	\$amount
<i>Total</i>	\$amount total

If payment is not made by **date**, or a payment plan put in place after approval of the Treasurer further action will be taken. Please give this matter your prompt attention.

You may contact me if you have any questions or need additional information. I can be contacted by phone at (719)632-7511. I can be contacted via e-mail at payments@thepeakballet.org. A fax can be sent to (719)632-7415.

Sincerely,

Jim Zietlow
Treasurer

Appendix B

The Peak Ballet Theatre
810-A Arcturus Dr.
Colorado Springs, CO 80906

November 01, 2007

Name
Address
City, State, Zip Code

Dear **Responsible Party for Billing**:

The purpose of this letter is to demand payment of money owed regarding your Peak Ballet Theatre Open Account. Your account is over 60 days in arrears. This is your second notice of this demand.

On specific dates during the period of **dates of service**, you incurred charges to your Open Account with us by contracting for dance instruction. The current balance of this account is **\$balance**.

In addition, on _____, interest began to accrue at a rate of 15% per month. As of **today's date** the accrued interest you owe equals **\$0.00**.

You also owe late charges of **\$amount**.

You are now past due in making payment. Demand is made upon you for full payment of the following amount:

Payments Past Due	\$amount
Late Charges	\$amount
<i>Total</i>	\$amount total

If payment is not made by **date**, further action will be taken. Please give this matter your prompt attention.

You may contact me if you have any questions or need additional information. I can be contacted by phone at (719)632-7511. I can be contacted via e-mail at payments@thepeakballet.org. A fax can be sent to (719)632-7415.

Sincerely,

Jim Zietlow
Treasurer

Appendix C

The Peak Ballet Theatre
810-A Arcturus Dr.
Colorado Springs, CO 80906

November 01, 2007

Name
Address
City, State, Zip Code

Dear **Responsible Party for Billing**:

The purpose of this letter is to demand payment of money owed regarding your Peak Ballet Theatre Open Account. Your account is over 90 days in arrears. This is your **final** notice of this demand.

On specific dates during the period of **dates of service**, you incurred charges to your Open Account with us by contracting for dance instruction. The current balance of this account is **\$balance**.

In addition, on _____, interest began to accrue at a rate of 15% per month. As of **today's date** the accrued interest you owe equals **\$0.00**.

You also owe late charges of **\$amount**.

You are now past due in making payment. Demand is made upon you for full payment of the following amount:

Payments Past Due	\$amount
Late Charges	\$amount
<i>Total</i>	\$amount total

If payment is not made by **date**, action to enforce your obligations under the Open Account Agreement may be taken. Please give this matter your prompt attention.

You may contact me if you have any questions or need additional information. I can be contacted by phone at (719)632-7511. I can be contacted via e-mail at payments@thepeakballet.org. A fax can be sent to (719)632-7415.

Sincerely,

Jim Zietlow
Treasurer

Appendix D

BILLING NAME

Street address
 City, State & Zip
 Email
 Parent 1
 Employer
 Parent 2
 Employer
 Emergency contacts

		Home phone	
		Cell phone	
		Work phone	
		Home phone	
		Cell phone	
		Work phone	
		Phone	
		Phone	

STUDENT NAME

Street address
 City, State & Zip
 Email
 Date of birth
 Medical info
 (allergies or previous injuries)

		School & Grade	

CLASSES

Total hours

Name	Level	Day	Time
		Registration fee	Total tuition

Please note if paid with application:

Where did you hear about us?

- Notices

I understand and agree that there is a possibility of me/my child becoming injured, whether performing on pointe or not, during classes, rehearsals or performances with the Peak Ballet Theatre of Colorado. I will not hold PBT or any PBT faculty member, employee, board member, agent or guest artist liable for any injury sustained or illness contracted.

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I exempt, release and fully indemnify The Peak Ballet Theatre of Colorado and its agents from any and all liability claims, demands or causes of action whatsoever from any damage, loss or injury to the student, parent/guardian, family member or personal property which may arise out of or in connection with participation in the PBT classes, rehearsals or performances.

- I release to The Peak Ballet Theatre of Colorado, or to the photographer or agent of PBT, the use of any photographic and video materials for use in promotional activities for the benefit of PBT.

- I have read and agree with the policies listed on the www.thepeakballet.org listed under forms and publications.

- I have read and understand the obligations for tuition and registration fees and payments as listed under tuition on www.thepeakballet.org.

- I _____ by my signature agree to assume full responsibility for all monies due to The Peak Ballet Theatre and will honor all terms and conditions as set forth in the tuition schedule.

Signature of Billing Party over the age of 18

Date
