

Quick Guide: External Sales

Before commencing income generating activities



All income-generating activity must be carried out in accordance with the Financial Regulations and the procedures set out in this chapter.

There must be local departmental procedures in place in respect of sales, banking and income collection.

There are a number of aspects to consider as to whether the University should be making the sale.

Before a sale is made



Consider and assess the credit risks of customer types and particular activities – credit checks must be performed on all new customers.

Payment in advance is to be used in certain circumstances, including for all overseas customers.

When a contract is in place the University's Standard Terms and Conditions apply and you must ensure these are accepted, considering related factors e.g., currency, insurance, payment method.

Supply a quotation where requested and obtain a Purchase Order, or equivalent, for all sales or services offered on credit.

Making sales



Once the decision to trade has been made, a customer record must exist in CUFS, either newly created or an existing account that may need updating.

A CUFS sales invoice must be raised and sent promptly. Ensure it is posted to the appropriate accounting period.

Payments from customers must be identified and receipted in CUFS at the first opportunity.

Any corrections required to invoices must be substantiated.

Debt management

Departments are responsible for all debt collection activities. Regularly view your overall debt position and develop an appropriate collections strategy and methodology. Detailed and accurate records of all contact with debtors must be maintained.



Contact Credit Control regarding more difficult debts for additional support and to discuss the options available.

Any decision to take legal action should be referred to the Director of Finance and Legal Services.

Departments wishing to write off a debt must obtain the required authorisation and pass to Credit Control for processing.

A Bad Debt Provision is posted to the General Ledger by the Credit Control team each month – request a 100% provision for any debts at significant or immediate risk.

For more information...



fincreditcontrol@admin.cam.ac.uk
UFS_AR@admin.cam.ac.uk



[FPM chapter 8a – external trading and credit control](#)

External Sales Flow Chart

