

Internal Control Assessment
Section 8: Accounts Receivable

Agency:
 Bus Area:
 Fiscal Year

	Question	Yes	No	NA	Comments
	Accounts Receivable				
1	Are the agency's accounts receivable policies and procedures clearly stated through manuals, handbooks, or other media?				
2	Are all receivable transactions properly and accurately recorded, aged, and accounted for in MAGIC?				
3	Are billings timely and accurately recorded and documented on the date the revenue transaction was completed, or the nearest normal billing cycle date?				
4	Are all collections on accounts receivable deposited and the source and date of payment recorded in a timely manner?				
5	Are the responsibilities for billing services and fees segregated from collection and accounting?				
6	Are the responsibilities for maintaining detailed accounts receivable records segregated from collection, deposit, and general ledger postings?				
7	Are all adjustments, write-offs, and discharges properly authorized, documented, and made in accordance with establish policies, procedures and legal requirements?				
8	Are uncollected accounts periodically reviewed and collection actions taken in accordance with established policies, procedures, and legal requirements?				
9	Are account balances aged periodically and reviewed by an official not involved in cash receipts and disbursements?				

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10	Are recorded balances of receipts, accounts receivable and related transaction activity periodically substantiated and evaluated?				
11	Are receivables recorded promptly after collection?				
12	Are records of receivables easily accessible?				
13	Are receivable amounts periodically reviewed for credit balances?				
14	Are the quantities, prices and clerical accuracy of billing invoices independently verified by another person other than the preparer?				
15	Are billing statements promptly sent to all customers on a regular basis?				
16	Are adequate files maintained by the agency on all accounts that have been written off to avoid violation of the statute which prohibits the forgiveness of debts owed to the State?				
17	Are voided billings retained on file?				
	Cash Receipts - Deposits				
18	Has the agency developed an internal processing system capable of separating payments received from related accounting departments?				

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19	Are all deposits properly and accurately recorded and accounted for in MAGIC?				
20	Are checks endorsed "For Deposit Only" immediately upon their receipt?				
21	Are the responsibilities for collection and deposit preparation segregated from the recording of cash receipts and general ledger entries?				
22	Are the responsibilities for cash receipts segregated from those for cash disbursements?				
23	Are personnel who physically handle daily receipts periodically rotated?				
24	Do procedures exist for follow up and collection of "non-sufficient funds" checks?				
25	Are "non-sufficient funds" checks handled by someone independent of processing and recording of cash receipts?				
26	If payments are made in person, are receipts controlled by cash register, pre-numbered receipts, or other equivalent?				
27	Are receipts accounted for and balanced to collections on a daily basis?				
28	Does the agency have a secure fireproof area, restricted to authorized personnel, for protecting and storing un-deposited cash receipts?				

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29	Are remittances by mail listed at the time mail is received and opened?				
30	Does the agency forward a copy of the listing to personnel in cash receipts?				
31	Does the agency keep an original copy of the remittance by mail listing?				
32	Is the remittance by mail list daily compared with the deposit by a third person?				
33	Is cash receiving function centralized?				
34	Are cashiers prohibited from cashing personal checks or notes of personal indebtedness?				
35	Are bank balances in excess of \$250,000, the F.D.I.C. limit, adequately secured?				
36	Are deposits into agency clearing funds in accordance with approval by the DFA and State Treasury?				
37	Are cash drawers balanced on a daily basis?				
38	Does the supervisor verify that the cash is in balance and sign off?				

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39	Are surprise cash drawer audits being conducted by supervisors periodically?				
40	Are MAGIC security profiles consistent with the segregation of duties over receipt functions?				
41	Are procedures in place to document when receipt of funds should be recorded as refunds of expenditures or prior year revenue?				