



Accounts Receivable (AR) are owed to an entity (Queen's) by customers (individuals or corporations) for goods and/or services that have been delivered or used, but not yet paid for. The intention of this guidance document is to provide information required to administer AR invoicing at Queen's, and covers the following:

The Decision to Invoice.....	2.....
Reducing Credit Costs.....	2.....
Reducing Risk of Bad Debts.....	2.....
Invoice Preparation Instructions.....	2.....
To Issue an Invoice.....	3.....
Payment Processing.....	4.....
Credit Notes.....	4.....
Tracking Outstanding Invoices AR Aging.....	4.....
Collection Responsibilities.....	4.....
Uncollected Amounts.....	5.....
Uncollected Recoveries.....	5.....

## The Decision to Invoice

An invoice will be required to be issued by Queen's University to a customer when goods/services are delivered. By issuing an invoice it improves transparency of the funds that are owed to the University and improves the chance of collection of those funds as an invoice is a legal document.

All invoicing (excluding Agency funds) that was processed using Open Item Key (OIK) will move to the Accounts Receivable (AR) module in PeopleSoft effective January 2023. Any items entered into the OIK after that date will be reversed by Financial Services and Departments will be required to re-enter into the AR module.

## Reducing Credit Costs

Whether a sale or cost recovery, the university is financing the expenditures related to the goods/services provided until payment is received from the customer.

The Department can help to minimize this cost by:

- issuing invoices promptly upon delivery of goods/services.

- issuing installment invoices over the year, preferably with an advance at the beginning of the period -this is most appropriate in the case of expense recoveries, recoveries of a portion of salaries

- actively pursuing collection of accounts receivable

## Reducing Risk of Bad Debts

With any credit transaction, there is a risk of not collecting payment. The risk of bad debts can be significantly reduced by following sound business practices, which include:

1. Obtaining a signed agreement

## Accounts Receivable— Invoicing External Customers

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## Payment Processing

Customers should remit their payments directly to Financial Services

Acceptable forms of payment for invoices are:

1. Electronic funds transfer (EFT) preferred method CAD payments only
2. Wire – CAD payments and other currencies
3. Cheque – USD to be a USD cheque, all other currencies to be a CAD cheque, and sent to the following address

Queen's University  
Financial Services  
355 King St., W 3<sup>d</sup> Floor  
Kingston, ON, K7L 3N6

Payments received will be processed by the Banking Team ([banking@queensu.ca](mailto:banking@queensu.ca)) and will be applied against the customer and applicable invoices. Financial Services will ensure that all payments received that have the associated invoice number referenced or invoice attached will be recorded in the fiscal period in which they were received in the Financial Services Office. If a payment is expected but not received, please reach out to the banking team with the applicable customer's name, amount, and invoice number for further investigation.

## Credit Notes

Instances can arise where a customer does not receive the goods or services, or an invoice was issued in error. In these instances, a credit note should be issued.

## Tracking Outstanding Invoices - AR Aging

To view invoices that are outstanding, there are [various reports and queries](#) that can be run in PeopleSoft.

These reports should be reviewed by Departments at a minimum on a quarterly basis. Failure to review may result in accounts being uncollectible resulting in invoices to be written off which will reverse any revenues associated with the invoice.

It is the Department's responsibility to monitor their aging reports and identify potential risks of accounts being uncollectible. Financial Services will require quarterly reports to be submitted on outstanding accounts, please contact [accounts.receivable@queensu.ca](mailto:accounts.receivable@queensu.ca) for further information.

## Collection Responsibilities

The selling department is responsible for the collection of amounts due. This is not the responsibility of Financial Services, as the Department issues the invoices, has the required

is responsible for following up on all unpaid invoices issued to delinquent customers 45 days after the invoice date re-sending a copy of the invoice and phoning the customer a final demand notice should be issued by the selling department 60 days after the invoice date.

If the invoice remains uncollectible and the Department would like to send the customer to a collection agency please contact Financial Services for further information,  
[accounts.receivable@queensu.ca](mailto:accounts.receivable@queensu.ca)