Debtors Policy

Section 1 - Preamble

(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.

Section 2 - Purpose

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

Section 3 - Scope

(3) This Policy applies to all organisational units and employees authorised with invoicing and recovery of outstanding debts.

(4) This policy does not apply to student fee debtors (administered through Student Finance) which are processed via student enrolment rules.

Section 4 - Policy

Principles

(5) 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.
f. Ensure equity is applied to debtors.

Credit Terms

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

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Record of Debt Recovery Action

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

External Debt Collection

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

Doubtful Debts Provision and Bad Debt Write-Off

(9) 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.

Section 5 - Non-Compliance

(10) Non-compliance with Governance Documents is considered a breach of the Code of Conduct – Staff or the Code of Conduct – Students, 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 outlined in the Charles Darwin University and Union Enterprise Agreement 2022 and the Code of Conduct – Students.

(11) Complaints may be raised in accordance with the Code of Conduct – Staff and Code of Conduct - Students.

(12) 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 Policy and Whistleblower Reporting (Improper Conduct) Procedure.

Status and Details

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Responsible Executive	Bryce Dorrian Chief Financial Officer
Implementation Officer	Jennifer Desamito Associate Director Finance
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