

DOUBTFUL ACCOUNTS RECEIVABLE - STUDENT

Section: Finance (FN)

Subject: Accounts Receivable

Legislation:

Effective: March 12, 2004

Revision: May 20, 2004, June 4, 2007; September 1, 2016 (reformatted); November 21, 2018

APPROVED: _____
President and CEO

POLICY

The policy of the Board of Governors is to have SAIT's Finance department complete a credit assessment for all customers and provide for doubtful accounts receivable.

PROCEDURE**PROCEDURE**

The Finance department will provide for doubtful accounts related to student accounts receivable as follows:

1. For accounts that are not collected within 30 days of the due date for payment, 50% of the outstanding balance will be provided.
2. For accounts that continue to remain uncollected at 60 days from the due date for payment, the remaining 50% of the outstanding balance will be provided.
3. Exceptions to paragraphs 1 and 2 of this procedure may be made for accounts receiving third party funding (student loans, Skills Development Grants, etc.) payable directly to SAIT.
4. Accounts not collected within 180 days of the due date will be sent to an external collection agency. Authorization of both the CFO and vice president, corporate services

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and the vice president, academic (or their designates) is required for accounts over 180 days past due to be withheld from the external collection process.

5. Account write-offs must be approved by the associate vice president, finance in accordance with SAIT's signing authority. Any write-offs in excess of the associate vice president's signing authority must be approved by the CFO and vice president, corporate services. Finance will notify the dean/director of the school/department of the account write-off.
6. Transcripts of grades or parchments will not be provided to students who owe outstanding amounts.
7. For students in programs supported by government grants, the provisions will be charged to Finance.
8. For students in programs not supported by government grants, the provisions will be charged to the school/department recording the tuition and material fee revenue.
9. Notwithstanding paragraphs 7 and 8 of this procedure, where exceptions to SAIT procedures have been made which subsequently result in an uncollectible student account, the school/department recording the revenue will be charged for the bad debt according to paragraphs 1 and 2 of this procedure.
10. Where provisions have been made and accounts are subsequently collected, the amount collected will be credited back to the school/department originally charged.
11. Finance will annually analyze tuition and material fee billings and collections and provide a report to Management Council.

POLICY/PROCEDURE REFERENCE

- FN.13.1 Accounts Receivable policy
- FN.13.1.1 Credit Assessment procedure
- FN.13.1.2 Doubtful Accounts Receivable – Corporate procedure

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