

Write Off a Bad Debt

Last Modified on 06/05/2019 8:45 pm EDT

Occasionally, it may be necessary to write off an unpaid debt. In order to properly record the bad debt in Jackrabbit, you'll need to add a couple of new drop-down list names.

1. Point to **Tools** and click **Edit Settings**. Then select **Drop-down Lists** from the menu on the left.
2. From the left menu, click **Transaction Type**.
3. Click the **Add Row** button
4. Add a new *Transaction Type* named **Bad Debt (Credit)**. Click **Save Changes**.
5. From the left menu, click **Payment Method**.
6. Click the **Add Row** button.
7. Add a new *Payment Method* named **Write-off**. Click **Save Changes**.

Once this is complete, you can record the bad debt by following the steps below.

1. Ensure you're on the correct family. Click the **Payment** button.
2. Select the *Transaction Type*, **Bad Debt (Credit)** from the Transaction Type drop down list. *It is very important you change the Transaction Type to Bad Debt (Credit)*.
3. In the pop up box that says, *Warning If the Pmt Type value is NOT equal to Payment, the following reports will NOT balance: Paid Fees Summary and Revenue Summary*, click **OK**.
4. Select the *Payment Method*, **Write-off** from the *Method* drop down list.
5. Optionally, add a **Note**.
6. Enter the unpaid debt **amount** in the *Pmt Amt* field.

7. Click **Apply to Oldest Fees First** or select specific fees by clicking in the fee **Apply Amt** field. Click **Save Changes**.

The family balance is now 0.00 and the bad debt is linked to the appropriate fees.

Summary Contacts Enrollment Transactions Billing Info Misc															
View Transaction History View Unapplied Credits & Unpaid Fees															
Balance: 0.00 (Current Outstanding Balance) Legend: F															
Last 20 (Most Recent) Transactions															
View 1 - 4 of 4 Print Refresh															
Date	Type	Sub Type	Amt	Orig Amt	Disc Amt	Tax	Note	Pmt Meth	Chk#	Date Paid	Unpaid Amt	Balance	Cat1	Sess	
8/27/2014	Bad Debt		-156.48					Write-off		8/27/2014		0.00			
9/25/2013	Tuition Fee	August	75.00	75.00				Write-off		8/27/2014		156.48	Dance		
9/25/2013	Other Fee		0.10	0.10				Write-off		8/27/2014		81.48	Late Fee		
3/1/2013	Tuition Fee		81.38	75.00		6.38		Write-off		8/27/2014		81.38	Music	2012-13	

Revenue reports are not impacted because the *Transaction Type* was changed, however, this information can be reported on by changing the *Transaction Type* to **Bad Debt (Credit)** in the search criteria of *Deposit Slip* and *Transaction Listing* (under the *Reports* menu) or *Advanced Search* (under the *Transactions* menu).

Deposit Slip

8/27/2014 - 8/27/2014

Item #	Date	Chk#	Account(Billing Contact)	Amount	Notes
Pmt Method: Write-off					
1	8/27/2014		Rubble (Betty Rubble)	156.48	
				Account-Total:	156.48
				Write-off total:	156.48
				Total:	156.48
				# of Items:	1

Deposit Slip with **Transaction Type: Bad Debt (Credit)**.

