

Charleston Research Institute Policy Memorandum

Title: Accounts Receivable Management Policy
Reviewed by: Board of Directors
Implementation Date: 11/14/16
Revision Date: 02/14/2020
Next Scheduled Review Date: 02/14/2023
Approval: R. Amanda C. LaRue, Ph.D., Chairperson

Policy Statement:

Accounts receivable will be monitored, and collection efforts will be initiated for overdue accounts.

Background:

Proper management and oversight are critical functions of accounts receivable.

Guidelines:

On a monthly basis, a detailed accounts receivable report (showing aged, outstanding invoices by customer) is reviewed. If necessary, follow up and collection actions will be taken on outstanding or incorrect receivables.

CRI prepares invoices for sponsors and other funding sources on a monthly basis. If more than 30 days passed the agreed payment date have elapsed, contact will be made requesting payment or documentation that payment has already been made.

From time to time, credits against accounts receivable from transactions other than payments will occur. Examples of other credits include corrections to invoices. The credit modification or correction must be authorized by the Executive Director or financial manager designated by the Executive Committee.

Invoices written off that are dated prior to the current year will be written off in the current fiscal year.