



Accounts Receivable

Monies Owed to the Commonwealth

Fiscal Fundamentals



Virginia Department of Accounts

Photo by Karl Steinbrenner

Financial Accountability. Reporting Excellence.



The Virginia Debt Collection Act

Sets the Commonwealth's overall policy for accounting for, managing, and collecting receivables owed to the Commonwealth.

Calls for taking all appropriate and cost effective actions to aggressively collect all accounts receivable.



DOA Responsibilities

Oversight, monitoring, and reporting of the Commonwealth's receivables

Setting policies and procedures for reporting, accounting for, and collecting receivables

Reporting on receivables status of State agencies



DOA Initiatives and Tools

Commonwealth Accounting Policies and Procedures (CAPP) Manual.

Financial statement preparation instructions and attachments.

Training for all agencies using the web-based receivables reporting system.



DOA Reporting

To keep elected and appointed officials informed, DOA issues the **Comptroller's Report on Statewide Financial Management and Compliance** each quarter, which summarizes statewide and agency receivables statistics.

Annually, DOA prepares and issues the State's Comprehensive Annual Financial Report (CAFR).



Agency Responsibilities (1 of 2)

Virginia Debt Collection Act requirements:

Follow policies and procedures issued by DOA and the Office of the Attorney General.

Develop internal controls, policies and procedures to properly account for and report receivables.

Report receivables information to DOA quarterly and for inclusion in the Commonwealth's CAFR.

Agency Responsibilities (2 of 2)

Agencies should ensure that their systems properly account for, record, and manage their accounts receivable.

Controllable Areas:

- Billings
- Collections
- Adjustments
- Records of transactions
- Accurate aging of accounts
- Reporting



Key Internal Controls

All accounts that should be billed are billed.

The billings are accurate and timely.

All collections are posted to the proper accounts.

All adjustments are reviewed and approved by management.

Accounts are properly aged.

All transactions are properly recorded and reported.

Office of the Attorney General Division of Debt Collection

Agencies are required to send accounts over \$2,999 and 60 days past due to the Division unless they have demonstratively effective in-house collection procedures.

Agencies are requested to adhere to the Attorney General's published "Collection Procedures."

CAPP Manual Topics

- [20505](#), Accounts Receivable

DOA Directives

- [No. 2-08](#), Financial Statement Template Preparation for Higher Education Institutions
- [No. 3-08](#), Directive Compliance Guidelines for State Agencies

References (2 of 2)

Internet

- Instructions for Using the Accounts Receivable System,
http://www.doa.virginia.gov/Financial_Reporting/Accounts_Receivable/Accounts_Receivable_Main.cfm
- Office of the Attorney General – Division of Debt Collection – Collection Procedures,
http://www.doa.virginia.gov/Financial_Reporting/Accounts_Receivable/Accounts_Receivable_Main.cfm

Other

- Code of Virginia [Section 2.2-4800 – 4808](#), Virginia Debt Collection Act



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