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Policies & Procedures

5 Receivables

5.1 Managing Receivables

5.2.1 Obtain Access to Banner Accounts Receivable (Banner AR)

5.2.2 Create a New Non-Student (General-GAR) Account

5.2.3 Process (Assess) Non-Student (General-GAR) Charges in Banner AR

5.2.4 Determine Whether a Student Charge

5.3.2 Collect Delinquent Accounts Receivable

Policy Statement

The University of Illinois System is subject to and complies with the Illinois State Collection Act of 1986 and the Statewide Accounting Management System (SAMS) Subsection 26: Accounts Receivable Reporting. These laws require the system to follow the state's clearly defined collection process for delinquent accounts.

University Bursar performs the steps below for units that use Banner Accounts Receivable (Banner AR).

Collection agencies are paid on a contingency basis for amounts collected, and this collection expense is charged to your unit.

Reason for the Policy

Proper use of Banner AR for collecting delinquent accounts receivable in compliance with the law.

Applicability of the Policy

The collection of delinquent accounts receivable regardless of whether Banner AR is used.

Procedure

Qualifies as a Receivable

5.2.5 Process (Assess) Student (SAR) Charges in Banner AR

5.2.6 Process (Assess) Study Abroad Charges in Banner AR

5.3.1 Calculate Your Allowance for Uncollectible Receivables

5.3.2 Collect Delinquent Accounts Receivable

5.4 Request an Exemption from Using Banner AR

Accounts Receivable Resources

Responsibilities

Definitions

University Bursar Who to Ask

To collect delinquent accounts receivable:

1. Make every effort through internal activities to collect payment in full:
 - Locate, analyze, and verify current customer addresses and phone numbers (skip trace).
 - Send past-due notices to the customer by mail, email, or phone.
 - Place receivable balances of \$1,000 or more with the Illinois Comptroller's State Offset System once they are delinquent for 90 days. The State Offset System deducts the amount owed from Illinois wages, tax refunds, lottery winnings, and other state payments.
2. Place accounts with an external collection agency when internal collection efforts have failed. The agency:
 - Repeats internal collection activities
 - Evaluates the cost effectiveness of litigation and makes recommendation to the system
3. If the agency is unable to collect the account within one year, recall the account from that agency and place it with a second agency. The second agency:
 - Repeats internal collection activities
 - Evaluates the cost effectiveness of litigation and makes recommendation to the system
4. If the second agency is unable to collect the account within one year, recall the account from that agency and place it with a third agency. The third agency:
 - Repeats internal collection activities
 - Evaluates the cost effectiveness of litigation and makes recommendation to the system
5. If the third agency is unable to collect the account within one year, recall the account from that agency and write it off:
 - Review and certify all write-offs of less than \$1,000.
 - Submit to the State of Illinois Attorney General's Office for approval of all write-offs of \$1,000 or more.
 - Write off all accounts approved for write off.

Policy Information

First Published

March 2010

Last Updated

July 2025

Last Reviewed

January 2025

Additional Resources[Allowance for Uncollectible Accounts](#)[Illinois State Collection Act of 1986](#)[Statewide Accounting Management System \(SAMS\)](#)**Who to Ask**

Contact University Bursar (aroperations@uillinois.edu) to request collection assistance for older accounts that were not billed in Banner AR.

Business and Finance

For questions or concerns about the BusFin site, please contact sharedservices@uillinois.edu.

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