

GFOA Alberta Accounts Receivable Write-Off Policy

● A/R Policy 3.3.6 2023-2024

Accounts receivables are claims for money that are established by invoice or contract/agreement. These are created as assets of GFOA Alberta and recognized as revenue earned.

In this policy a write off is a request to remove any uncollectible revenue that is at least 1 year old and reclassified as a bad debt. Bad debts represent accounts receivables that will not be collected after all reasonable attempts to collect it have been exhausted. These bad debts may include but not limited to disputed or erroneous bills and account balances for which entities are not able or are unwilling to pay.

The Executive Director is responsible to ensure that this policy is followed.

The aged accounts receivables report will be reviewed by staff at regular monthly Administration meetings. Attempts shall be made to contact entities that have outstanding accounts with GFOA Alberta after 30 days. Another attempt at collection shall be made at or before 60 days outstanding. Contact will also be made at 90 days outstanding, after which accounts will be moved to bad debts, follow-up will continue as necessary to collect debts.

After outstanding for 1 year and after attempts at collection, the Executive Director shall recommend to the Board of Directors to write off the bad debts.