Contacts for Assistance

- Jani Fisk 626-5748
- Marian Smith 621-7738
- Will Ames 621-6748
- Khuyen Gahol 621-7747
- Najah Muzahem 621-3473
- Fay Johnson 626-9695

http://www.fso.arizona.edu/financial-management/fund-accountants
Accounts Receivable, Unearned Revenues, Deposits & Prepaid Expenses
### Statement of Net Position

June 30, 2013 (in thousands of dollars)

#### Assets

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents (Note 3)</td>
<td>$111,468</td>
</tr>
<tr>
<td>Short-term investments (Note 3)</td>
<td>$42,629</td>
</tr>
<tr>
<td>Receivables:</td>
<td></td>
</tr>
<tr>
<td>Accounts receivable (net of allowances of $1,211)</td>
<td>$50,854</td>
</tr>
<tr>
<td>Receivable from the State of Arizona</td>
<td>$78,991</td>
</tr>
<tr>
<td>Government grant receivable</td>
<td>$59,012</td>
</tr>
<tr>
<td>Student loans (net of allowances of $28B)</td>
<td>$1,621</td>
</tr>
<tr>
<td>Inventories</td>
<td>$9,060</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>$11,143</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>$364,778</td>
</tr>
<tr>
<td><strong>Noncurrent assets</strong></td>
<td></td>
</tr>
<tr>
<td>Restricted cash and cash equivalents (Note 3)</td>
<td>$8,688</td>
</tr>
<tr>
<td>Restricted investments with bond trustees (Note 3)</td>
<td>$176,517</td>
</tr>
<tr>
<td>Long-term investments (Notes 3 and 4)</td>
<td>$204,720</td>
</tr>
<tr>
<td>Endowment investments (Note 3)</td>
<td>$209,033</td>
</tr>
<tr>
<td>Student loans receivable (net of allowances of $2,840)</td>
<td>$15,511</td>
</tr>
<tr>
<td>Long-term receivables</td>
<td>$10,411</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>$9,365</td>
</tr>
<tr>
<td>Capital assets, not being depreciated (Note 5)</td>
<td>$317,670</td>
</tr>
<tr>
<td>Capital assets, being depreciated, net (Note 5)</td>
<td>$1,402,294</td>
</tr>
<tr>
<td><strong>Total noncurrent assets</strong></td>
<td>$2,354,389</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$2,719,167</td>
</tr>
</tbody>
</table>

#### Liabilities

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$43,655</td>
</tr>
<tr>
<td>Accrued payroll and benefits</td>
<td>$21,592</td>
</tr>
<tr>
<td>Accrued compensated absences (Note 2)</td>
<td>$8,882</td>
</tr>
<tr>
<td>Unearned revenue and deposits (Note 5)</td>
<td>$71,700</td>
</tr>
<tr>
<td>Funds held for others</td>
<td>$25,500</td>
</tr>
<tr>
<td>Current portion of long-term debt (Note 8)</td>
<td></td>
</tr>
<tr>
<td>To be funded by University revenues</td>
<td>$42,246</td>
</tr>
<tr>
<td>To be funded by State of Arizona appropriations and State Lottery monies</td>
<td>$6,235</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>$219,350</td>
</tr>
</tbody>
</table>

Accounts Receivable (A/R)

- $100,000 threshold
- Departments are not required to submit A/R if under this threshold
- Instructions can be provided if the department would like to record Accounts Receivable themselves
Accounts Receivable (A/R)

Accounts Receivable Balances Memo

- Signed by Dean, Director, or Department Head
- Check off schedules included
  - Schedules 1 and 5 are required
- Point of Contact email and phone number
  - Point of Contact must be reachable July 5th – 12th
- Include document numbers for department recorded balances of A/R
Accounts Receivable (A/R)

Schedule 1 – A/R by Customer Name

• Required schedule
• Separate page for each account/object code
• **External** vendors only, not other departments
Accounts Receivable (A/R)

Schedule 2 – Customers with Credit Balances

- Normally Refund Due or Deposit
- Include Reason Code
- Amounts greater than $5,000 may be reclassified.
Accounts Receivable (A/R)

Schedule 3 – Amounts to be Written Off

• Separate page for each account/object code
• Include a brief reason
Accounts Receivable (A/R)

Schedule 4 – Amounts Written Off During the Fiscal Year

- Separate page for each account/object code
- Include a brief reason
- Identify the accounting treatment used
Accounts Receivable (A/R)

Schedule 5 – Analysis of A/R Write-Offs / Proposed Allowance

• Required schedule
• Don’t leave blank – if no write off, enter $0.
• Explain why amounts over 90 days are collectible
• Allowances should be reviewed for reasonableness to determine if it should be increased/decreased.
Unearned Revenue / Deposits / Prepaid Expense

Unearned Revenue / Deposits / Prepaid Expense Balances Memo

• Signed by Dean, Director, or Department Head
• Check off schedules included
• Point of Contact email and phone number
  ➢ Point of Contact must be reachable July 5th – 12th
• Include document numbers for department recorded balances
Unearned Revenue / Deposits / Prepaid Expense

Schedule 1 – Unearned Revenue / Deposits
Schedule 2 – Prepaid Expenses

- Include as needed
- Separate page for each account/object code
Accounts Receivable Recording Process

• Accounts **without** an Allowance for Doubtful Accounts established
  ➢ Year-end A/R accrual recorded as of June 30th
  ➢ Year-end A/R accrual reversed in July
  ➢ Current year revenues adjusted at the beginning year

• Accounts **with** an Allowance for Doubtful Accounts established
  ➢ Year-end A/R accrual adjusted as of June 30th
    ▪ Prior year A/R reversed
    ▪ Current year A/R recorded
  ➢ Accounts will have an A/R balance throughout the year
  ➢ A/R balance is static and should not be considered “true” receivables throughout the year
  ➢ Current year revenues adjusted at the end of the year
Inventory

- $50,000 threshold
- Departments are not required to submit Inventory if under this threshold
- Instructions can be provided if the department would like to record inventory themselves
Inventory

Inventory Balances Memo

- Signed by Dean, Director, or Department Head
- Check off schedules included
- Schedule 2 is required
- State valuation method – FIFO
- Point of Contact email and phone number
  - Point of Contact must be reachable July 5th – 12th
- Include document numbers for department recorded balances of Inventory
Inventory

Schedule 1 – Inventory Write-Downs

- Separate page for each account/object code
- Use to write down or write off
Schedule 2 – Analysis of Inventory Write-Offs / Proposed Allowance

- Required schedule
- Don’t leave blank – if no write off, enter $0
- Explain the basis for allowance recommendation – why or why not
# Department Inventory

**Department or Unit:**

**Account Number and Object Code:**

**Physical Location of Items:** Buildings, Rooms, etc.

<table>
<thead>
<tr>
<th>Part No.</th>
<th>Description</th>
<th>Count</th>
<th>Unit</th>
<th>Price</th>
<th>Amount</th>
<th>Unit</th>
<th>Form</th>
</tr>
</thead>
</table>

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**Page Total**
Recap

• Thresholds
  ➢ Accounts Receivable: $100,000
  ➢ Inventory: $50,000
  ➢ Departments can record their own if under threshold

• All memos must be signed by Dean, Director, or Department Head
  ➢ Point of Contact must be reachable between July 5th – 12th
  ➢ Schedules should have a separate page for each account / object code
!!!! Reminder !!!!

Documentation is due to the Financial Services Office by:
Tuesday, July 5, 2016
All Memos and Schedules are available at

http://www.fso.arizona.edu/financial-management/year-end
Questions