



STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
OFFICE OF THE STATE CONTROLLER
14 STATE HOUSE STATION AUGUSTA, MAINE 04333-0014

SERVING THE PUBLIC AND DELIVERING ESSENTIAL SERVICES TO STATE GOVERNMENT

KIRSTEN LC FIGUEROA
COMMISSIONER

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STATE CONTROLLER

TO: ALL STATE DEPARTMENTS, INSTITUTIONS AND AGENCIES
FROM: Douglas E. Cotnoir, State Controller
DATE: April 29, 2020
SUBJECT: DETAILED AGING OF ACCOUNTS RECEIVABLE AND SUSPENSE ACCOUNTS— **DUE MAY 18, 2020**

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, 0206, 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 Shirley Browne, Deputy 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 submitting a Detailed Aging of Accounts Receivable to the Office of the State Controller yearly. 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 May 18, 2020.**
- Please submit to: **Tammy Chase, OSC, 14 SHS, Augusta, ME 04333-0014**
- As of **March 31, 2020**, report any outstanding Accounts Receivable amounts (B9151), including 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.
- Ensure 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, 2020.
- 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 – Aging Worksheet