

Office of Statewide Health Planning and Development  
**ACCOUNTING AND REPORTING MANUAL FOR  
 CALIFORNIA LONG-TERM CARE FACILITIES**

**APPENDIX C**

**MONTHLY CLOSING CHECKLIST**

GENERAL

1. Have all cash receipts for the month been posted, summarized, and recorded in the general ledger?
2. Have all cash disbursements and payroll charges for the month been posted, summarized, and recorded in the general ledger?
3. Have all patient/resident revenues earned during the month been posted to both the patients's/resident's ledger card and the revenue journal?
4. Has the revenue journal been summarized and posted to the general ledger?
5. Have all recurring journal entries been computed and posted to the general ledger? (e.g., amortization of prepaids, depreciation of fixed assets, accruals of investment income and/or provision for taxes based on income)
6. Has a review of the general ledger been made to determine if additional journal entries are necessary, and, if so, have these entries been posted to the general ledger?
7. Does the general ledger balance?

CASH

8. Have all bank accounts been reconciled from bank statement balances to the balances in the general ledger?

ACCOUNTS RECEIVABLE

9. Have statements been prepared and mailed to all patients/residents with an accounts receivable balance?
10. Has an accounts receivable aged trial balance been prepared?
11. Does the total receivable balance per the aging agree to the accounts receivable balance in the general ledger?
12. Have collection procedures been started for those accounts which became older than the facility will allow during the month?

	<u>Yes</u>	<u>No</u>
1. Have all cash receipts for the month been posted, summarized, and recorded in the general ledger?		
2. Have all cash disbursements and payroll charges for the month been posted, summarized, and recorded in the general ledger?		
3. Have all patient/resident revenues earned during the month been posted to both the patients's/resident's ledger card and the revenue journal?		
4. Has the revenue journal been summarized and posted to the general ledger?		
5. Have all recurring journal entries been computed and posted to the general ledger? (e.g., amortization of prepaids, depreciation of fixed assets, accruals of investment income and/or provision for taxes based on income)		
6. Has a review of the general ledger been made to determine if additional journal entries are necessary, and, if so, have these entries been posted to the general ledger?		
7. Does the general ledger balance?		
8. Have all bank accounts been reconciled from bank statement balances to the balances in the general ledger?		
9. Have statements been prepared and mailed to all patients/residents with an accounts receivable balance?		
10. Has an accounts receivable aged trial balance been prepared?		
11. Does the total receivable balance per the aging agree to the accounts receivable balance in the general ledger?		
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	<u>Yes</u>	<u>No</u>
13. Has an analysis of the accounts receivable been made to determine if the Allowance for Uncollectible Receivables is adequate?		
14. If the facility records any revenues under contractual agreement with a third-party payor at full established rates, has an estimate of the contractual allowances in the accounts receivable balance been made and compared to the amount in the Allowance for Contractual Adjustments?		
15. Have necessary adjustments to the allowance accounts been recorded?		
<b>ACCOUNTS PAYABLE</b>		
16. Have all unpaid invoices for services or supplies which were received by the facility on or before month end been recorded as accounts payable?		
17. Have all accruals been made for liabilities of the facility at month end for which no invoice has been received or will be received?		
<b>REVENUES</b>		
18. Has the daily census been kept and summarized by class of payor and level of care for the month?		
19. Has a test of the reasonableness of revenues recorded for the month been made? (e.g., patient census for the month by class of payor and level of care times the facility's billing rate(s), should approximate the nursing service/residential care revenues recorded)		
20. Has a listing of all patient deposits held been reconciled to the balance in the general ledger?		
21. Have adjustments been made to the standard monthly entry for depreciation expense based on significant fixed asset additions, disposals or sales during the month?		