

Date of Issue:

Revision date: November 18, 2020



1. This chapter outlines the policies and procedures for the management and control of accounts receivable with NPP.

### GENERAL RESPONSIBILITIES

2. For all invoices (including local invoices) the entity manager must ensure the following:
  - a. The payment terms are included on the invoice so that the customer cannot dispute when payment is due. Terms such as “Net 30” or “Payment due upon receipt” should be clearly annotated on the invoice;
  - b. Supporting documentation, including the invoice, is to be attached with the sales registers so that the staff can quickly respond to a customer if they dispute any charges; and
  - c. Coding must be clearly marked on the supporting documentation to help ensure that the local NPP accounting staff records the revenue to the correct account.

### RESPONSIBILITY FOR ACCOUNTS RECEIVABLE

3. Entity managers are to obtain an Accounts Receivable (A/R) report from PROPHET Business Intelligence (BI). Monthly, entity managers shall review outstanding receivable balances and compare to their documentation. Any discrepancy must be investigated and resolved to ensure collection action has been taken. Contact the local NPP Accounting Office for assistance in retrieving the A/R report from BI if required.
4. Entity managers are required to take prompt action in ensuring that the payment terms are respected and make every attempt to collect outstanding accounts receivable within the first 60 days. As accounts receivable age, the success rate of collection decreases and, in addition, by hastening payment early, misapplied payments and billing errors will be identified and corrected in a more efficient and expedient manner. The entity manager shall maintain a record of all communication regarding collection action taken (e.g. emails, letters, details of phone calls) - in circumstances where the National Accounting Office assumes collection responsibilities, entity managers shall forward copies of the collection communication records to the National Accounting Office to assist in the collection process.

### COLLECTION RESPONSIBILITIES AND TIMELINES

5. Local and Government of Canada Invoices: It is the responsibility of all entity managers to collect both local and Government of Canada (GoC) invoices (e.g. receivables involving transactions with the GoC), internal invoices to another NPP entity within NPP, and master accounts (e.g. 11600 Mess Dues)) regardless of the due date/overdue period.
6. General Customer Invoices: When goods or services are provided to a customer and credit terms have been offered, it is the responsibility of the local NPP entity manager providing the service to collect the amount due within the first 60 days. After 60 days, the collection of any outstanding accounts receivable rests with the National Accounting Office.
7. CF Newspapers' Invoices: CF Newspapers are responsible for the collection of outstanding

accounts receivable up to 185 days past due. After 185 days, the collection of any outstanding accounts receivable rests with the National Accounting Office.