Financial Policy and Procedure Manual Template

Note: Delete this and the next page once you complete the template.

Who should use this template?

All small business operators who employ one or more staff.

Why use a policy and procedure manual?

This financial policy and procedure manual is for the small business operator and their employees.

The main benefits to having this policy and procedure manual are that it:

- ensures all staff are aware of obligations in relation to finance transactions within the business

- is a proven way to help your managers and supervisors make consistent and reliable decisions

- helps give each employee a clear understanding as to what you expect and allow.

It takes some effort to complete, but brings definite long-term benefits, reduces disputes, and adds to the professionalism of your business.

How to complete this template

Designed to be customised

This template for a finance policy and procedures manual is made up of example topics. You can customise these if you wish, for example, by adding or removing topics.

Include what you must and can comply with

Your commitments in this manual may also form part of any compliance requirements such as Australian Taxation Office compliance requirements.

To complete the template:

1. Guidance text appears throughout the document, marked by the word Guidance. Where you see a guidance note, read and then delete it. Guidance has been added to help you complete the template and should not appear in your final version.

2. Using Word's Replace function, search for {Business Name} and replace with your company name.

    a) In Word's Home ribbon, open the Find and Replace tool, choose Replace to open the Find and Replace tool. The Find and Replace dialog opens with the Replace tab selected.

    b) Enter {Business Name} in the Find what field.

    c) Enter your company name in the Replace with field.

    d) Click Replace All
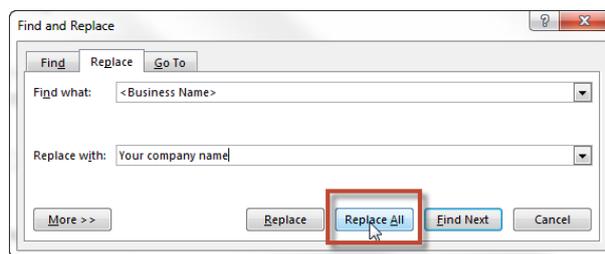
3. Replace {items in curly brackets} with your own wording.

4. Where you see a reference to other policies, insert a link to another example policy that applies in your business

5. Once you have finished work on the template, delete the first three pages of the document.

6. Lastly refresh the page numbers in the table of contents.

    a) Right click on the table of contents

    b) In the small menu that appears, choose 'Update Field' then 'Update page numbers only'.
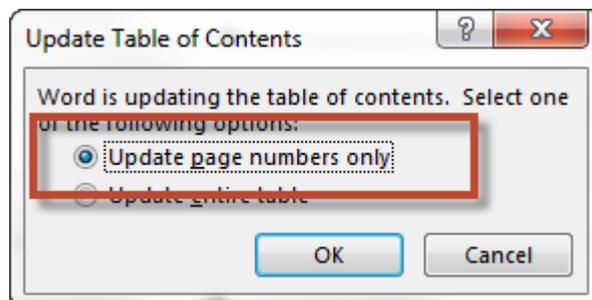
Other tips

- To stop this policy manual sitting on a desk collecting dust, make it a living document. How? Ask your staff for their thoughts on how to improve it. Then review it every six months.

- Make explaining your policies and procedures an important part of your induction process.

- Leave the words 'Document valid when printed only' in the footer to remind the reader they might be using an out-of-date copy. (The 'Last printed' date automatically updates in the footer when you print. You don't need to update this.) Try to destroy or archive all out-of-date copies.

- The writing style doesn't need to be formal or longwinded to be effective. Use simple sentences and plain English to reduce the chance an employee or manager will be confused about the intent of your policy or the way to carry out a procedure.

Note: Delete this and the previous page once you complete the template.

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Finance Policy and Procedure Manual

Table of Contents

Introduction

The {Business Name} Financial Policy and Procedure Manual provides the policies and procedures for financial transactions within the business which must be followed by all staff. It also provides guidelines {Business Name} will use to administer these policies, with the correct procedure to follow.

{Business Name} will keep all financial policies current and relevant. From time to time it will be necessary to modify and amend some sections of the policies and procedures, or to add new procedures.

Any suggestions, recommendations or feedback on the policies and procedures in this manual are welcome.

These policies and procedures apply to all employees.

Finance Authorisation Policy

Policy Number: {insert unique number}

Policy Date: {insert date of policy}

Guidance: This policy should be read and carried out by all staff for all authorisations of finance transactions as noted in the policy. Edit this policy so it suits the needs of your business.

Purpose of the Policy

All finance transactions as noted in this policy are to be authorised by the noted authorised person prior to the transaction being undertaken.

This policy is to be read in conjunction with other specific finance policies where relevant.

Procedures

Prior to any of the following finance transactions being undertaken, the authorising person noted must authorise the transaction.

Where additional policy is noted, this policy must also be adhered to when undertaking the finance transaction.

Finance Transaction	Authorised Person	Additional Policy
Bank Accounts	{insert relevant job title here}	{insert policy name, or number here}
Issuing Petty Cash	{insert relevant job title here}	{insert policy name, or number here}
Business Credit Card	{insert relevant job title here}	{insert policy name, or number here}
Authorising New Customers	{insert relevant job title here}	{insert policy name, or number here}
Authorising New Suppliers	{insert relevant job title here}	{insert policy name, or number here}
Purchasing Stock	{insert relevant job title here}	{insert policy name, or number here}

Finance Transaction	Authorised Person	Additional Policy
Purchasing Assets/ Equipment	{insert relevant job title here}	{insert policy name, or number here}
Debt Collection	{insert relevant job title here}	{insert policy name, or number here}
Payment of Invoices	{insert relevant job title here}	{insert policy name, or number here}
{insert other finance transactions here}	{insert relevant job title here}	{insert policy name, or number here}

Bank Account Policy

Policy Number: {insert unique number}

Policy Date: {insert date of policy}

Guidance: This policy should be read and carried out by all staff for all authorisations of opening, operating and closing bank accounts. Edit this policy so it suits the needs of your business.

Purpose of the Policy

This policy sets out the requirements for use of bank accounts, including opening, closing authorisation, variations to terms and conditions, reconciliation of bank accounts and bank account transactions.

Procedures

Opening Bank Accounts

Guidance: Where a new bank account is being considered, you may like to incorporate into this policy some of the recommendations from How to open an business bank account or Refinancing your business loan information as procedure steps.

Any new bank accounts to be opened for the business must have the authorisation of {insert relevant job title here}

For each new bank account opened, the financial system must be updated, and the bank account registered by {insert relevant job title here}

Bank Account Authorisations

For monies withdrawn from any bank account, whether by cheque, EFT or other online payment method, there must be {insert number of persons to authorise payments, recommended two} persons authorising for each payment.

The authorised persons for bank account payments are:

{insert relevant job title here}

{insert relevant job title here}

{insert relevant job title here} etc.

Each payment made must be supported by invoice, receipt or other appropriate documentation and the authorisations must be attached to this documentation prior to payment.

Variations to Bank Account Terms and Conditions

Any variations to banking arrangements can be made or varied by {insert relevant job title here}

{insert relevant job title here} is responsible for updating the financial system and/or bank account register with the new information.

Closing Bank Accounts

Where it is decided that a bank account is no longer necessary, {insert relevant job title here} will authorise the closure of the bank account.

The {insert relevant job title here, recommended bookkeeper or finance person} will then be required to complete the following:

- ensure all transactions with respect to the account (including cheques drawn) have been completed;

- lodge with the bank a letter, signed by {insert number of persons to authorise, recommended two} authorised signatories advising of the closure of the account;

- meet the bank's requirements with respect to account closure; and

- update the financial system and bank account register.

Bank Account Transactions

All deposits received must be banked within {insert number of days from receipt, recommended two}.

Unallocated direct deposits of more than {insert number of months, recommended one} will be investigated fully to determine source of deposit. Where the source cannot be identified, the deposit will be allocated to {insert financial account to authorise payments, recommended setting up a suspense account to keep these funds separate and identifiable}.

Cheques outstanding for more than {insert number of months, recommended twelve months in line with banks policy} will be reallocated back to the business through the financial system.

Where a payment stop on a cheque is required, this will be authorised by {insert relevant job title here}.

{insert relevant job title here} will be responsible for carrying out the following duties regarding payment stop on a cheque:

- ensuring the cheque has not already been presented at the bank

- getting authorisation to action the stop payment using appropriate forms from the bank

- ensuring the bank receives notification of the stop payment notice

- receiving confirmation of action from the bank of the stop payment

- ensuring the details of the stop payment are kept in the stop payment folder.

Petty Cash Policy

Policy Number: {insert unique number}

Policy Date: {insert date of policy}

Guidance: This policy should be read and carried out by all staff where petty cash is issued. Edit this policy so it suits the needs of your business.

Purpose of the Policy

Petty cash should be used to pay for small business expenses up to {insert maximum amount here, usually up to $100} where payments through accounts payable or credit card are not justified or appropriate.

Procedures

Issuing Petty Cash

Petty cash vouchers must be completed before any cash is taken from the petty cash float.

Only up to {insert maximum amount here, usually up to $100 } can be disbursed at any one time.

All petty cash vouchers issued must be approved by {insert relevant job title here}.

Once the petty cash is spent, a receipt or invoice should be attached to the voucher and returned to petty cash with any balance of monies unspent.

All completed vouchers must have the following details included:

- issue date of voucher
- name of person issued the voucher
- amount of monies disbursed
- details of expense
- tax invoice or receipt
- signature of approval person.

Reconciling Petty Cash

Petty cash float is to be reconciled {insert time here, at least monthly is recommended}. This is the responsibility of {insert relevant job title here}.

All petty cash expenditure must be entered into the financial system once the petty cash has been reconciled.

The balance of monies and vouchers must equal the petty cash float amount before reimbursement can be made.

Reimbursement of petty cash will be authorised by {insert relevant job title here}.

Use of Business Credit Card Policy

Policy Number: {insert unique number}

Policy Date: {insert date of policy}

Guidance: This policy should be read and carried out by all staff who require the use of business credit cards. Edit this policy so it suits the needs of your business.

Purpose of the Policy

This policy provides guidelines for the issue and use of business credit cards.

Procedures

An employee will only be issued a credit card once the Credit Card Authorisation Form has been completed.

The business credit card can only be used for travel, authorised entertainment and purchases of small value expenses or equipment up to the value of {insert amount here, recommended $ 500}.

No cash advances are to be taken using the business credit card unless authorised by {insert relevant job title here}

Where a business credit card is lost or stolen, then the owner of this card is to notify {insert relevant job title here} who is responsible for notifying the issuing agency and ensuring the card is cancelled.

The use of the business credit card is not to be used for personal expenses.

All holders of business credit cards are required to reconcile the monthly credit card statement to the expense form, attach all receipts for payments made on the credit card and have the expense statement authorised by {insert relevant job title here}.

Upon completion and authorisation of the monthly expense statement, these documents are to be forwarded to {insert relevant job title here} for payment of the credit card statement.

All business credit cards are to be returned to the business when the person is requested to by {insert relevant job title here} or where they cease employment with the business.

New Supplier Policy

Policy Number: {insert unique number}

Policy Date: {insert date of policy}

Guidance: This policy should be read and carried out by all staff who are involved in supplier selection. Edit this policy so it suits the needs of your business.

Purpose of the Policy

All new suppliers to the business must be reviewed and accepted in accordance with this policy to ensure that the supplier service is aligned with the business objectives.

Procedures

Choosing a New Supplier

A new supplier must provide our business with {insert the priorities required from your suppliers, such as quality product, great service, competitive pricing, efficient delivery etc.}.

For each new supplier the following information table must be completed prior to agreeing services.

Supplier Selection Background Information

Business Name of Supplier: _____

Location of Supplier: _____

Products/Services provided by supplier: _____
(Attach a list if necessary)

Name of business owner/ sales representative:_____

How many years has the supplier been trading?:_____

Supplier Selection Review Checklist

For each new supplier being considered the following checklist must be completed

Is the supplier pricing competitive? Attach list to this checklist: _____

What are the payment terms for this supplier? _____

What is the return policy for this supplier: _____

Does the supplier provide warranties, guarantees etc.?: _____

Are the suppliers representatives knowledgeable of the products/ services and industry?: __

Is there an alternative to this supplier, has the alternative supplier been considered?: _____

What are the delivery services of the supplier?: _____

Has a credit check been undertaken for the supplier (attach to this checklist) : _____

Has the Personal Property Securities Register (PPSR). been reviewed: _____

Has the supplier been trade checked (attach this to this checklist): _____

{insert additional information required to assist in the decision of appointing a new supplier }

Appointment of Supplier

The appointment of a new supplier will be authorised by {insert relevant job title here}.

All relevant details of the supplier will be entered into the financial system by {insert relevant job title here} once approval is obtained from {insert relevant job title here}.

{Insert relevant job title here} will review information entered into the financial system and independently verify the bank account or other payment details of the supplier to ensure payments made are to the correct supplier.

The purchasing department will be notified within {insert time frame here, recommended one week} of the new supplier being approved.

Supplier Payment Terms

All purchases from suppliers must be supported by a purchase order – refer to the Purchasing and Stock control policy.

Payment terms for all suppliers must be reviewed by {insert relevant job title here} every {insert timing of review here, recommended at least once a year}. Following this review each supplier must be approached to seek improved payment terms by {insert relevant job title here}.

All supplier payment terms must be a minimum of {insert relevant payment terms, remember the longer the terms the more time you have to pay}.

Any variation to the above must be authorised by {insert relevant job title here}.

All supplier payments are to be reviewed {insert timing of review here, recommended at least once a quarter} to ensure that payment terms are adhered to. For payments made to any suppliers earlier or later than the agreed terms {insert relevant job title here} will prepare a report that details the reasons why payment terms have not been adhered to.

This report will be reviewed and authorised by {insert relevant job title here}.

Additional Policies for Suppliers

Guidance: add, link or remove the policies listed below as required.

Purchasing Policy

Stock Control Policy

Purchasing Policy

Policy Number: {insert unique number}

Policy Date: {insert date of policy}

Guidance: this policy should be read and carried out by all staff. Edit this policy so it suits the needs of your business.

Purpose of the Policy

This policy provides guidelines for the purchase of goods, services, equipment and assets for the business.

This policy is applicable for all purchases over {insert maximum petty cash amount here, usually up to $100}.

Where items to be purchased are less than {insert maximum petty cash amount here, usually up to $100}, then the petty cash policy is to be used.

Procedures

Request for Purchase

All purchases for business items must be requested through a purchase order.

All items over the value of {insert amount here} must be supplied by authorised suppliers – refer to the New Suppliers Policy where the supplier is not an existing supplier.

For items over the value of {insert amount here} three quotations must be provided.

A request for purchase must address the following criteria:

- purchasing that promotes environmental sustainability
- value for money
- preference to Australian/ locally produced.

Guidance: consider including not-for-profit, social enterprises and Aboriginal enterprises in your purchasing policy as they can provide value for money and increase social good.

All purchase orders must be authorised within the following guidelines:

Items Purchased	Persons Authorised	Second Authorisation
Retail Stock	{insert relevant job title here}	{insert relevant job title here}

Items Purchased	Persons Authorised	Second Authorisation
Spare parts, components etc.	{insert relevant job title here}	{insert relevant job title here}
Equipment	{insert relevant job title here}	{insert relevant job title here}
Assets	{insert relevant job title here}	{insert relevant job title here}
{insert other types of purchases here}	{insert relevant job title here}	{insert relevant job title here}

All authorised purchase orders are to be copied and one distributed to accounts payable with estimated payment date and one to {insert relevant job title here} who will check receipt of purchase against the purchase order when received.

Equipment Asset Purchases

All equipment and asset purchases must be entered in the financial system by {insert relevant job title here} with the following details included:

- date of purchase

- supplier

- make, model, warranty/guarantee information.

Service Agreements

All agreements for the provision of services to the business in excess of {insert amount here } are to abide by this policy.

Receipt of Purchases

All purchases received are to be checked against purchase order and noted as correctly supplied.

Once correct receipt has been recorded, this will be recorded on purchase order and forwarded to accounts payable for payment of purchase.

Additional Policies for Purchasing

Petty Cash Policy

Use of Business Credit Card Policy

Stock Control Policy

Stock Control Policy

Policy Number: {insert unique number}

Policy Date: {insert date of policy}

Purpose of the Policy

This policy provides guidelines for monitoring and managing the amount of stock within the business to ensure that there are suitable levels of stock available to customers at all times. This policy covers {insert what stock this policy is intended to cover such as stock in store, stock in storage, stock in distribution centre etc.}.

It is {insert relevant job title here, recommended stock manager} responsibility to ensure that the stock control policy is adhered to by all employees.

Procedures

Purchase of Stock

It is {insert relevant job title here, recommended person responsible for buying stock} responsibility to:

1) identify core stock and ensure that appropriate levels are held at all times

2) monitor all stock levels and 'stock turn' (how many times stock turns over in a year)

3) for fast-moving stock negotiate with suppliers for 'just in time' deliveries where possible

4) regularly review sales budgets and order necessary stock in line with budgets

5) negotiate with suppliers for best price, quality, delivery methods and returns policy

6) order all stock required

7) maintain "preferred suppliers" list

8) keep up to date with customer and market trends and seek out new products for recommendation to the {insert relevant job title here, recommended stock manager}.

Purchase of all stock must be authorised by {insert relevant job title here, recommended person responsible for buying stock} and {insert relevant job title here, recommended stock control manager}.

All stock purchases must be requested by using a purchase order form and adhere to the purchasing policy.

Receiving Stock

When stock is received from the supplier, it is {insert relevant job title here, recommended person stock control manager} responsibility to:

- review delivered items to delivery docket, including quantity, quality and completeness of order

- match delivery docket to purchase order

- follow up and ensure correct stock order will be received where there is {insert possible issues on delivery such as under/over-supply, damaged goods etc.}

- store the stock securely and in appropriate area

- update all stock records for receipt of goods

- inform {insert relevant job title here, such as sales manager} of any under/over supply or damaged goods.

Managing Stock

It is {insert relevant job title here, recommended person stock control manager} responsibility to:

- identify core stock and ensure that appropriate levels are held at all times

- monitor all stock levels and stock turns

- regularly review sales budgets and ensure that stock is ordered in line with budgets

- understand each stock item – which items are the fast and slow moving stock

- monitor re-order levels and ensure orders are placed in adequate time to reduce non-availability of core or necessary stock items

- ensure that all stock items are priced in line with {insert relevant policy here, such as pricing or mark-up policy}

- {insert required policy or procedure on mark downs and/or discounting stock}

- meet {insert timing here, such as weekly} with {insert relevant job title here, recommended person responsible for buying stock} and {insert relevant job title here, recommended person responsible for sales} to co-ordinate stock purchases, review stock performance,

sales performance and {insert any other matters that should be addressed regularly regarding stock monitoring}

- ensure that all staff are aware of new product, price changes and procedures for accurate recording of all stock movements

- ensure that there are adequate controls (physical and administrative) in place to minimise theft and/or waste of all stock items

- organise and oversee physical stock take {insert timing here, recommended twice a year} and match records of stock take to administrative and financial records.

It is all sales employees' responsibility to:

- identify core stock and ensure that appropriate levels are held

- raise purchase orders for low levels of stock

- adhere to {insert required policies or procedures such as mark downs policy, discounting stock policy, visual display policy}

- understand the importance of good stock control

- keep up to date with stock pricing and new products

- ensure that all stock records are kept accurately

- ensure that all stock is securely stored to minimise theft and wastage.

Additional Policies for Stock Control Policy

Guidance: add, link or remove the policies listed below as required.

Purchasing Policy

Finance Authorisation Policy

New Supplier Policy

New Customer Policy

Policy Number: {insert unique number}

Policy Date: {insert date of policy}

Guidance: This policy should be read and carried out by all staff who are involved in customer selection. Edit this policy so it suits the needs of your business.

Purpose of the Policy

All new customers to the business must be reviewed and accepted in accordance with this policy.

Procedures

Choosing a New Customer

A new customer must support our business with {insert the priorities required from your customers, such as good credit quality, prompt payers, etc.}.

For each new customer the following information table must be completed prior to agreeing services.

Customer Background Information

Business Name of Customer:

Location of Customer:

Products/Services required by customer:
(Attach a list if necessary)

Name of business owner/ sales representative:

How many years has the customer been trading?:

Customer Review checklist

For each new customer being considered the following checklist must be completed:

- Have trade references been sourced for the new customer? (Attach copies)

- Has the customer been informed of the trade terms of {Insert payment terms here e.g. 30 days from invoice} and agreed to these terms?

- Has the new customer completed a credit application form? (Attach completed form)

- Has the Personal Property Securities Register (PPSR) been reviewed? (insert additional information required to assist in the decision of appointing a new customer)

Appointment of Customer

The appointment of a new customer will be authorised by {insert relevant job title here}.

Each new customer will have a credit limit set. This credit limit will be set in accordance with the Customer Credit Limits policy.

All new customers must be given a New Customer Letter which must be signed and returned by the customer before any sales are to take place.

All relevant details of the new customer will be entered into the financial system by {insert relevant job title here} once approval is obtained from {insert relevant job title here}.

{Insert relevant job title here} will review information entered into the financial system to ensure all information is correct.

The sales department will be notified within {insert time frame here, recommended one week} of the new customer being approved.

Customer Credit Terms

All customer payment terms must be {insert relevant payment terms, remember the shorter the term the quicker you get paid}.

Where a customer has requested longer payment terms than the policy, this should be referred to and authorised by {insert relevant job title here}.

All customer payments are to be reviewed {insert timing of review here, recommended at least once a quarter} to ensure that payment terms are adhered to. For payments made outside of the agreed terms {insert relevant job title here} will prepare a report that details the reasons why payment terms have not been adhered to.

This report will be reviewed and authorised by {insert relevant job title here}.

Additional Policies for Customers

Guidance: add, link or remove the policies listed below as required.

Customer Credit Limits Policy

Customer Debt Collection Policy

Customer Service Policy

Customer Credit Limit Policy

Policy Number: {insert unique number}

Policy Date: {insert date of policy}

Guidance: This policy should be read and carried out by all staff if customer credit limits are breached. Edit this policy so it suits the needs of your business.

Purpose of the policy

This policy is to make sure a customer doesn't get too far into debt with you without a payment plan being put into place or work stopped.

Procedures

Reports on customer credit must be run every {insert time here, at least monthly is recommended}.

When a credit limit is breached all relevant staff will be notified. This includes {insert relevant job titles here e.g. sales, distribution, accounts collection}.

Any current outstanding orders should be stopped until the breach in the credit limit has been rectified. All staff working on the order or sale {insert other relevant job titles here e.g. sales, distribution, accounts collection} for the customer should not carry out further work until authorised by {insert relevant job titles or authorised persons' names here e.g. accounts collection, manager etc.}.

Review outstanding orders and sale history

If the customer has a large number of orders outstanding or has increased the volume of orders since the last credit review, then a review of the credit limit must be undertaken.

This is the responsibility of {insert relevant job title here}.

If the credit limit needs to be increased, this must be approved by {insert relevant job title here}. Once this has been approved, all staff working on outstanding orders must be notified to restart the customer's orders.

Credit limit is breached due to outstanding payments

{Insert relevant job title here} must make a list of all outstanding payments.

{Insert relevant job title here} must ring the customer and explain that further orders cannot be processed until the account has been paid.

If the customer is having difficulty, make a schedule of payments to bring them back in line with their credit limit.

Get the signoff of {insert relevant job title here} before discussing this option with the customer.

Use the following script to assist with the call:

"Hi John, how are you? Just thought I would give you a ring about your outstanding orders. Unfortunately, we have noticed that payments for previous sales have fallen behind on your account and these will need to be paid for before we can process the next set of orders. Are you able to fix this up today so we can continue on your order?"

If they cannot pay on the day of the phone call, then get an expected payment date from them and confirm that any outstanding orders cannot start until the payment is made.

Review payment terms for the customer

If the customer has increased the volume or value of orders since the last credit review, the payment terms must also be reviewed by {insert relevant job title here}.

Where large orders are being placed then the payment terms should include deposit on order and/or progressive payments for each order. This must be discussed and agreed with the {insert job title of person responsible for collecting payments from the customer}.

Customer Debt Collection Policy

Policy Number: {insert unique number}

Policy Date: {insert date of policy}

Guidance: This policy should be read and carried out by all staff who undertake collection procedures within the business. Edit this policy so it suits the needs of your business. For phone and email templates to assist you with your debt recovery process visit the Business Victoria Debt collection guidelines and recovery page.

Purpose of the Policy

This policy provides guidelines for the collection of late payments from customers.

Procedures

An aging debtor report {or insert name of customer outstanding payments report here} is to be run every {insert timing here, recommended once a week }. All overdue customer payments are to be noted and the following procedures undertaken until recovery of outstanding amounts.

- **First Contact:** Once the payment is overdue, phone or email the customer. Remind them that payment is due and has not been received. Ask them when they will be paying and keep a record of the conversation or email. Remember to be nice, they may have forgotten or paid into the wrong bank account.

- **Overdue reminder:** If they do not respond to the phone call or email, try contacting someone else in the business. Let them know who you are trying to contact. This often results in a return response from either the person you were trying to contact or someone else from the business. Make a note of all conversation details on the overdue customer payment record.

- **Final notice:** When a payment is overdue for {insert number of days here } a final notice is to be sent either by phone or email. A record of this notice must be entered onto the overdue customer payment record

- **Direct contact:** Where there has been no response to the final notice within {insert number of days here} then {insert relevant job title here} must either visit the customer or phone where previous contact has been by email. The purpose of this step is to secure a date of payment. A record of this notice must be entered onto the overdue customer payment record.

- **Formal letter of demand:** Where payment remains outstanding {insert number of days here} and there has been an unsatisfactory response from the customer, authorisation from {insert relevant job title here} for the formal letter of demand to be issued must be obtained. Once authorised this letter is to be sent via registered mail and a record of this notice must be entered onto the overdue customer payment record.

- **Debt collection agency:** Where the amount outstanding is in excess of {insert amount here} and {insert relevant job title here} has approved, a debt collection agency is to be appointed to recover the debt.

- **Write off debt:** Customer payments that remain outstanding for {insert number of days here} are to be written off as bad debts and no further sales are to be undertaken with that customer without approval from {insert relevant job title here}.