University of Florida Foundation, Inc. (UFF)
Write-off of Pledges Receivable

Policy #: 5.19
Policy Type: Board
Responsible Committee: Audit Committee
Department: Finance and Accounting
Effective Date: April 19, 2024

1. **PURPOSE**

To ensure correct process and accounting for write-offs of pledges receivable.

2. **APPLICABILITY**

All pledges receivable of UFF.

3. **POLICY**

All reasonable means of collecting a pledge receivable are to be exhausted before write-off procedures are initiated.

Pledge write-offs are initiated in two ways, as further described below: 1.) By development staff who deem individual pledges to be uncollectible and 2.) By regular monthly reporting of past due pledges to Associate Vice Presidents of Development.

1. If development staff deem a pledge receivable to be uncollectible, the following approvals are required before the pledge can be written off by Gifts & Records:

<table>
<thead>
<tr>
<th>Amount</th>
<th>Approval</th>
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<tbody>
<tr>
<td>$10,000 or less</td>
<td>Professional development staff and development supervisor/manager</td>
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<tr>
<td>More than $10,000, less than $1,000,000</td>
<td>Professional development staff, development supervisor/manager, and Associate Vice President</td>
</tr>
<tr>
<td>$1,000,000 or more</td>
<td>Professional development staff, development supervisor/manager, Associate Vice President, and Executive Vice President</td>
</tr>
</tbody>
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2. The Program Management team alerts Associate Vice Presidents of Development monthly of past due pledges at both 18 months and 23 months past due without payment received in that time frame. Development should work with donors to collect the pledge or amend the pledge schedule.

If no collection or pledge schedule adjustments are received and the pledge is 24 months past due, Gifts & Records writes off the pledge, adding a comment to the pledge in the CRM that it was written-off per the 24 months past due policy.
Development can ask for an exception to a pledge write-off if a pledge is expected to be fulfilled but the necessary collection or pledge schedule adjustment cannot be completed within the 24-month time frame. An exception is indicated with a comment on the pledge in the CRM. If an exception continues past 6 months, the Controller is alerted by the Gifts & Records department and a determination is made on whether the pledge should remain in the accounting records.

Pledges that are written off in the same year they are dated will be treated as a reduction of the appropriate revenue account.

Pledges that are written off that are dated prior to the current year will be treated as a reduction to the allowance for doubtful accounts.

4. CLARIFICATION

Requests for clarification of this policy should be sent to UFF-PolicyAdmin@uff.ufl.edu.

Certified as approved by the UFF Executive Board on: April 19, 2024.

Revision history: Original version
Revised October 10, 2014
Updated January 3, 2020
Revised April 19, 2024