TREASURY ACUMEN:
PAYMENTS MANAGEMENT SERIES

Understanding and Managing Accounts Receivable
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COURSE LENGTH

Three 2-Hour Virtual Sessions or
One Full Day In Person

DESCRIPTION

Accounts Receivable (AR) is vital to the long-term survival of any business. It is a critical component of a balance sheet that directly affects working capital and cash flow. While AR is the funds owed a company for the goods and services it provides, it involves more than collecting these funds. AR management is customer impacting; it is important to understand strategies that can be used to properly manage AR functions involving invoicing, credit, and collections. Without a strategy, the possibility of fraud and bankruptcy increases; therefore, policies and procedures as well as controls are needed to help safeguard company assets.

This course provides an overview of the processes and functions needed to successfully manage AR, and the rules and regulations affecting decisions. In addition, information about accounting, controls, regulation and auditing associated with these functions is addressed.

LEARNING OBJECTIVES

— Utilize basic concepts and terminology related to AR

— Identify basic AR functionalities and process workflows

— Understand AR accounting principles and regulatory requirements

— Recognize the need for a strategy and controls to safeguard company assets, to maintain security and minimize fraud

AGENDA

— Agenda/outline and objectives (10 minutes)
  • What is meant by Accounts Receivable (AR)?
  • Why understand AR?
  • Purpose and goals of AR?
  • Questions and thoughts to keep in mind as working through training

— Intro to Accounts Receivable (AR) (65 minutes)
  • AR terminology and definitions
  • AR process workflows
  • Internal/external communications and controls
  • Contract administration
  • Policies and procedures
  • Knowledge reinforcement exercise

— Invoice management (45 minutes)
  • Invoice calculating methods
  • Invoice creation and terms
  • Domestic versus international invoicing
  • Accounting and record retention
  • Knowledge reinforcement exercise

— Collections management (45 minutes)
  • Treasury and cash management considerations
  • Credit management
  • Lockboxes
  • Payment types, options and processing (manual, paper, card, electronic)
  • Collection reconciliation
  • Knowledge reinforcement exercise

— Reporting requirements and compliance (20 minutes)
  • Regulatory requirements
  • Governing laws
  • Escheatment
  • Knowledge reinforcement exercise

— AR Controls (30 minutes)
  • Separation of duties - roles and responsibilities
  • Strategies
  • Compliance
  • Metrics
  • Auditing
  • Knowledge reinforcement exercise

— Outsourcing and technology (30 minutes)
  • Terminology
  • Identifying and evaluating software solutions & alternatives
  • Automation & straight through processing
  • Security
  • Updates
  • Knowledge reinforcement exercise

— Disaster Recovery (15 minutes)
  • Key functions
  • Staffing controls
  • Knowledge reinforcement exercise

— Wrap Up (20 minutes)
  • Course Summary
  • Resources

— Knowledge reinforcement exercise