

<b>FLORIDA</b>	<b>OFFICIAL</b>
<b>POLYTECHNIC</b>	<b>UNIVERSITY</b>
<b>UNIVERSITY</b>	<b>POLICY</b>

<b>Subject/Title:</b> Uncollectible Accounts Write-Off
<b>FPU Policy Number:</b> FPU-7.0014P
<input checked="" type="checkbox"/> New Policy <input type="checkbox"/> Major Revision of Policy <input type="checkbox"/> Minor Technical Revision of Policy
<b>Date First Adopted:</b> April 12, 2017
<b>Date Revised:</b>
<b>Responsible Division/Department:</b> Finance & Accounting Department
<b>Initiating Authority:</b> Mark Mroczkowski, Vice President and Chief Financial Officer

**A. APPLICABILITY/ACCOUNTABILITY:**

This policy applies to all individuals and entities who have delinquent accounts with the University and to the employees who invoice for goods or services sold, process payments and collect those accounts.

**B. POLICY STATEMENT:**

The University will use due diligence to exert every effort in the collection of all delinquent account balances. All attempts to collect the account, including phone calls, letters, emails and, if the delinquent amount exceeds \$50.00 the use of an outside collection agency, should be exhausted before writing-off an accounts receivable item.

The President/designee may write-off or settle any uncollectible account owed to the University unless the account is owed by a current employee or current student.

Each year the Finance and Accounting Department will request the President/designee's approval to write-off such delinquent accounts receivable that it deems uncollectible. A write-off may not be executed until it is approved in writing by the President/designee.

**1. Write Off Requirements**

Requests to write-off delinquent account balances may be made only if the following conditions apply:

- a. If the account balance is less than \$50.00
  - i. The balance must be delinquent for eight months or more, and
  - ii. The debtor must not be a current employee or student of the University.
- b. If the account balance is greater than \$50.00 but less than \$100.00
  - i. The balance must be delinquent for a year or more and been returned from first placement with a collection agency, and
  - ii. The debtor must not be a current employee or student of the University.
- c. If the account balance is greater than \$100.00
  - i. The balance must be delinquent for three years or more and been returned from first and second placement with a collection agency, and
  - ii. The debtor must not be a current employee or student of the University.

**C. PROCEDURES:**

1. The Bursar submits requests to write-off uncollectible balances annually to the University Controller for approval.
2. Write-off requests approved by the Controller are submitted to the President/designee for approval to be written off.
3. Account balances that the President has approved for write-off will be charged to expense on the books of the University by the Finance and Accounting Department.
4. The Finance and Accounting Department will prepare and submit an annual report of all such write-offs to the President and the President/designee will present that report to the Board of Trustees.
5. Uncollectible accounts may be written off the University's financial accounting system and no longer recognized as collectible receivables for financial reporting purposes, but such action does not relieve the debtors of their legal obligation to pay the debt. If the write-off is related to a former student, a hold will remain on the account so that the former student cannot enroll in courses at the University or receive transcripts, grades or diplomas from the University until the account is paid in full.

<b>POLICY APPROVAL</b>	
Policy No.: FPU-7.0014P	
Initiating Authority	Date
Policies & Procedures Review Committee Chair	Date
President/Designee	Date
Approved by FPU BOT, if required	Date
 <b>EXECUTED SIGNATURE PAGES ARE AVAILABLE IN THE OFFICE OF THE GENERAL COUNSEL</b>	