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Simcha Felder
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MEMORANDUM

November 30, 2012

To: Agency Heads/Fiscal Officers

From: Simcha Felder *SF*

Re: Revision of Comptroller's Directive 21- Revenue and Receivable Monitoring

A revised version of Comptroller's Internal Control and Accountability Directive 21 is attached for your use and guidance. It supersedes the existing version dated April, 1983, and the following Comptroller's Memorandums:

- C.M.# 86-13 Integration of Certain Revenues into Accounts Receivable System
- C.M. #92-04 Revenue Receivable Procedures
- C.M. # 93-04 Revisions to Comptroller's Internal Control and Accountability Directive 21- Revenue Monitoring

The Directive establishes requirements for the presentation and recognition of revenues and receivables in the City of New York's (City) financial statements. It outlines and differentiates the recognition criteria of revenues and receivables derived from exchange transactions (charges for service) and nonexchange transactions (parties in which one party receives value without directly giving equal value).

The scope of the Directive is now expanded to include requirements for non-grant revenues, including taxes. It also incorporates the requirements of Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*, into its guidance.

The Directive includes guidance for the billing, collection and control over City revenues and receivables. It contains basic agency record-keeping requirements concerning the City's integrated accounting and budgeting system, Financial Management System (FMS Accounting), reporting.

The Directive contains an accounts receivable write-off policy, which is based on the age and amount of the receivable(s). The Directive also includes a policy that agencies must follow for returned checks (informally referred to as NG's No Good Checks).

This Directive is effective immediately. Questions should be addressed to the Bureau of Accountancy Directives Unit, Municipal Building, One Centre Street, Room 200 South, New York, NY, 10007, (212) 669-8216, E-mail directives@comptroller.nyc.gov.