

Process	Sub-Process	What (Objective)	Why (Risk or Exposure)	RETURN TO MENU	How (Applicable Controls)	Control Number
O Sales & Revenue	O4 Invoicing	Prices are fixed and determinable; prices and payment terms are reviewed/updated and approved so that only valid prices and payment terms are granted to customers.	Revenue may be recognized before price is fixed and determinable. Customers may be charged inappropriate prices for items purchased and gross revenues are not accurately stated.		Prices and payment terms are verified for accuracy, reviewed and authorized by management.	O4-1.1.1
					Prices and payment terms are maintained accurately within systems.	O4-1.1.2
					Price and payment term exception reports and overrides are monitored at least monthly.	O4-1.1.3
		Business is gained through competitive merit and prices are to be determined by market forces.	Violations of anti-trust laws may result in both civil and criminal penalties and expose the County to embarrassment.		Individuals setting the prices are trained and knowledgeable of principles of laws and regulations.	O4-2.1.1
		Evidence of an arrangement exists and products shipped and/or services performed must be accurately invoiced at authorized price and terms in a timely manner.	Customer sales and non-sales invoices may be incorrect, unsupported or not created resulting in misstated revenues, unauthorized terms or lost sales due to customer confusion and dissatisfaction.		"Shipped-not-billed" order status is analyzed and promptly resolved.	O4-3.1.1
					The sales system automatically generates an invoice and records entry to appropriate sales and inventory general ledger when goods are confirmed as delivered or shipped.	O4-3.1.2
					Invoices and credit memos are supported by appropriate documentation, consecutively numbered, and are monitored for accuracy and completeness.	O4-3.1.3
					Miscellaneous invoices and credit memos are supported by appropriate documentation, issued in accordance with the business sales policy, recorded timely and accurately and reviewed by management for completeness, accuracy and reasonableness.	O4-3.1.4
		Sales tax information is maintained and updated timely.	Failure to maintain tax exemption certificates and/or update rate changes may result in incorrect tax being billed and/or collected.		Sales tax exemption certificates are obtained from customers when required and maintained on file.	O4-4.1.1
					Sales tax rate changes are implemented in a timely manner.	O4-4.1.2
		Miscellaneous sales to employees are properly accounted for.	Loss of assets, possible litigation and/or loss of reputation to the County may occur.		All miscellaneous sales to employees are properly documented and approved.	O4-5.1.1
		Invoicing systems and records are appropriately safeguarded.	Loss or unauthorized changes to invoices may go undetected.		Access to enter, change or adjust invoices is appropriately restricted and is reviewed, at least annually, by management.	O4-6.1.1
		All customer credit memos (returns, refunds, adjustments, etc.) are authorized and recorded timely and accurately.	Customer returns/credit memos/refunds may not be recorded accurately, timely or completely and result in inaccurate financial reporting. Abuse of the return/complaint policy may go undetected.		Return, credit memo, and refund procedures are defined, documented, approved, communicated and adhered to.	O4-7.1.1
					Management monitors credit memos and refunds issued, by customer and investigates unusual trends.	O4-7.2.1
		The ability to process a return/rejection/refund is limited to appropriately authorized personnel.	Returns/credit memos/refunds may be unintentionally and/or inappropriately created or issued by users.		Access to process a return, credit memo or refund is appropriately restricted and is reviewed, at least annually, by management.	O4-9.1.1
Adequate segregation of duties exists among the authorization, custody of assets, recording of transactions and reconciliation.	Lack of segregation of duties may result in misappropriation of assets, inaccurate financial reporting, errors or irregularities, and/or improper and undetected use of funds or modification of data.		Adequate segregation of duties is maintained as documented in the <u>SOD matrix section</u> .	O4-10.1.1		