IS YOUR COMPANY AUDIT READY?

Use this checklist to evaluate how prepared your organization is to prevent escheatment risk and maximize recoveries through proactive AP oversight.

Accounts Payable Controls

☐ Vendor statements are reviewed and reconciled at least quarterly
☐ Dormant vendor credits are actively monitored and resolved
☐ Duplicate payments and overpayments are identified and corrected regularly
☐ Vendor master file is reviewed periodically for accuracy and duplicate records
☐ There is a formal review process for credit memos and unapplied balances

Documentation & Retention

☐ Historical payment records are retained per state guidelines
☐ Audit trails exist for payment corrections, credit applications, and write-offs
☐ All adjustments are documented with reason codes and approval documentation
☐ Vendor communication logs (emails, letters, call notes) are maintained

Compliance & Due Diligence

☐ A current escheatment calendar is maintained for all applicable states
☐ Dormancy periods are tracked by state and property type
☐ Due diligence letters are issued according to each state's requirements
☐ Delivery confirmation or vendor responses to due diligence are archived
☐ Filing reports are submitted accurately and on time

Internal Review & Oversight

☐ Internal spot checks or mini-audits are conducted semi-annually
☐ Roles and responsibilities for escheatment and AP recovery are clearly defined
☐ Training is provided annually for AP staff on escheatment risk and procedures
☐ Compliance gaps are escalated and addressed proactively

External Audit Support

☐ A third-party AP recovery audit is performed annually or biennially
☐ Results of audits are used to implement long-term process improvements
☐ A designated internal liaison manages external audit communications
☐ Risk areas identified in past audits have been remediated

Score Yourself:

✅ 16 - 20 items checked: Strong audit readiness
⚠️ 10 - 15 items checked: Moderate readiness; room for improvement
❗ <10 items checked: High risk—consider immediate remediation and audit support

Not all boxes checked? It may be time for a conversation.