

Policy Number: UFCD, Finance, 4.10
Effective Date: March 2018
Last Revised Date: March 2022
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Policy/Guideline Custodian: Executive Director
Category: Finance

Title

Routine Write-off of Accounts at Collections

Policy

Policy Statement

By the end of each fiscal year, the Finance audit team will make an entry in the MIP Sage accounting system to reflect the write off of all accounts at collections over 2.5 years old to Bad Debt. This will eliminate uncollectible, aged Accounts Receivable (A/R) on the financial statements. Accounts will be held open at the collection agency in the unlikely event that charges are collected from a patient, but will be written off to bad debt on the financial statements if they are over 2.5 years old. This will be performed routinely on an annual basis beginning in FY18.

Purpose

Writing off aged accounts (over 2.5 years old) at collections on the financial statements through an entry in the accounting system will present a more realistic estimate of collectible A/R and more accurately state this asset on Faculty Associates, Inc.'s financial statements.

Contact Information

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Important Dates

- Original Effective Date: March 2018, Approver: Dr. A. Isabel Garcia, Dean
- Reviewed: March 2022 , Approver: Dr. A. Isabel Garcia, Dean