

TO: Marion J. Bonacorsi, Assistant Comptroller Collections
FROM: Rick A. Shoaf, Manager, University Collections
DATE: September 25, 2006
RE: Proposed Small Dollar Balance Policy

The procedures outlined below are being formalized and approved with the implementation of the OnePurdue PSCD Accounts Receivable module. This policy is necessary due to SAP configuration requirements.

Small Dollar Payment Differences: On charges already billed, if a payment results in either a small dollar over-payment or a small dollar under-payment, the OnePurdue PSCD system can only write-off the small dollar difference to one general ledger cost center account. This however can be defined by campus, so each campus, will have their own individual over/short account.

Small dollar payment difference is defined as less than \$5.

Posting write-offs of small dollar over payments to one over/short cost center will not be a change from current procedures.

Posting write-offs of small dollar under payments to the over/short account will be a change from current procedures. Today, the under payment results in a (charge cancel) reduction of revenue from the originating department cost center that recorded the charge. The change will result in the originating department cost center not realizing a reduction in their revenue for a small dollar under payment write-off.

Small Balance Charge Write-off: This procedure applies to charges entered but not yet invoiced.

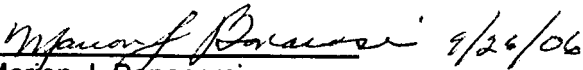
Small dollar charges can be summed by customer (Business Partner) to meet the minimum amount to be billed of \$5. This would be, however, within a single billing period so amounts would not accrue from month to month to accumulate to \$5.

The amount of the small dollar write-off would be posted back to the originating department (cost center) by customer (business partner).

This procedure represents a change from the current process from the standpoint that the routine will run monthly as opposed to the current system accruing small dollar charges over a 4 month period before purging.

Originating departments can manually hold out small dollar charges for a maximum period of 4 months and accumulate charges by customer in order to meet the minimum billing amount.

Approved:


Marion J. Bonacorsi
Assistant Comptroller, Collections