Procedure 2325 – Allowance for Doubtful Accounts

The College maintains a reserve for accounts and notes receivable, which may not be ultimately collected. The balance maintained is based upon historical collection experience, current aging of amounts due and specific evaluations of the collectability of individual balances. Individual accounts and notes are written off against the reserve when they are deemed to be uncollectible.

Doubtful accounts will be calculated using the following method:

Collectable calculation amounts:

- Most recent two Summer terms AR calculated at 96%
- Most recent two Spring terms AR calculated at 66%
- Most recent two Fall terms AR calculated at 28%
- All other terms AR calculated at 14%

Allowance for Doubtful Accounts:

- Total of accounts receivable as of May 31 of each year minus the collectable calculation amounts.
- The allowance for Doubtful accounts will be posted in Banner in June of each year.

(Based on policy 1305; approved by President on 3/3/14)