



Accounts Receivable Policy

1. Purpose

The purpose of this policy is to provide a framework for monitoring, reporting and managing the Accounts Receivable and debt collection functions.

2. Scope

This Policy covers both the student and non-student customers and receivables.

This Policy also covers the appropriate establishment of customer relationships and the subsequent oversight and management of debt collection to ensure:

- all debts owed to Unitec are paid by the due date and debts in arrears are followed up within specified timeframes
- all non-student customers agree to Unitec's terms of trade
- all adjustments to amounts invoiced are appropriately authorised
- there is regular independent review of outstanding debtors and debtors aging
- appropriate internal controls are implemented for all debt management practices and procedures.

3. Policy Statement

- 3.1 Unitec may defer forwarding an overdue debt to the collection agency for up to 12 months if there is indication that doing so would improve the chances of collection. This is subject to approval by the Finance Administration Manager for amounts up to \$1,000 and by the Executive Director - Finance for amounts more than \$1,000.
- 3.2 A repayment plan to pay overdue debts may be agreed upon between the debtor and Finance (for non-student debts) or Student Finance (for student debts).
- 3.3 All debt write-offs are to be authorised in line with the Delegated Financial Authorities Schedule
- 3.4 Debts which have been authorised to be written off, should be clearly noted so that future enrolments (for students) or goods and services are not rendered (for non-student debtors) until the original debt is repaid
- 3.5 Segregation of duties must be established and clearly defined to ensure that no employee has complete control over a single area of activity. These areas are outlined in Section 4 Segregation of Duties in the Accounts Receivable Procedures.
- 3.6 Regular reporting and monitoring of both student and non-student debts and overdues must be provided monthly to the Financial Administration Manager and Executive Leadership Team and annually to the Executive Leadership Team (refer

to Section 5.4 Authorisation and Reporting in the Accounts Receivable Procedures)

- 3.7 Once the supply of goods or services by Unitec have been initiated or students enrolled, they must be invoiced immediately by Finance, Facilities Management, Copy Centre or the Operations Enrolment Processing teams respectively.
- 3.8 Invoices and credit notes are raised only from authorised invoice or credit note requisition forms for non-student debtors
- 3.9 Accounts Receivable functions require approval by staff who have appropriate Delegated Financial Authority approved by the Chief Executive. (refer 5.1 Accounts Receivable Procedures)

4. Responsibilities

Role	Responsibilities
Executive Director - Finance	Policy sponsor Authorises credit notes between \$1,001 to \$50,000 Authorises debt write-offs as per the Delegation Financial Authorities Schedule
Finance Administration Manager	Policy owner Authorises credit notes up to \$1,000 Authorises debt write offs as per the Delegation Financial Authorities Schedule Reviews monthly debtor aging reports Monitors progress on collecting outstanding debts
Head of School (HoS) Executive Dean Executive Director	Authorises the non-student invoice requisition form Authorises the non-student credit note requisition form Authorises the internal requisition form for student debtors
Student Finance staff	Manage student debts
Finance, Facilities Management and Copy Centre staff	Manage non-student debts
Unitec staff	Comply with this policy

5. Reference Documents

5.1 Compliance with Unitec policies

This policy will be conducted in accordance with Unitec's policies listed (but not limit to) those below:

- Tuition Fees Policy
- Admissions, Enrolment and Fees Policy
- Delegations Financial Authorities Schedule

6. Document Management and Control Details

6.1 Document Details

Version:	2.0	Issue Date this Version:	February 2019
This Version Approved by:	Executive Leadership Team	Date of Approval:	February 2019
Document Owner:	Finance Administration Manager	Document Sponsor:	Executive Director - Finance
Date of Next Review:	February 2021		
Date first version issued:	2009	Original Approval Body:	Finance Committee of Council

6.2 Amendment History

Version	Issue Date	Reason for Revision	Approved by
1	2009	New policy	Finance Committee of Council
2	2015	Review and addition of internal audit's recommendation	Executive Leadership Team
3	2016	Policy updated	Executive Leadership Team
4	2019	Policy updated	Executive Leadership Team