Billing and Collection Control Policy

I. PURPOSE: To define the billing and collection procedures necessary to maintain an appropriate level of internal control over revenue collection operations.

II. POLICY: It is the policy of PAVIR to administer funds in accordance with GAAP and all applicable laws and regulations in a manner beneficial to VAPAHCS research and education enterprises. Sponsored projects will be administered in accordance with the terms and conditions specified in the grant or contract award and applicable regulatory requirements.

The PAVIR Administrative Office is responsible for maintaining all Accounts Receivable records, including open bills awaiting payment;

- ensuring that Sponsors are accurately and promptly billed; and
- ensuring that all invoices are properly paid, or otherwise adjusted.

No revenue collection activity should be implemented by any employees other than designated PAVIR administrative staff.

III. BILLING:

An invoice should be issued each time a project reaches payment milestones, as defined by the grant, contract or agreement with the Sponsor. When a project reaches a milestone, an invoice generated by PAVIR Accounts Receivable staff enters the receivable into PAVIR's accounting system. The accounting system assigns sequential invoice numbers, which:

- appear on each invoice; and
- enable PAVIR Accounts Receivable staff to track payment.

The invoice number is the sequential invoice number generated by the PAVIR accounting system.

The invoice directs the Sponsor to send all payments directly to the PAVIR Administrative Office, and provides the name and telephone number of the appropriate contact person in the PAVIR Administrative Office.

Memoranda or other notices or reports may accompany the invoice, but may not be substituted for the invoice.

IV. COLLECTION

PAVIR administrative staff are responsible for collecting the amounts billed, recording the collections, and following up on outstanding invoices.

When an invoice is not paid within a reasonable time, normally thirty to sixty days, PAVIR administrative staff will investigate the reason for the payment delay and take appropriate follow-up action.

PAVIR Accounts Receivable staff will record and apply payments received to the corresponding invoices, and investigate and reconcile any variance between an invoice and its payment.