

Finance - Outstanding General Debtors Policy

1. PREAMBLE

- 1.1. Charles Darwin University (CDU) is committed to the effective management and recovery of outstanding debts, whilst maintaining a fair, consistent and accountable approach to quality service. University Finance is responsible for debtor risk management. Outstanding debts will be reviewed on a regular basis by Accounts Receivable to determine the most appropriate debt recovery action in accordance with the Outstanding General Debtors Procedures, which outline the timely and efficient administration of outstanding general debtors.

2. PURPOSE

- 2.1. The document provides a consistent approach and standard to the University's debt management and collection decisions for outstanding general debtors.

3. SCOPE

- 3.1. This Policy applies to all organisational units and employees authorised with invoicing and recovery of outstanding debts.
- 3.2. This policy does not apply to student fee debtors (administered through Student Finance) which are processed via student enrolment rules.

4. POLICY

Principles

- 4.1. In order to minimise risk to the University, Finance will apply the following principles in the management and recovery of general debtors:
 - a. Operate an effective invoicing and debt collection process that is simple to administer and cost effective;
 - b. Minimise the amount of outstanding debt and recover monies owed in a timely and efficient manner;
 - c. Issue statements to debtors on a monthly basis;
 - d. Follow up on overdue accounts with phone calls to debtors;
 - e. Explain to the debtor the rights and obligations in relation to any action that the University may take to recover the outstanding monies; and
 - f. Ensure equity is applied to debtors.

Credit Terms

- 4.2. The University's standard credit arrangement with debtors is that payments are due within thirty days of the invoice date.

Record of Debt Recovery Action



4.3. The University will maintain full and accurate records of all recovery actions and communications with debtors of outstanding invoices.

External Debt Collection

4.4. The University may use an external debt collection agency to recover outstanding payments from debtors.

Doubtful Debts Provision and Bad Debt Write-Off

4.5. Accounting Services will provide for doubtful debts where the invoice is outstanding for more than 365 days. Accounting Services will exhaust all avenues for debt recovery prior to making recommendations for the debt to be written-off.

5. NON-COMPLIANCE

5.1. Non-compliance with Governance Documents is considered a breach of the [Staff Code of Conduct](#) or the [Student Code of Conduct](#), as applicable, and is treated seriously by the University. Reports of concerns about non-compliance will be managed in accordance with the applicable disciplinary procedures.

5.2. All staff members have an individual responsibility to raise any suspicion, allegation or report of fraud or corruption in accordance with the Fraud and Corruption Control Governance Framework, [Fraud and Corruption Control Policy](#) and [Whistleblower reporting \(Improper Conduct\) Procedures](#).

RELATED AND SUPPORTING DOCUMENTS

Legislation	Charles Darwin University Act 2003 Fees and Charges By-laws
Policy	Corporate Credit Card Policy Procurement Policy Outstanding Student Debtors Policy
Procedures	Outstanding General Debtors Procedures Corporate Credit Card Procedures Outstanding Student Debtors Procedures Procurement Procedures
Definitions	CDU Glossary

GOVERNANCE

Responsible Executive	Chief Financial Officer
Implementation Officer	Senior Manager Business Advisory
Category	Management Policy
Approving authority	Vice-Chancellor
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DOCUMENT HISTORY AND VERSION CONTROL

Version	Date Approved	Approved by	Brief Description
1.00	12 Jun 2013	Vice-Chancellor	<ul style="list-style-type: none">• Creation of original document and upload to CDU website.
1.01	15 Dec 2017	Governance	<ul style="list-style-type: none">• Conversion to new Governance template due to new University branding• Updated hyperlinks• Amended the Sponsor from Vice-Chancellor to Chief Financial Officer• Amended the Contact Officers Title from Director, Finance, Finance and Asset Services to Director of Finance
2.00	14 Oct 2021	Vice-Chancellor	<ul style="list-style-type: none">• Complete review of document