

IMPORTANT

Accounting Changes for Projects

Posting of Accounts Receivable

As Grants and Contracts Accounting bills for February expenses, they will begin booking Accounts Receivable and recognizing revenue on all new and outstanding invoices. This is necessary for the implementation of the PeopleSoft Grants Module planned for December 2012.

Accounts Receivables will be posted to account 15300 (Accounts Receivable) located on the balance sheet in the Management Report. We will not be booking Accounts Receivables for letter of credit projects at this time.

In the past, we recognized revenue when we received the funds. Beginning March, 2012, we will recognize revenue when the invoice is prepared. Account 15300 (Accounts Receivable) is the amount billed but not paid by the sponsor. To obtain the amount already paid by the sponsor, you will need to subtract the Accounts Receivable amount from the Revenue amount.

Example

Account	Description	Debit	Credit	Balance
4010x	Revenue		① 2,000	2,000
15300	Account Receivable	① 2,000	② 500	1,500 (due from sponsor)
				500 (revenue received from sponsor)

① Posting billed account receivable and revenue of \$2,000.

② Posting a \$500 payment from sponsor.