

Sixteen Questions for Conducting Your Own Financial Audit

1. Does the office accounting system include up to date posting, balancing and reconciliation of these records:
 - a. Checking account balance
 - b. Cash disbursement journal
 - c. Payroll sheets
 - d. Accounts receivable control
 - e. Cash receipts journal
2. Is there an acceptable chart of accounts set up?
3. Are employees who process receipts and monies into the practice bonded?
4. Is there an acceptable accounts payable software or if manual, a one write system for recording cash receipts, all payment activity and cash disbursements?
5. Is more than one employee assigned to receive cash payments and also mail in payments?
6. Do the patient encounter forms have up to date codes and are they sufficiently completed for billing and documentation purposes?
7. Are statements sent consistently at least monthly on all outstanding accounts?
8. Can the listing of receipts be traced easily to the cash receipts journal?
9. Are checks stamped for deposit only upon opening envelopes and deposits made daily?
10. Does the record of patients per day (day sheet) verify with the daily appointment schedule sheet?
11. Are the day sheets totaled and balanced at the end of each day? Does this activity require any employee overtime or not completed until the next day?
12. Does the office have a policy for the manager and/or physician to review adjustments and write-offs on accounts?
13. Is there one key person in charge of supply purchasing and inventory?
14. Is there an inventory/vendor supply file that documents the inventory items, supplies, pricing and how to order?
15. Are purchase orders used?
16. Are packing slips and deliveries verified and checked against invoices?

Publications related to this topic on website www.practicesupport.com include:

[Physician Practice Management: Essential Operational & Financial Knowledge](#)
[Financial Management Policies for the Physician Office](#)