

Write Off a Bad Debt

Last Modified on 11/03/2020 12:32 am EST

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) | | 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 Debit (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).