

Charleston Research Institute Policy Memorandum

Title: Accounts Receivable Management Policy
Reviewed by: Board of Directors
Implementation Date: 11/14/16
Next Scheduled Review Date: 11/14/2019
Approval: 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 prepared by the bookkeeper and reviewed by the Executive Director. If necessary, follow up and collection actions will be taken on outstanding or incorrect receivables.

Collection efforts are performed on a monthly basis, using an accounts receivable aging report which details accounts receivable and number of days outstanding.

CRI prepares invoices for sponsors and other funding sources on a monthly basis. If 60 days have elapsed without payment, and the delay has not been previously agreed to between the sponsor and CRI, 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 ED.

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