



STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE & FINANCIAL SERVICES
78 STATE HOUSE STATION, AUGUSTA, ME 04333-0078

PAUL R. LEPAGE
GOVERNOR

RICHARD W. ROSEN
COMMISSIONER

TO: ALL STATE DEPARTMENTS, INSTITUTIONS AND AGENCIES
FROM: RICHARD W. ROSEN - Commissioner
DATE: March 24, 2016
SUBJECT: DETAILED AGING OF ACCOUNTS RECEIVABLE AND SUSPENSE ACCOUNTS– **DUE APRIL 29, 2016**

As the financial stewards of the State of Maine, each of you plays an important role in keeping the various balance sheet accounts in which your agency records activity reconciled. These reconciliation procedures help ensure that no erroneous entries have been made or that amounts recorded receive the proper attention and are cleared timely. This memo only identifies two high risk areas and is not meant to supplant any reconciliation activities for other accounts within your control.

All amounts owed to the State, whose expected collection period exceeds thirty days, must be recorded as an Accounts Receivable on the Controller's records.

In circumstances when monies received are not readily identifiable to a particular account code it is appropriate to record those funds on the accounting system using a suspense account (0204, 0205, 0207 or 0208).

Agencies who believe there are circumstances where recording their receivables is not appropriate or necessary, must have a written statement exempting the agency from this policy on file in the Controller's Office. To apply for an exemption, please email Doug Cotnoir, State Controller.

Each State agency is responsible for effectively managing their accounts receivables and suspense accounts. Effective management includes reviewing outstanding receivables to ensure that all reasonable efforts are used to effect timely collection. An integral part of reviewing outstanding receivables includes the yearly submission of a Detailed Aging of Accounts Receivable to the Office of the State Controller. For suspense accounts, effective management would include tracking the details of the entry and clearing suspense accounts timely.

DETAILED AGING OF ACCOUNTS RECEIVABLE – (DO NOT INCLUDE RE'S) – Please consider the following when preparing the Aging.

- **The report is due no later than April 29, 2016.**
- Please submit to: **Angela Dickinson, OSC, 14 SHS, Augusta, ME 04333-0014**
- As of **March 31, 2016**, report any outstanding Accounts Receivable amounts (B9151), include negative balances.
- The Detailed Aging must provide a listing of receivables to support the receivable total for each unit under Balance Sheet codes; 0025 – Other Accounts Receivables, 0020 – Taxes Receivables, and/or any other Balance Sheet codes that may be used by your agency to establish receivables.
- Do not include Billed Receivables. Receivables entered through the RE system are posted directly to the default Balance Sheet codes 0022 – Billed Receivables and 0052 – Intra-governmental Billed Receivables.
- Make sure all account coding has been completed, including 8xxx unit (example 8025, 8031).

- The totals for each unit must agree with the balance shown on the General ledger, as of March 31, 2016.
- The Detailed Aging must contain the name of a contact person and their phone number. See attached sample aging form for additional instructions and format.

DETAILED AGING OF SUSPENSE ACCOUNTS – Please consider the following when preparing the Aging.

- **The report is due no later than April 29, 2016.**
- Please submit to: **Angela Dickinson, OSC, 14 SHS, Augusta, ME 04333-0014**
- As of **March 31, 2016**, report any outstanding Suspense Account amounts (B9151), include negative balances.
- The Detailed Aging must provide a listing of deposits to support the suspense account total for each unit under Balance Sheet codes; **0204 Suspense Account Federal, 0205 Suspense Account Miscellaneous, 0206 Suspense Account Special Purpose and 0207 Suspense Account Payroll Clearing**.
- Make sure all account coding has been completed, including 8xxx unit (example 8025, 8031).
- The totals for each unit must agree with the balance shown on the General ledger, as of March 31, 2016.
- The Detailed Aging must contain the name of a contact person and their phone number. See attached sample aging form for additional instructions and format.

Enclosure – See Aging Worksheet