

Number:	FIN-314
Title:	Accounts Receivable Management
Person responsible for enforcement:	Vice-Rector, Administration
Entered into force:	April 25, 2018
Approved:	April 25, 2018 by the Board of Governors <i>This document replaces all previous regulations on this subject.</i>
Exception:	No exception to this regulation without prior written authorization from the Board of Governors

In this document, the masculine form is used without prejudice and for conciseness purposes only.

1. Objective

Ensure efficient and effective administrative steps related to the collection of revenues through management of financial resources in order to minimize provisions for bad debts and avoid the risks for loss.

2. Definitions

2.1 Customer

The person or organization transacting with the University.

2.2 Accounts receivable

The accounts receivable by Saint Paul University.

2.3 Provision

An accounting measure which applies mainly to bad debts. The provision does not relieve the customer of the payment obligation and does not radiate the debt.

3. Rules

This regulation applies to all customers who received a service or acquired property from the University as well as to the University's service providers. It establishes a framework to regulate business transactions made on credit with a client.

4. Accounts receivable management

In all instances where a service is provided to an external client for the purpose of generating income, the following process is required:

- 4.1 The University service completing the sale of services or material submits a billing request to Financial Services with supporting documents.
- 4.2 Financial Services will register the invoice and send the original to the customer.
- 4.3 Financial Services sends a statement of account for unpaid bills over 30 days to the customer.

4.4 Financial Services begins the accounts receivable process:

- second statement of account
- contact with customer
- letter referencing obligation to pay

4.5 Financial Services then proceeds with the provision of accounts receivable once a year as follows:

- more than 180 days – 50%
- more than 365 days – 100%

4.6 Once a year, Financial Services prepares a proposal to write-off accounts receivable of more than two years, for approval by the Board of Governors.