Non-Student Accounts Receivable Invoicing Outside KFS – Billing Guidelines

Invoicing Outside KFS – Billing Guidelines

While it is University Policy to require University departments/units to invoice customers at the time goods and/or services are rendered utilizing KFS, the Office of the Bursar may request exceptions to this policy after ensuring the department/unit's alternative billing methods adhere to proper internal control procedures.

Exceptions may be granted to departments who bill through alternative methods who follow these guidelines:

- Department must complete AR questionnaire and agree to terms and conditions
- Department creates invoice through Excel, Word, Email and/or other templates
- All invoices are saved and a running log is kept (example: Excel spreadsheet)
- Proper separation of duties is followed
- Any adjustments to invoices require signed approval by Director or Dean
- Individual entering invoice is not accepting payment
- All payments are logged and receipts are issued to customer
- Monthly reconciliations are performed
- All outstanding invoices must be entered into KFS within 30 days of the creation in alternative billing method
- The Accounts Receivable Office is subject to audit the department's AR records at any given time to ensure compliance

Separation of Duties:

As with all financial transactions, separation of duties is essential. Proper separation of duties is maintained when no one person has complete control over all AR functions. The person collecting cash and issuing cash receipts (cash includes checks and credit card transactions) shall be someone other than the person performing the monthly ledger review or the person maintaining accounts receivable records. Departments with accounts receivable are strongly encouraged to have payments sent to the Cash Operations, not to the department or have someone other than the biller complete the Cash Control.

<u>When entering invoice to KFS:</u>

All outstanding invoices must be entered into KFS within 30 days of creation in alternative billing method. Department is responsible for printing invoice and mailing/emailing to customer.

Should the customer be a student (both active and inactive) and/or employee, additional information is required when creating the customer.

- For students:
  - Customer Alias (either Alias1 or Alias2) Type: STUDENT
  - Customer Alias: PeopleSoft ID number

- For employees:
  - Customer Alias (either Alias1 or Alias2) Type: EMPLOYEE
  - Customer Alias: Employee NETID or PeopleSoft ID number

- For individuals not a student or employee:
  - Customer Alias (either Alias1 or Alias2) Type: PEOPLESOFT
  - Customer Alias: PeopleSoft ID number

Invoices to **exclude**:

- Any invoice due from a deceased customer
- Any invoice due from a bankrupt customer
- Any invoice due from a current student (specifically related to parking and library charges)
- Any invoice under the $25 collection threshold – unless customer has valid SSN number, than customer can be coded to DAS for tax offset

  *These exclusions require approval for write off

All payments should be sent to Cash Operations for payment application.

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Questionnaire To Request Approval To Invoice Outside KFS

This form is to be completed by departments seeking an exception to the University Non-Student Receivables Invoicing Policy, which requires the use of the Kuali Financial System (KFS) Customer Invoicing module. Please complete the questionnaire online and print for signatures. *Handwritten forms can be difficult to read and may cause a delay in processing.*

Questionnaire Submission Date:					
Name:		**Title:**			
Department:		**School/Division:**			
Email:		**Extension:**		**Fax:**	

Section 1: Business Needs:

1) Describe the departmental services provided or goods sold to individuals or businesses outside the University:

   a) What is the estimated volume and frequency of the sales or services?

Section 2: Invoicing and Reconciliation:

1) Describe how invoices are properly routed for review and approval:

   a) What system is used to generate departmental invoices?

      i. Who has access to the system and who monitors access for the department?

      ii. Who initiates the invoices?

      iii. Do you have an approval process? Describe:

      iv. Where is the evidence of review documented?

b) If the system used for AR is not KFS, how does the department ensure data posted to KFS is accurate?

i) Who performs the reconciliation and how often is the reconciliation performed?

ii) Is the reconciliation reviewed by another party?

iii) Where is the evidence of review documented?

c) What steps do you take to ensure proper separation of duties when there is a change in personnel or limited staffing:

i) Who performs the annual review of roles?

ii) Where is the evidence of review documented?

2) Describe how the department ensures all activity/sales are properly invoiced and recorded as revenue (i.e. how do you validate that the revenue recorded is complete and all services or sales are invoiced?):

Section 3: Application of Payments:

1) Describe the process when a payment is received by your department for an outstanding invoice:

a) Who receives/handles payments?

b) How is the payment processed (Advance Deposit, Cash Receipt, Credit Card Receipt)?

c) Are payments logged/tracked? If so, how?

d) Are receipts given to customers? If so, are copies maintained?

e) How does the department handle discrepancies between the invoice and payment amounts?

Section 4: AR Aging Analysis, Write Offs, and Allowance for Doubtful Accounts:

1) Describe the process the department uses to analyze aged receivables:

   a) Does the department have an AR aging report and if so, in what format?

   b) For evaluating collectability, the department reviews balances which are ________ days past the invoice date. Explain why the department uses this # of days for review.

   c) Who performs the AR review?

   d) When balances are deemed uncollectible, what is the department's next steps? Is the customer sent to collections and in conjunction, is the customer balance written off?

   e) Is the department aware of the State of Connecticut write-off policies?

Section 5: Credit Memos:

1) Describe the credit memo (adjustment to original invoice amount) process:

   a) When does the department issue a credit memo?

   b) Who within the department can issue a credit memo?

   c) Who within the department approves the credit memo?

      i) Where is the evidence of review documented?

Section 6: Department Approvals:

Please provide any additional information regarding your department's Non-Student Accounts Receivable processes or procedures, which have not been included above.

Signature: ______________________________ ____________________

Dean, Director, or Department Head Date

By signing this form, I certify the above information is true, accurate and complete. I also acknowledge the strict adherence to internal guidelines as outlined in the "KFS Billing Guidelines" will be maintained.

This completed form can be submitted by email to accountsreceivable@uconn.edu, by campus mail to Unit 4100 or by fax to 860-486-2595. Questions may be directed to Nicole Leblanc via email to accountsreceivable@uconn.edu or phone at 860-486-0588. Please allow 2 to 4 weeks for the Accounts Receivable Office to review and respond.

Received By: ______________________________ ____________________

Accounts Receivable Office Date

Approved ☐ **Denied** ☐

By: ______________________________ ____________________

Bursar's Office Date

Approved ☐ **Denied** ☐

By: ______________________________ ____________________

Charles Eaton, University Controller Date