



Oregon
University
System

**Office of the Chancellor
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Cash Receipts and Accounts Receivable Potential Problems – Inadequate safeguarding of assets

1. Funds received are not immediately recorded on a mail log, cash receipt slip, cash register, or electronic receivable system.
2. Checks are not restrictively endorsed “FOR DEPOSIT ONLY” immediately upon receipt.
3. Custody of funds is not adequately controlled. Fund transfers between receiver, recorder, verifier, and depositor are not documented.
4. More than one cashier utilizes the same cash drawer or the fund is not balanced between shifts.
5. Voids, errors, or other corrections are not reviewed and approved by a supervisor.
6. Safe access is available to more than three employees (including supervisors), or locks and combinations are not changed when staff with access leave.
7. A second employee does not verify funds deposited.
8. Funds collected are not deposited timely.
9. Outstanding receivables are not adequately monitored (aged so that old receivables are easily identifiable and reviewed by management) and management does not adequately approve accounts receivable write-offs.



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10. Duties of cash collection, asset custody, record keeping or recording, authorization, and reconciliations are not adequately segregated or monitored.
11. Management reports are too general or excessively detailed, making review difficult.
12. Account reconciliation is not performed within 30-60 days of period end.
13. A supervisor does not review reconciliation or the review is not documented (initials and date).
14. Complete listings of accounts receivable are not maintained.