

**LOKER UNIVERSITY STUDENT UNION, INC.
COLLECTION AND BAD DEBT POLICY**

The Loker University Student Union shall ensure the prompt collection of receivables. An aging report shall be reviewed on a monthly basis to identify past due accounts. Accounts that are past due 120 days or more shall be evaluated to determine if the receivables will be turned over to collections. Receivables sent to collection that are past due 300 days or more (after 180 days in collection) shall be deemed uncollectible.

Receivables deemed uncollectible shall be identified as bad debt. Bad debt shall be recorded in an allowance for doubtful accounts on a quarterly basis. Receivables identified as bad debt and not collected by fiscal year end shall be written off with approval by the Director.

Reserves for allowance of doubtful accounts shall be established during the budget development process.

Receivables to be sent to collection shall exclude accounts for which the cost of collection exceeds the expected revenue.

Exceptions may be granted by the Director or his/her designee.