



San Diego Cooperative Charter School Bad Debt Policy

This policy establishes the criteria and procedures to be followed to designate a receivable account as uncollectible and to remove such accounts from the general ledger account fund balance (e.g. writing the debt off). This policy will support SDCCS's accounting accuracy.

Accounts receivable are eligible for write-off once they have been outstanding for twelve months. To be considered for write-off, SDCCS must be able to demonstrate that adequate steps were taken to collect the amount due. SDCCS must compile a list of all such accounts receivable for submission to the Board Treasurer on an annual basis. All accounts receivable to be written off must be approved by the Board Treasurer and the Executive Director.

The write-off of an uncollected account is a bookkeeping entry only and does not relieve the debtor from financial responsibility to SDCCS. Although the uncollected account has been removed from the books, the uncollected amount is not forgiven. The debtor can still pay on the account. It is the responsibility of SDCCS to maintain adequate records regarding financial obligations (i.e., debts) owed to the school.