Bad and Doubtful Debts Policy

Section 1 - Purpose

(1) The purpose of this Policy is to identify bad and doubtful debts and how these are treated by Charles Sturt University (the University).

Section 2 - Glossary

(2) Nil.

Section 3 - Policy

Part A - Bad Debts

(3) A debt should be "written off" when the debt is more than two years old, no payments have been received in that period, legal and other collection action has been exhausted and in the view of the Chief Financial Officer, there is no reasonable prospect monies owing will be collected. In those circumstances, the Vice-Chancellor shall recommend to the Finance Committee, in the period October to December each year, that the debt be written off and the action be reported to the Auditor General.

Part B - Doubtful Debts

(4) A "doubtful debt" shall be deemed to be a debt owing to the University for at least one year and, despite legal or other actions taken, no payments have been made to this University in that period. Where the Chief Financial Officer, has reasonable doubt that the monies wholly or in part will be collected, then the Executive Director shall report such monies owing to the Auditor General as a "doubtful debt". For the purposes of determining the value of "doubtful debts" for inclusion in the Annual Accounts of the University, the practice of calculating 5% of the total of all debtors of the University shall continue.

Section 4 - Procedures

(5) Nil.

Section 5 - Guidelines

(6) Nil.

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