

Debtors Policy

Section 1 - Preamble

(1) Charles Darwin University ('CDU', 'The University') is committed to the effective management and recovery of outstanding debts, whilst maintaining a fair, consistent and accountable approach to quality service. CDU 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 [Debtors Procedure](#), which outlines 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 in accordance with the [Student Debtors Policy](#) and [Student Debtors Procedure](#).

Section 4 - Policy

Principles

(5) In order to minimise risk to the University, CDU 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

(6) 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

(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) Finance 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 - Employees](#) 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 2025](#) and the [Code of Conduct – Students](#).

(11) Complaints may be raised in accordance with the [Complaints and Grievance Policy and Procedure - Employees](#) and [Complaints Policy - Students](#).

(12) All employees 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

Status	Current
Effective Date	15th April 2025
Review Date	15th April 2028
Approval Authority	Vice-Chancellor
Approval Date	15th April 2025
Expiry Date	Not Applicable
Responsible Executive	Rick Davies Vice-President Corporate and Chief Financial Officer
Implementation Officer	Monique Renz Associate Director Finance
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