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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

5.3.1 Calculate Allowance for Uncollectible Receivables

Policy Statement

Implicit in every receivable is a measure of doubt about its collectability. Therefore, an allowance for uncollectible receivables must be calculated and recorded for every unit that has receivables transactions. Units should keep this allowance in mind when building the pricing structure for their goods and services.

Reason for the Policy

Accurate calculation of the allowance for uncollectible receivables.

Applicability of the Policy

All receivables.

Procedure

To calculate the allowance for uncollectible receivables:

1. If the unit is using Banner Accounts Receivable (Banner AR), University Bursar Business Operations calculates each unit's allowance for uncollectible accounts and records it in the unit's Fund in the Banner General Ledger.

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  
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5.3.2 Collect  
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5.4 Request an  
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2. If the unit does not use Banner AR, calculate an allowance for uncollectible accounts and record it in the Banner General Ledger annually at fiscal year-end. Consult Allowance for Uncollectible Accounts Receivables for detailed information and instructions. If you need additional help, contact University Bursar Business Operations for requirements at [BursarCollections@uillinois.edu](mailto:BursarCollections@uillinois.edu).

## Policy Information

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March 2010

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January 2025

**Last Reviewed**  
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## Additional Resources

[Allowance for Uncollectible Accounts Receivables](#)

## Business and Finance

For questions or concerns about the BusFin site, please contact [sharedservices@uillinois.edu](mailto:sharedservices@uillinois.edu).

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