

## ACCOUNT POLICY

An account policy for a civil interior and exterior project typically refers to the set of financial guidelines and procedures that govern how accounts, billing, payments, and financial management are handled throughout the project. Below are some key components that such an account policy might include:

### 1. Payment Terms

- **Upfront Deposit:** Specify the percentage of the total project cost that is required as an upfront deposit before work begins (typically 10%-30%).
- **Milestone Payments:** Define specific milestones for the project where payments will be due, such as after the completion of site preparation, structural work, interior finishes, etc.
- **Final Payment:** The balance due upon the final completion of the project, ensuring all work has been inspected and approved.

### 2. Invoicing

- **Frequency of Invoices:** Establish how often invoices will be issued (e.g., weekly, bi-weekly, or per milestone).
- **Invoice Content:** Ensure each invoice clearly outlines the work completed, labor, materials used, and any additional charges for changes or unforeseen issues.
- **Due Dates:** Clearly state due dates for invoices (typically 15 to 30 days after receipt).

### 3. Late Fees and Penalties

- **Late Payment Penalties:** Specify any penalties for overdue payments (e.g., a percentage of the overdue amount per month).
- **Grace Period:** Define the length of any grace period before late fees are applied (e.g., 10-15 days).

### 4. Change Orders and Additional Work

- **Approval Process for Changes:** Outline the process for approving changes in scope (e.g., both parties must sign off on additional work and associated costs).
- **Cost of Changes:** Define how changes in scope will be priced (e.g., hourly rates, fixed cost for specific tasks) and incorporated into the overall billing.

### 5. Refund and Dispute Resolution

- **Refund Policy:** Define the conditions under which refunds might be issued (e.g., for substandard work or failure to meet project requirements).
- **Dispute Resolution Process:** Detail the steps to take in case of disputes (e.g., mediation, arbitration, or legal action).

### 6. Budget Management

- **Initial Budget Estimates:** Provide clear guidelines for the estimated budget for the project, with provisions for possible contingencies.
- **Budget Overruns:** Specify how overages will be handled and what approvals are needed if the project budget is exceeded.

## 7. Progress Tracking and Reports

- **Progress Reports:** Ensure regular reporting on project progress, which can be tied to payment milestones.
- **Financial Transparency:** Track and provide clarity on all expenses, including labor, materials, equipment, and subcontractors.

## 8. Termination Clause

- **Cancellation or Termination:** Outline the terms under which either party can cancel or terminate the contract, including any penalties for early termination or non-completion.
- **Outstanding Payments:** Specify any outstanding payments due in case of contract termination.

## 9. Security and Insurance

- **Insurance Coverage:** Ensure the company has adequate insurance (e.g., liability, worker's compensation) to cover potential damages or accidents.
- **Lien Waivers:** Ensure that lien waivers are provided to clients to avoid claims of unpaid work or materials from contractors and suppliers.

## 10. Tax Compliance

- **Taxation:** Include information about how taxes are handled for the project, ensuring compliance with local tax regulations (e.g., sales tax, VAT, etc.).
- **Tax Documentation:** Provide tax documentation (such as tax invoices or receipts) upon request from the client.