

Texas A&M Agriculture

Cash Management Procedures

Accounts Receivable

A. Departmental Receivables

1. Departmentally Maintained Accounts Receivable

- a. Invoices should be issued within one week of the date of delivery of the goods or the date the services were performed.
- b. Receivables maintained by units should be kept on some computerized system for Accounts Receivable (QuickBooks, Quicken, etc). At a minimum, reports should be prepared and maintained detailing the total amount due by invoice and the age of any outstanding balance. Requests to maintain departmental receivables manually must be approved by the CFO.
- c. All payments are due within thirty days of invoice date
- d. If payment is not received within thirty days of the invoice date past due notices should be sent out. At a minimum, these notices should be sent out on a bi-monthly basis. Units may elect to send them out more frequently on a monthly basis. No further credit should be issued to the customer until payment is made
- e. An aged receivable report detailing all past due accounts should be prepared and reviewed on a monthly basis by the unit business office. At the completion of each quarter (November, February, May & August), this report should also be submitted to Cash Management Office for review.

In addition to the aged report, units should also submit reports indicating the total that has been billed for the fiscal year.

- f. Past due accounts should be reviewed on a regular basis to determine if they continue to be collectible. Any accounts deemed to be uncollectible should be submitted to the Texas A&M Agriculture Cash Management Office using form AG-219, Request for Accounts Receivable Write Offs. Along with the completed AG-219, the departmental copies of the invoices should be submitted.
Once an account has been written off as uncollectible, no further credit should be issued to this customer.

Form AG-219 is available in 2 electronic formats that may be downloaded from the Texas A&M Agriculture forms web site in the Cash Management Office section:

http://agservices.tamu.edu/forms/fiscal_forms.htm#cashmgmt

MS Excel: AG-219.xls

MS Word: AG-219..doc

- g. Each unit should create its own internal Accounts Receivable procedures. These procedures should be submitted to the Fiscal Office for review and approval.

Texas A&M Agriculture
Cash Management Procedures

Accounts Receivable

2. Fiscal Office Maintained Accounts Receivable

1. Documentation

- a. **Form AG-209A, Request for Accounts Receivable Invoice** - A fully completed form AG-209A is to be submitted for all items that credit has been extended. Requests should be submitted to Cash Management within one week of the date of delivery of the goods or the date the services were performed. For your convenience, a blank copy of this form is included in these procedures following the sample form

- b. **Form AG-209B, Memorandum - Requests for Accounts Receivable** - A fully completed form AG-209B is to be submitted listing all invoice requests (AG-209A) that are being submitted. Invoice numbers will be added to this document and it will be returned to the department when invoices have been issued as confirmation. For your convenience, a blank copy of this form is included in these procedures following the sample form

- c. **Location of forms**
Form AG-209A and AG-209B are available in 2 electronic formats that may be downloaded from the Texas A&M Agriculture forms web site in the Cash Management Office section:

http://agservices.tamu.edu/forms/fiscal_forms.htm#cashmgmt

<i>Adobe Acrobat:</i>	<i>AG-209A.pdf</i>	<i>MS Word:</i>	<i>AG-209A.doc</i>
<i>Adobe Acrobat:</i>	<i>AG-209B.pdf</i>	<i>MS Word:</i>	<i>AG-209B.doc</i>

REQUEST FOR ACCOUNTS RECEIVABLE INVOICE

Name of the person requesting the invoice

Requested By: _____

GL/SL Account: _____

Support Account: _____

Sub Code: _____

6 digit SL and
5 digit SA

(to be completed by Fiscal Office)

Date Billed: _____

Date the form is completed

Name _____

Name of company or individual being billed

Customer ID: _____

(to be completed by Fiscal Office)

Address 1 _____

Address 2 _____

Address 3 _____

Complete address, city, state and zip code of the company or individual to be billed

Dept. Ref: _____

Reference number assigned by requesting department for tracking purposes. Maximum of 7 characters allowed

City/State/Zip _____

Person to whom the invoice should be directed

PO #: _____

Purchase order number provided by the customer. If a copy of the PO is available, please attach

Contact Person _____

Description

Quantity

Cost/Unit

Total

A complete description of each item to be billed

Number of items being billed

Cost of each item being billed

Grand total of all items being billed

Total _____

REQUEST FOR ACCOUNTS RECEIVABLE INVOICE

Requested By: _____

GL/SL Account: _____

Support Account: _____

Sub Code: _____

(to be completed by Fiscal Office)

Date Billed: _____

Customer ID: _____
(to be completed by Fiscal Office)

Dept. Ref: _____

PO #: _____

Name _____

Address 1 _____

Address 2 _____

Address 3 _____

City/St/Zip _____

Contact Person _____

Description	Quantity	Cost/Unit	Total
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Total _____

MEMORANDUM

DATE: _____

TO: Texas Cooperative Extension
Cash Management Office

FROM: _____
Name

Department

SUBJECT: Requests for Accounts Receivable

Attached, please find _____ completed Form AG-209A(s), Request for Accounts Receivable Invoice. Please invoice per the information provided and credit the indicated accounts.

Company to be Billed	Invoice Amount	Invoice Number <i>(to be completed by Fiscal Office)</i>
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All items invoiced:

For Extension Fiscal Office Date

Texas A&M Agriculture

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Accounts Receivable

B. Extension of Credit

- 1.** Credit may be extended only when it serves the best interest of the System and is for the public good of the State of Texas (TAMUS Regulation 21.01.04).
- 2.** An approved Extension Of Credit Request form (AG-222) must be on file with the Texas A&M Agriculture Fiscal Office in order for a department to extend credit as a part of its departmental activities.

Only one form is needed for each department; the expected monthly average and the aggregate total receivables per fiscal year should reflect all SL accounts involved in the receivable process for the specific department.

Form AG-222 is available in 2 electronic formats that may be downloaded from the Texas A&M Agriculture forms web site in the Cash Management Office section:

http://agservices.tamu.edu/forms/fiscal_forms.htm#cashmgmt

Adobe Acrobat: AG-222.pdf MS Word: AG-222.doc

- 3.** Once approval has been received, credit may be extended when:
 - a.** The agency receives the greater benefit by the extension of credit.
 - b.** It is impossible or impractical to (a) require payment in full or (b) request posting a bond or cash deposit prior to delivery of goods or services
 - c.** The extension of credit will allow the agency to conduct its operations in a more efficient way
 - d.** The extension of credit will result in a savings of administration costs for the agency or will result in net benefit



The Texas A&M University System

EXTENSION OF CREDIT REQUEST

Department/unit requesting permission must select one agency
If a department covers both TCE and TAES, a separate request must be submitted for each agency.

TAES - 06

TCE - 07

DATE: _____

Date department/unit requests permission

TO: Texas A&M Agriculture
Cash Management Office

FROM: _____

Name and address of person making request

(1) I am requesting authorization to establish credit sales and extend credit within the following department:

Department/unit and/or specific operation with the department which will generate the goods/services for which credit will to be extended

(2) This authorization is to be for the following time period: (Check one)

___ From _____

To _____

___ Indefinite time period

Select whether authorization is being requested for a specific period or as an

(3) I expect average monthly credit sales not to exceed, \$ _____

Estimate of average monthly

(4) I expect total credit sales for the fiscal year not to exceed, \$ _____

Estimate of total receivable transactions for the fiscal

(5) The public purpose served by this extension of credit is: (Check all that apply)

___ (a) To avoid loss due to spoilage/deterioration of product

___ (b) To sell a unique, limited market research or educational product in a wider area.

___ (c) The extension of credit will allow the agency to conduct its operations in a more efficient way.

___ (d) Other: _____

Reason(s) why the department believes it need to be able to extend credit. Check all that apply.

Departmental Approval

Signed

Title

Date

Dept/Unit

Signature & title of person authorizing request for this department/unit. Preferably Department or Unit Head

Fiscal Office Approval

Signed

Title

Date

FISCAL OFFICE USE ONLY

Copy will be returned to department after approval



The Texas A&M University System

EXTENSION OF CREDIT REQUEST

TAES - 06 TCE - 07

DATE:

TO: Texas A&M Agriculture
Cash Management Office

FROM:

(1) I am requesting authorization to establish credit sales and extend credit within the following department:

(2) This authorization is to be for the following time period: (Check one)
From To
Indefinite time period

(3) I expect average monthly credit sales not to exceed, \$

(4) I expect total credit sales for the fiscal year not to exceed, \$

(5) The public purpose served by this extension of credit is: (Check all that apply)

- (a) To avoid loss due to spoilage/deterioration of product
(b) To sell a unique, limited market research or educational product in a wider area.
(c) The extension of credit will allow the agency to conduct its operations in a more efficient way.
(d) Other:

Departmental Approval
Signed
Title
Date
Dept/Unit

Fiscal Office Approval
Signed
Title
Date