

**BEST PRACTICES**

CCB asked clients, “What are the best practices you utilize to collect your receivables?” The responses varied, but most agreed on the following:

- Have a process in place and stick to it!
- Timing is everything. Here’s a timeline some of our clients use when an invoice becomes past due:

- 10 Days**      **Courtesy call is made, determine why payment is late and when it will be paid, follow up as necessary**
- 30 Days**      **Tone of urgency in calls, goal of at least one contact per week (multiple attempts)**
- 45 Days**      **Calls continue and payment needed in 15 days**
- 60 Days**      **Urgency increases in calls and communication that addition action may ensue**
- 75 Days**      **Controller/CFO call with firm deadline and communicate that collection activity will happen**
- 90 Days**      **Place with agency**  
**(Letters are sent at each interval)**

**How Much and When? Be Fair, but Firm!**

- Get an executed credit application AND personal guaranty for every customer.
- Customers that are avoiding, breaking promises, complaining about cash flow, making minimal payments monthly, and/or are nonchalant about their past due balances should be placed for collections sooner rather than later. Every day that goes by decreases the likelihood of collecting the account:

