

1.8.1.2	BAD DEBTS POLICY
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Applies to: Board Members, All Staff and Volunteers	Version: 1
Specific responsibility: CEO	Date approved:
	Next review date:

Policy context: This policy relates to	
Standards or other external requirements	Home Care Standards, Tasmanian Quality and Safety Standards, National Standards for Volunteer Involvement.
Legislation or other requirements	
Contractual obligations	

PURPOSE To outline the management and administration for the recovery of outstanding general debtors in a timely and efficient manner.

POLICY MOW is responsible for developing effective controls and procedures over the collection of monies.
Grants are provided as a subsidy to the cost of meals and should not subsidise the cost of the meal itself therefore the Federal Government, (which provides our Grants), does not accept bad debts as a legitimate expense. As the Branch receives the revenue for meals delivered it has been decided by the board that Bad Debts are no longer to be recovered by the State Body.

PROCEDURE

- Accounts should be examined on a weekly basis to determine potential non-payment before the amount exceeds more than two weeks outstanding.
- The task of recovering bad debts is handled by the Branch co-ordinator or Treasurer.

- Make contact with the recipient and explain that your aim is to assist them in the easiest possible way to clear the accumulated amount.
- Suggest that the client pays a little extra each week as well as the amount due for meals at the end of each week until the debt is cleared.
- Suggest client uses direct debit, Centrepay or other options that use automatic payment which will lessen the opportunity for non-payment.
- Document every action you take to recover debts
- Make contact with the family or carer of the client only after discussion with the client has failed to resolve the problem.
- Should the above procedures prove to be unsuccessful make contact with your Meals on Wheels Client Services Officer who will then visit the client to discuss options.
- In the case of death of a client, the co-ordinator or treasurer should prepare a full statement of account detailing the services provided and the amount due. The statement should be forwarded to the client's next of kin as registered on our system.
- If you have to terminate the service ensure every avenue and option has been explored and documented.
- Should the outstanding amount prove to be unrecoverable, a credit should be issued against the clients account.

RESPONSIBILITY This policy applies to all Meals on Wheels Branches.

DOCUMENTATION

Documents related to this policy	
Related policies	
Forms, record keeping or other organisational documents	

Reviewing and approving this policy		
Frequency	Person responsible	Approval
Annually	CEO	Board

Policy review and version tracking			
Review	Date Approved	Signed	Next Review Due
1			
2			
3			