The University of Alabama Policy for Review and Oversight of Receivable Account Balances for Departments Maintaining a Receivable System Outside the UA Centralized Receivables System

The Office of Loans Receivable & Collections has authority to and oversight responsibility for reviewing the status of all University of Alabama Receivables. A Receivable is defined as a balance owed to a University Department or Division for which a contracted service has been performed or a product delivered and payment is not collected at the time of the delivery.

The purpose of this review is to ensure that:

- records are being appropriately maintained within the subsidiary receivables system and the University’s financial accounting records;
- receivables are being collected in a timely manner;
- delinquent collection activities are being adequately performed;
- continuation of services is warranted; and,
- departmentally recommended uncollectable accounts are justified.

The Associate Director of Loans Receivable & Collections has the authority to perform additional delinquent collection activities for the University of Alabama.

Accounts to be written off must be approved through Loans Receivable & Collections, the Director of Receivables & Collections and authorized by the Associate Vice President for Finance.

Each department maintaining an accounts receivable is required to submit a quarterly aging report (unless more frequent reports are deemed necessary by the Associate Director of Loans Receivable & Collections) as well as a copy of the department’s most recent monthly reconciliation of their account records (AR subsidiary) to the department’s receivables account on UA’s financial record to the Office of Loans Receivable & Collections. The Loans Receivable staff will review these reports and communicate with the department to determine what, if any, further actions may be needed on any delinquent accounts.

The Office of Loans Receivable & Collections is the only department that may contract with an outside collection agency to pursue additional collection measures against delinquent accounts. Accounts referred to Loans Receivable for additional collection measures should not be contacted by the home department and all communications received from the delinquent account should be referred to the Loans Receivable & Collections office.