



SUBJECT: Collection and Write-off of Accounts Receivable	CATEGORY: Finance	NO. 402
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PREAMBLE

This policy sets out the parameters to properly account for, report and manage the write-offs and collection of SIAS accounts receivables.

APPLICATION

This policy applies to:

- All SIAS personnel charged with the administration and collection of accounts receivable.
- All debtors with amounts posted as Banner accounts receivable records.
- All private counsel or private collection agencies employed by SIAS for the purpose of debt collection.

POLICY

SIAS will apply appropriate and consistent collection of delinquent accounts receivable and will ensure all accounts receivables are properly valued through a regular review of accounts. Allowances for doubtful accounts will be established after one year and accounts receivable will be written off after they are two years old.

DEFINITIONS

“Debtor” means an individual or company who owes a debt and has a legal duty to pay it; contrasts with “creditor”

“Delinquent Accounts Receivable” means an accounts receivable which remains uncollected past the due date.

“Allowance for Doubtful Accounts” is a contra-asset account that records the portion of an organization’s accounts receivable which it expects may not be collected. Allowances for Doubtful Accounts are recorded after one year and are deducted from accounts receivable on the balance sheet to arrive at net receivables.

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“Write-off” means to eliminate the recorded amount of an accounts receivable asset for reasons of non-payment. “Write-offs” are recorded after two years to recognize the reduced or zero value of the accounts receivable asset.

PROCEDURES

Applicable SIAST employees have the responsibility to read and follow all related policies and documents to ensure collection and write-off procedures are conducted in accordance with this policy. Related procedures will be posted on mySIAST.

RELATED POLICIES/DOCUMENTS

SIAST Accounts Receivable Collection Procedures

Management Authorities Grid policy #504-G

Tuition and Fees policy #1214-G

Code of Conduct Policy #703

Confidentiality of Personal Information and Records of Applicants and Students policy #1204

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