

UNIVERSITY OF MANITOBA POLICY

| | |
|---------------------------------------|---|
| Policy: | INVOICING AND COLLECTION |
| Effective Date: | August 12, 2008 |
| Revised Date: | March 18, 2014 |
| Review Date: | March 18, 2024 |
| Approving Body: | President |
| Authority: | |
| Responsible Executive Officer: | President, delegated to the Vice-President (Administration) |
| Delegate: | Comptroller |
| Contact: | Comptroller |
| Application: | Employees |

Part I Reason for Policy

- 1.1 To establish invoicing and collection practices for effective and timely revenue recognition and collection of credit granted resulting from sales of goods and services to external parties.

Part II Policy Content

- 2.1 This Policy applies to all credit sales over \$50 except for the following:
- (a) Tuition and related fees assessed by the Registrar's Office through the Aurora Student System;
 - (b) Non-degree tuition amounts assessed and billed by Extended Education;
 - (c) Retail sales units utilizing a separate accounts receivable system (e.g. Book Store, Pharmacy);
 - (d) Research and capital contracts and grants; and

- (e) Cash receipted transactions where payment is accepted at the time the transaction is initiated and recorded on a Financial Services' approved receipt form in accordance with the Cash Control Policy.
- 2.2 This Policy does not apply to inter-departmental charges.
- 2.3 The Faculty or Unit initiating a credit sale to an external party is responsible for determining the credit risk and is responsible for the subsequent costs of collection activities and any uncollected amounts. The Comptroller has the authority to limit or restrict the amount of credit granted to any customer or group of customers.
- 2.4 Financial Services is responsible for administering the external invoice system that is to be used to generate, track, and record invoices and other transactions related to credit sales.
- 2.5 Financial Services is responsible for opening customer accounts based on recommendations from Faculties and Units.
- 2.6 The Faculty or Unit initiating a credit sale is responsible for entering the sale transaction in the invoicing system and ensuring that an appropriate University of Manitoba invoice is created and issued to the customer. The Faculty or Unit initiating credit sales is responsible for ensuring that all their credit sales are recorded in a timely manner when product is sold or service is provided.
- 2.7 Financial Services is responsible for assisting the Faculty or Unit with collection of old accounts receivable.

Part III Accountability

- 3.1 The Office of Legal Counsel is responsible for advising the Vice-President (Administration) that a formal review of this Policy is required.
- 3.2 The Comptroller is responsible for the implementation, administration and review of this Policy.
- 3.3 All University staff is/are responsible for complying with this Policy.

Part IV Authority to Approve Procedures

- 4.1 The Vice-President (Administration) may approve Procedures, if applicable, which are secondary to and comply with this Policy.

Part V Review

- 5.1 Governing Document reviews shall be conducted every ten (10) years. The next scheduled review date for this Policy is March 18, 2024.
- 5.2 In the interim, this Policy may be revised or repealed if:
- (a) the Vice-President (Administration) or the Approving Body deems it necessary or desirable to do so;
 - (b) the Policy is no longer legislatively or statutorily compliant; and/or
 - (c) the Policy is now in conflict with another Governing Document.
- 5.3 If this Policy is revised or repealed all Secondary Documents, if applicable, shall be reviewed as soon as possible in order that they:
- (a) comply with the revised Policy; or
 - (b) are in turn repealed.

Part VI Effect on Previous Statements

- 6.1 This Policy supersedes all of the following:
- (a) all previous Board of Governors/Senate Governing Documents on the subject matter contained herein; and
 - (b) all previous Administration Governing Documents on the subject matter contained herein.

Part VII Cross References

- 7.1 This Policy should be cross referenced to the following relevant Governing Documents, legislation and/or forms:
- (a) [Invoicing and Collection Procedure](#); and
 - (b) [Cash Control Policy](#).