

**Utility Accounting Division
Risk Analysis
Audit 04-15**

<u>Risk</u>	<u>Effect</u>	<u>Control</u>	<u>Control In Place</u>	<u>Assessment</u>
Inappropriate user access to critical functions within the Multi-Service System.	Unauthorized and/or inappropriate transactions or changes may occur.	A X-Ref of Secured Groups to Users Report is reviewed by the Division manager every six months.	Yes	High
Delinquent accounts are not submitted to collection agency in a timely manner.	Account may remain uncollected.	Accounts are submitted to the Collection Agency after 120 days.	Yes - However, the submission does not seem very timely.	Medium
Clients not being billed for services used.	Lost revenue.	For water and sewer, the Process Reads report indicates meters with zero usage (the meter may be broken). The Illegal Consumption report identifies meters with usage for inactive accounts. These reports are reviewed by the Billing Section prior to a cycle being billed.	Yes	Medium
Detail accounts receivable in the Multi-Service System not reconciled to control account in FAMIS.	Individual account balances or control account balance may be inaccurate.	MSS is interfaced into the City's Financial Management Information System (FAMIS). General Accounting reconciles MSS to FAMIS on a daily basis.	Yes	Low
Write-off of accounts receivable balances are not properly authorized.	Valid receivables may be inappropriately written off.	After 120 days, delinquent accounts are automatically written off by the Multi-Service System and submitted to the Collection Agency.		Low
Zero usage meters are not detected.	Lost revenue.	The Process Reads report indicates meters that are turned on with zero usage which is reviewed by the Billing Section. A maintenance order is issued to the Water Department to check the meter.	Yes	Medium
Service is not discontinued for customers who do not pay their utility bill.	Lost revenue.	The Credit Section is responsible for following upon delinquent active accounts. Collectors are sent out into the field to attempt to collect funds. If funds are not collected, the meter is either turned off, locked, or removed.	Yes	Low
Illegal usage is not detected.	Lost revenue.	The Billing Section reviews the Illegal Consumption Report. This report lists all inactive accounts that show water usage. Each account is researched.	Yes	Medium