



Case Study: Account Analysis and Reconciliation

CHALLENGE

CenterPoint had numerous accounts receivable balances that required analyses and reconciliation. CenterPoint did not have sufficient staff to supervise this work on a timely basis.

SOLUTION

MJLM provided an experienced consultant to supervise the temporary staff provided by CenterPoint. MJLM's recommendations provided CenterPoint with an effective process for analyzing and reconciling accounts. The team analyzed Accounts Receivable and related processes in order to clear unreconciled balances resulting from the acquisition of several smaller utilities, as well as the subsequent change in accounting systems to SAP. Analysis required contact with the various subsidiary utilities and significant account research to determine the impact of manual and system-generated entries. The analysis was largely completed on a transaction-by-transaction basis.

MJLM also identified processing trends which contributed to the magnitude of the reconciling items and provided recommendations for rectifying or modifying these trends. Recommendations included:

- Reevaluation of account criteria used to match payments and receivables and trigger posting of payments to suspense accounts;
- Automating invoicing and/or maintenance of customer accounts for non-standard but recurring customers; and,
- Consolidation of accounts which were split and designated as "Pre-SAP Implementation" and "Post-SAP Implementation".