

To: [Name of Recipient/Management Team]

From: [Your Name/Title]

Date: [Date]

Subject: Recommendation for Improving Accounts Receivable (AR) Aging Oversight

Dear [Recipient Name],

I am writing to formally recommend an enhancement to our current processes regarding Accounts Receivable (AR) aging oversight. Based on a recent review of our outstanding balances, it is evident that implementing a more rigorous monitoring system will significantly improve our cash flow and reduce the risk of bad debt write-offs.

To optimize our collections process, I propose the following actions:

- **Weekly Aging Reviews:** Transition from monthly to weekly reviews of the AR aging report to identify delinquent accounts earlier.
- **Automated Reminders:** Implement automated email notifications for invoices reaching the 30, 60, and 90-day marks.
- **Standardized Collection Workflows:** Establish a formal escalation policy that defines exactly when an account moves from internal follow-up to a third-party collection agency or legal review.
- **Credit Limit Re-evaluation:** Periodically review the credit terms of customers who consistently appear in the 91+ days overdue category.

By strengthening our oversight in these areas, we can ensure a more predictable revenue stream and maintain healthier relationships with our clients through proactive communication.

I am available to discuss these recommendations in further detail and assist in developing an implementation timeline.

Best regards,

[Your Signature]

[Your Printed Name]

[Your Department]