



MADISON COMMUNITY COOPERATIVE

House (Accounts Receivable) Treasurer's Guide

Rek Kwawer, Member Services Coordinator

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Billing Sheet

At the end of each month, you will need to make the monthly billing sheet for your house. The billing sheet tells your housemates how much they owe, by tracking their starting balance, any charges, and any credits. It is important that your housemates have this information before the 1st of the month, so that they can pay on the 1st.

The Finance Coordinator posts a monthly invoice for each house's MCC payment. Your invoice is available on the MCC website - go to the "Members" tab and then click on "Documents". You will need to create a log-in on the website in order to view this information. This invoice may contain charges for members of your house, such as contributions to the Community Services Trust Fund, or credits, such as overpayments of fees. You are responsible for checking the website for the invoice for the upcoming month.

You should post the billing sheet a few days before the 1st so members can get their payments ready and see how much they owe. Many houses post the billing sheet in a conspicuous place; some houses also email it to members. It is your job to make sure that people know how much they owe and where to pay.

This part of the job also requires that you communicate with the house's Membership Coordinator to find out about new members (their names, room numbers and move-in dates) or room changes by current members.

Collect Rent

Members must pay their monthly charges by the 1st of each month (unless they are on a payment plan with a different payment schedule). MCC gives members a grace period until the 5th of the month. Some houses charge late fees for rent received after the 1st; make sure you know any house policies about this.

Most houses offer a rent mailbox for people to pay rent. Find out what your house usually does - and if you find that it isn't working for you, propose a change.

Acceptable payment methods are up to the house. All houses accept checks and money orders; some accept cash, and some take other forms of payment such as Madison Hours. Checks and money orders can be left in a box. Some houses request that cash payments go directly to the treasurer. If the house accepts cash, it's a good idea to give the person a receipt. Some houses do not accept cash because there have been problems with money getting lost.

You'll need to check the rent mailbox for payments on or after the 5th (or sooner, if your house charges late fees). Your job is to collect the rent using the house's method for collecting payments, and to record the information on the billing sheet. If people bring payment plans to the house for approval, your job is to sign those plans once they are approved, and record the code for a payment plan (either standard or exceptional) on the billing sheet.

MCC does not require that you track down housemates who haven't paid, or make them fill out payment plans (some houses may have an expectation that the treasurer will track down each person, but most houses put the responsibility for paying on the individual member). Paying rent on the 1st is one of the responsibilities that members commit to by signing a contract to live at MCC.

Member Debt Reports

By the 7th day of each billing month all house (accounts receivable) treasurers are to provide the Member Services Coordinator with a Member Debt Report.

This Member Debt Report consists of

- a billing sheet,
- all relevant payment plans, and
- a list of any members who have missed payments on their payment plans.

On the billing sheet that you submit as part of the member debt report, you will need to enter the payments made by each person, in the appropriate column (received before the 5th or received after the 5th), and indicate a status code for each member (see the section on "Billing Sheets" in this guide).

It usually works best to email billing sheets and scanned copies of payment plans, though payment plans can also be mailed or hand-delivered. You can avoid your house incurring fines by ensuring that your house's Member Debt Reports are submitted and received in a timely manner. In order for your Member Debt Report to be considered complete, your billing sheet will need to follow all guidelines.

Defaults on Payment Plans

Inform the Member Services Coordinator in writing *immediately* whenever a member of your house fails to pay the full amount of a scheduled payment on any payment plan. This is a responsibility of the A/R treasurer according to the MCC policy on Contract Termination for Default on a Payment Plan.

House Financial Records

Once a month, if you are responsible for reconciling your house's A/R, come to the MCC Office and update your house's billing sheets and other financial records on the MCC computer system. If you are not responsible for reconciling the house's A/R, you will need to send a completed billing sheet to the person who does the reconciling, by the end of the month so that they can reconcile the accounts.

Other Notifications

During situations when a member is appealing an eviction from MCC, it is the A/R treasurer's responsibility to notify the Member Services Coordinator when certain conditions (such as the member paying down their debt, and the member receiving house approval to continue as a member of the house) have been met.

Other Roles (varies by house)

In many houses, the A/R treasurer is responsible for filling out Security Deposit Accounting forms for departing members. These forms are due to the MCC office within 14 days of the member vacating the premises. If you are not the person responsible for filling out these forms, you will still need to provide the house-designated person with the information they need about the member's balance.

You may also be asked to complete Member Debt Reconciliation logs for members leaving with debt above the amount of their security deposit.

Some houses have their A/R treasurer designated as their Finance Committee representative. If you are the representative for your house, you should attend and participate in committee meetings. The Finance Officer of MCC can tell you more about the function of the committee.

Policies

Quite a few MCC policies govern your role as a house (accounts receivable) treasurer. You can reference them online at www.madisoncommunity.coop/policy-manual. The Member Debt and House Treasury policies are especially relevant. Additionally, your house may have its own policies that further inform your position. For example, some houses fine members who pay their rent late, or charge treasury fines to the house treasurer.

Questions?

If you have any questions, please contact Rek Kwawer, Member Services Coordinator, at 251-2667, services@madisoncommunity.coop, or 1202 Williamson St., Ste. 106 / Madison, WI 53703 or contact Kathy Parker, Finance Coordinator, regarding the house financial records section, security deposits forms and member debt reconciliation logs.

Billing Sheet Guidelines

Content

Each billing sheet should indicate the house to which it belongs, when it was printed, and the following current monthly information about each current, recent, or imminent member: first name, last name, room number, starting balance, rent charges, food charges, any credits, any fees, explanatory notes, amount due on the 1st of the month, amount paid by the 5th of the month, debt on the 5th of the month, status code, amount paid after the 5th of the month, and debt on the final day of the month. There may be additional information you wish to include in each billing sheet

—just be careful to not create a billing sheet that can't be readably printed on a single page.

Format

- There is an electronic billing sheet attached to this guide, which you should modify with your house's name and members. This sample sheet demonstrates the formatting that your billing sheet must follow.
- Turn in your billing sheet in Microsoft Excel format (do not send it as a PDF or Google Doc) and have a file name that includes the relevant house name and contract year.
- Use a **different worksheet** for each month, and name each tab with the month and the year.
- **List members in alphabetical order by last name.** Each member should have their own row on the billing sheet, even if two members are sharing a room.
- Make sure that negative numbers are indicated by the minus sign -\$5.20 or parentheses (\$5.20).

Rooms

Because the Member Services Coordinator needs to cross-reference contract records with billing sheet data, remember to have a specific column on each month's billing sheet that indicates the room or rooms that each member is residing in for that month. If a member is switching rooms mid-month, indicate both room numbers, separated by a slash.

Billing Sheet Status Codes

MADM (Maintaining an Allowable Debt for a Member)

Use this code for members whose debts are within the allowable range (\$50 or less) and who are not on payment plans. It would be a perfect world if all members had this status at all times. The Member Services Coordinator will not send termination notices to people based on this status.

EADM (Exceeding the Allowable Debt for Members)

Use this code for members whose debts exceed the allowable level (\$50) and who are not on payment plans or who haven't proposed payment plans. The Member Services Coordinator will send termination notices to people based on this status.

FSPP (Following a Standard Payment Plan)

Use this code for members who are meeting the terms of standard payment plans. Remember, standard payment plans must meet specific criteria, and are only in effect once they have been approved by the House. The Member Services Coordinator will not send termination notices to people based on this status.

FEPP (*Following an Exceptional Payment Plan*)

Use this code for members who are meeting the terms of an exceptional payment plan. Remember, exceptional payment plans must meet specific criteria, and are only in effect once they have been approved by the House and by the Individual Issues Committee. The Member Services Coordinator will not send termination notices to people based on this status.

PSPP (*Proposing a Standard Payment Plan*)

Use this code for members whose debts exceed the allowable level (\$50-\$800) and who are not on payment plans, but have proposed standard payment plans to the House and the House has not yet made a decision about the proposed payment plans. The Member Services Coordinator will not send termination notices to people based on this status, unless the House refuses to approve payment plans for the people in question. These plans **MUST** be included as part of the Member Debt Report.

PEPP (*Proposing an Exceptional Payment Plan*)

Use this code for members whose debts exceed the allowable level (\$800-\$1600) and who are not on payment plans, but have proposed exceptional payment plans to the House and the Individual Issues Committee, and the House and the Individual Issues Committee have not yet made a decision about the proposed payment plans. The Member Services Coordinator will not send termination notices to people based on this status, unless the House or the Individual Issues Committee refuse to approve payment plans for the people in question. These plans **MUST** be included as part of the Member Debt Report

DSPP (*Defaulting on a Standard Payment Plan*)

Use this code for members who have defaulted on standard payment plans and have not yet cured the termination notices they received for defaulting. Keep in mind that the Member Services Coordinator is to be immediately notified if members who have payment plans default. The Member Services Coordinator will send termination notices to people based on this status.

DEPP (*Defaulting on an Exceptional Payment Plan*)

Use this code for members who have defaulted on exceptional payment plans and have not yet cured the termination notices they received for defaulting. Keep in mind that the Member Services Coordinator is to be immediately notified if members who have payment plans default. The Member Services Coordinator will send termination notices to people based on this status.

ROMP (*Residing Outside of MCC Properties*)

Use this code for food co-ops, members who have already moved out, and members who have not yet moved in. During August, use this code for all new members whose contracts begin mid-month. The Member Services Coordinator will **not** send termination notices to people based on this status.

MEMBER DEBT EXPLANATION

Charges are due the first day of the billing month.

Your payment is due directly to your co-op house, and your house may have policies about what payment methods are acceptable. Your house accounts receivable (A/R) treasurer will post a "billing sheet" before the 1st of the month, which will tell you how much you owe.

If you can't pay your rent on the 1st of the month, you can submit a **payment plan**, which acts in place of your rent. This payment plan must be written on the MCC payment plan form (and comply with all MCC payment plan policies), and must be turned in to your house A/R treasurer by the 1st.

There are 2 things that must happen for your payment plan to be accepted (these can happen in any order):

1) Your house must approve it.

2) Your house A/R treasurer must submit it to the Member Services Coordinator with the monthly "Member Debt Report" that they submit. If you aren't sure if your house A/R treasurer will do this, you should submit a copy to the MSC at the office.

There is a "grace period" until the fifth of the month for you to submit either your payment or your payment plan. (Note: Some houses do impose late fees for payments or payment plans received after the 1st of the month)

On the 7th of the month, your house A/R treasurer must submit a "Member Debt Report" (MDR) to the Member Services Coordinator (MSC). Your house is fined for each day this report is late. The MDR has 3 components:

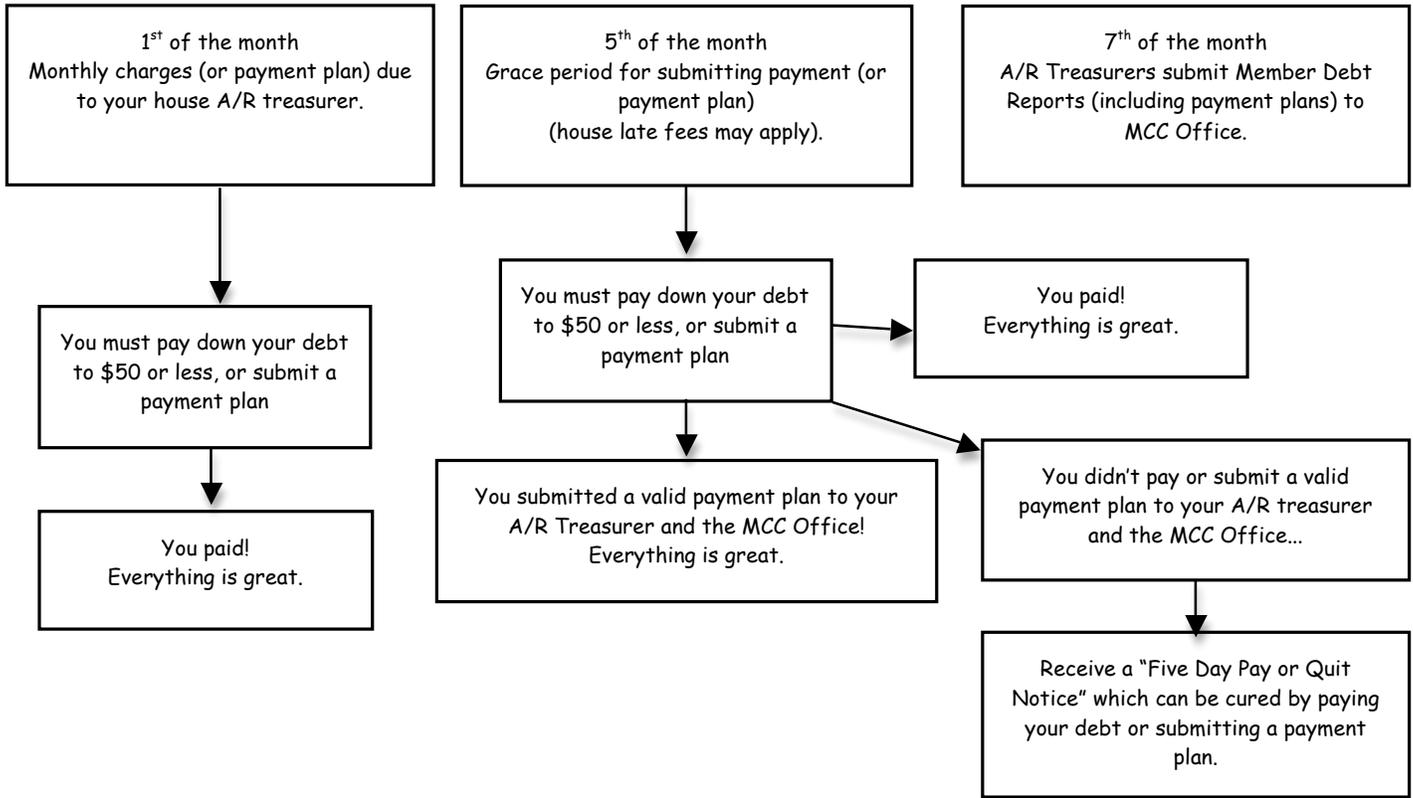
- 1) The billing sheet for the month, showing how much everyone paid by the 5th, and indicating whether people have allowable debt, exceed allowable debt, have proposed payment plans, or are following payment plans.
- 2) Copies of every payment plan that is being proposed (even if the house hasn't approved it), and
- 3) An update on the progress of everyone who is currently on a payment plan.

When the MSC receives the Member Debt Reports, they look at the billing sheet and at the payment plans. If a member has more than \$50 in debt and does not have a payment plan submitted to the MCC office, the MSC will issue a "5-Day Notice".

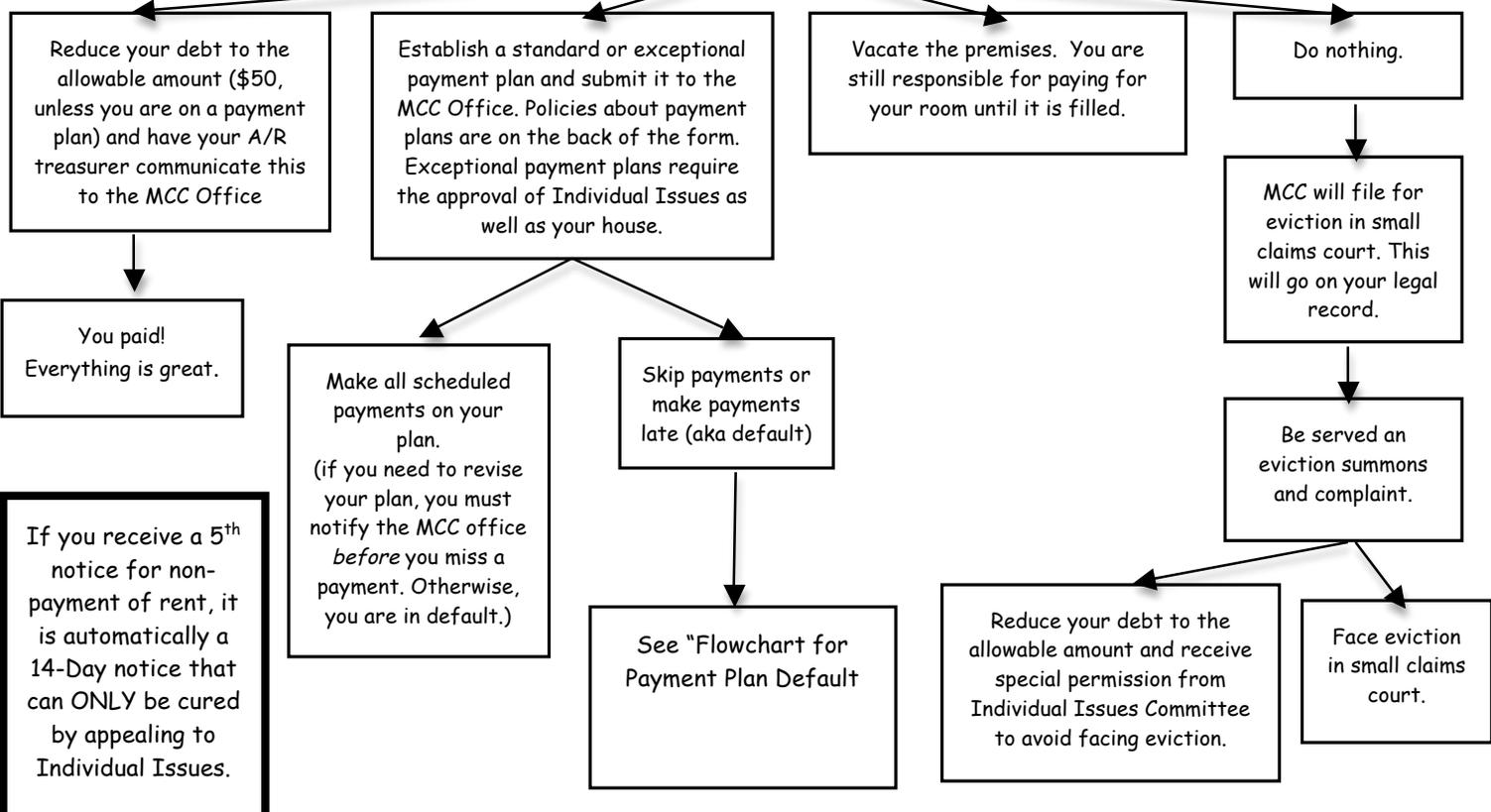
The 5-Day Notice is "curable" which means that if you pay, or submit a payment plan, within 5 days, the notice is cured and you will not be evicted. If you do not cure the notice, then you face eviction.

The exception to this is that if you receive FIVE of these notices in 12 months, you get a "14-Day Notice" which is NOT curable, unless you appeal to Individual Issues.

MEMBER DEBT FLOWCHART



If you receive a "Five Day Pay or Quit Notice", you have 5 days to "cure" the notice.



FLOWCHART FOR PAYMENT PLAN DEFAULT

