Procedure/Process Title:	Invoice Receivables		
Summary:	Departments that provide goods or services must either collect payment at the time the goods are delivered or services provided, or issue an invoice for payment. Departments may choose to process their own invoices and payments or they may use the services of Invoice Receivables which is part of the Student Fiscal Services Office.		
Updated:	2/9/09		
Department:	Student Fiscal Services/ Invoice Receivables		
Email Address:	invoices@u.washington.edu	Telephone:	206-543-7560

Immediate payment provides the University substantial savings related to costs for preparing, mailing and recording invoices, and recording payments, reconciling accounts and follow up on collection of unpaid invoices. Generally, amounts under $10 should be collected in advance and not billed.

At the end of fiscal year, departments that do not use SFS Invoice Receivables must submit a copy of their June 30th Aging Invoice Receivables report and write offs to Financial Accounting (accountg@u.washington.edu, 206-221-7845, Box 351120).

Contact Information & Address

Invoice Receivables is a unit within the Student Fiscal Services Office. It is located in room 530 Schmitz Hall. As staff shares responsibilities, we prefer that you use our shared phone number and email address, rather than contacting staff at their personal phone number or email. This will allow us to serve you more efficiently.

Phone	Fax	Email
206-543-7560	206-543-3775	invoices@u.washington.edu

Invoice Receivables has a separate mailing address for customers making invoice payments by check. Please be sure to use this mailing address on any invoice forms your department creates. Using the campus address will delay the processing of payments. The regular UW campus box number should be used for all copies of invoices, adjustments, cancellations or correspondence.

Invoice Copies & Correspondence	Invoice Payments - Checks Only

UW Invoice Receivables Box 355872 Seattle, WA 98195-5872	University of Washington Invoice Receivables PO Box 94224 Seattle, WA 98124-6524

Departmental Responsibilities

Create Invoices for Customers

Departments may use the preprinted invoice form (UoW 1531) or develop their own invoice form that includes all required information. 1531 forms may be requested by email at invoices@u.washington.edu. Please provide the department's name, contact name and phone number, budget number, box number, and quantity of forms needed.

If you would like to create a custom form, you may either design your own format or use one of our templates (word or excel format). All custom forms **must** be reviewed by Invoice Receivables (IR) before a department begins issuing them.

Invoices are numbered consecutively and should be used in numerical order. If you are using custom forms, you will need to be assigned a unique block of numbers. It is important that you use the assigned numbers as all invoices must have a unique number. Please contact IR to be assigned your numbers if you are not using the standard UoW 1531 form.

- Instructions for Filling out Preprinted Invoice Forms
- Word template for custom invoice -- *control + click to follow link*
- Excel template for custom invoice
- Elements to include on custom invoice forms

Distribute Invoice Copies

UoW Form 1531 - 4 part form

1. Mail original copy (white) and remittance copy (pink) to customer
2. **Always send a paper copy or file to Invoice Receivables, Box 355872 the same day the original is sent to the customer**.
3. Retain departmental copy (green) and supporting documents for your files

Department designed form

1. Mail original to customer
2. **Always send a paper copy or file to Invoice Receivables, Box 355872 the same day the original is sent to the customers**
3. Retain a file or copy for your records including any supporting documents regarding the charges

File Submission

Departments using custom forms may choose to send a text file as an email attachment rather than paper copies of invoices. If your department is using a database to generate and track invoices and are interested in sending a file rather than paper invoice copies, please contact Invoice Receivables.

Invoices submitted by file are limited to ONE budget number and tax per invoice. If your invoices have multiple budgets per invoice, you will need to submit them by paper.

The file will need to be a comma delimited file. The file should be submitted to Invoice Receivables the same day the original invoice(s) is sent to customers. You must send a test file before changing from paper copies to electronic copies of invoices.

File Layout Specifications

Notify Invoice Receivables of Payments, Adjustments or Cancellations

Payments

If your department receives payment directly from the customer, prepare a Cash Transmittal form and send copy of that CT to Invoice Receivables, Box 355872. The following information must be included in your CT in addition to your budget number and revenue code:

- Invoice number
- Invoice date
- Invoice amount
- Customer name (Business name or individual)

If your department receives a credit card payment, notify Invoice Receivables by sending an email to invoices@u.washington.edu. In your email, please include the following information:

- Invoice number
- Invoice date
- Invoice amount
- Date of payment

Adjustments to Unpaid Invoices

Invoices may be adjusted or corrected if the amount owed needs to be modified or the customer information needs updating. A new budget number may not be added to an outstanding invoice. A budget number may only be changed by cancelling the invoice and issuing a new one.

To adjust the amount of an unpaid invoice, send an email notification to invoices@u.washington.edu. The following information must be included in your email:

- invoice number
- date of adjustment
- customer name (Business name or individual)
- budget number
- amount of adjustment
- new total after the adjustment
- the reason for the adjustment
- the department contact's name and phone number

Cancelling an Invoice

Invoices may be cancelled by sending notification to Invoice Receivables. Some reasons for cancelling invoices include: the invoice was issued in error, the invoice needs to be reissued due to a change in the budget number or the department is no longer owed the money.

To cancel an unpaid invoice, send an email notification to invoices@u.washington.edu. The following information must be included in your email:

- invoice number
- budget number
- customer name (Business name or individual)
- dollar amount to cancel
- reason for cancellation
- the department contact's name and phone number

Invoice Receivables Responsibilities

Input New Invoices

It is important that the invoice copies are legible so the invoice information is entered correctly into the IR database.

Apply Payments, Adjustments and Cancellations

Checks should be made payable to the University of Washington. Payments should be mailed directly to Invoice Receivables at:

UW Invoice Receivables
PO Box 94224
Seattle, WA 98124

Departments receiving payments for invoices should send the envelope and contents directly to Invoice Receivables, Box 355872.

Electronic payments (wire payments, vendor express) are transferred directly in the Invoice Receivables bank account. A report is downloaded from the bank and the payments are recorded in the invoice system. All electronic payments require a corresponding invoice. Contact IR for specifications when setting up electronic payments with a customer.

Mail Reminder / Follow-up Letters for Past Due Invoices

Invoice Receivables sends past due notices to customers at 60 and 90 days based on the date of the invoice. Customers receive a final notice at approximately 120 days warning them that their account may be referred to collection if not paid in full within 14 days. Departments are sent lists of invoices that are 90 days past due, plus invoices that are 120 days past due and being referred to collection.

It is important for departments to check the 90 and 120 day lists to verify the invoices are still owed. If payment has been received, or the invoice needs to be adjusted or cancelled, it is very important that Invoice Receivables is notified prior to the invoice being sent to outside collections. Departments requesting the cancellation and return of an invoice that has gone to outside collections may be charged a collection fee.

Act as Liaison between Customers, Departments and the Collection Agency

All collection referrals are made from Invoice Receivables. Referral for collections is automatic for all invoices greater than $50 and more than 120 days past due. If a department has several debts under $50.00 for the same customer, the department may consolidate all the small balances into one invoice and that one invoice can be sent to collections if the consolidated amount is greater than $50.00.

A department may request that an invoice not be sent to collection. This is generally done if a department is working with a customer to resolve payment problems or if there is a dispute over either the charge or payment. Please notify Invoice Receivables by email at invoices@u.washington.edu if you need to place a temporary hold on collection. Please state the desired duration of the hold 30, 60, or 90 days.

Customers who are referred to collection will be charged the original amount of the invoice plus a collection fee that ranges from 17%-25% of the outstanding balance. **If departments do not notify Invoice Receivables in a timely manner of payments received in the department, they may be liable for paying the collection fees**.

Once an invoice has been referred to the outside collection agency it remains there for one year, if unpaid. Departments should note that once an account has been referred to a collection agency, departmental efforts to collect the account should cease. Double collection efforts may be considered as harassment of the debtor and may undermine the department's claim to the debt, or subject the University to legal liability.

Write-Off Procedures

Departments should document, in writing, the criteria for determining which receivables are uncollectable and write-offs should be based on these criteria.

Departments that do not use Student Fiscal Services (SFS) Invoice Receivables write off their own uncollectable invoices.

Departments that do use SFS Invoice Receivable are notified by SFS when uncollectible invoices are written off.

As a general rule, receivables should be written off when the expected costs of further collection efforts exceed the expected benefits. Expected benefits include the expected probability of collecting the amount due as well as the expected deterrent effect of pursuing collections and intangible benefits from equitable treatment. Expected costs include personnel and operations expenses for collecting as well as indirect costs.

Several criteria always justify write-offs:

- The debtor cannot be located, nor can any of the debtor's assets
- The debtor has no assets and no expectation of having any in the future
- The debt is disputed and the agency has insufficient documentation to pursue collection efforts
- The debt is discharged in bankruptcy and there is no guarantor or successor
- The debtor has died and there is no estate or guarantor

Other criteria are based on the type of debt, its outstanding balance, the length of time it has been outstanding, and the debtor's status.

After the account is written off, the accounting records, that are debtor's account information, should be maintained in accordance with the department's approved records retention schedule.

Promptly after an account has been written off, it should be reviewed by management to ensure consistency with written criteria in accordance with the following guidelines (the amounts below represent the total for all accounts within a department for a single debtor):

- Amounts Up to $1,000---Reviewed and approved by the supervisor of the person in charge of that department's collections
- Amounts $1,000 to $5,000---Reviewed and approved by the department's fiscal officer, if different from the person reviewing and approving amounts up to $1,000, or by the director of the department
- Amounts $5,000 and Over---Reviewed and approved by the Attorney General's Division

NOTE: This information can also be found at http://www.washington.edu/admin/finmgmt/sfs/cash/invoice.html