

RAS Prepaid Accounting Entries

For prepaid awards, the following steps are not fixed. Budget might be appropriated at the beginning (e.g., a fixed price contract) or in increments as payments are received (e.g., clinical trials). F&A is always calculated even if the award is on hold or over the billing limit. Revenue is recognized nightly on the direct and F&A expenses that have been charged to the RAS award. Revenue is not recognized if the award is on hold or over the billing limit. Costs are utilized against the “prepaid balance.” For clinical trials, departments do the billing, or payments are received at pre-determined intervals.

In this prepaid example for a private grant, a payment was received with the award. Since the F&A Rate on this award **is 0%**, F&A is not calculated.



Description	Process	NCA ^a	DPA-Fund-FY		Source Code	Journal Prefix	Journal Description
			Budget	Financial			
(1) Budget is appropriated.	Debit Revenue	332030	\$75,000		135 or 126	##xxx or ##D50 ^b	To appropriate..... or Reappropriate Expense
	Credit Budget NCA for Direct Costs	438888	(\$75,000)				
	Credit Budget NCA for Indirect Costs	490000	\$0				
(2) Prepaid billing line is set up.	Debit Accounts Receivable (AR)	112642		\$75,000.00	516	A10	System Generated Billing Entry
	Credit Deferred Revenue	118472		(\$75,000.00)			
(3) Payment is received and applied.	Debit Cash Control				516	A30	Payment Applied to AR
	Credit Accounts Receivable (AR)	112642		(\$75,000.00)			
(4) Expense is posted to GL.	Debit Expense NCA	4xxxxx		\$20,558.00	426, 536, 535, 545, 547	various	various
	Credit appropriate offset account						
(5) F&A is posted (if applicable).	Debit F&A Expense	490030		\$0	537	G70	Indirect Cost Recovery
	Credit F&A Holding NCA						
(6) Revenue is recognized.	Debit UAR	332035		\$20,558.00	533	G80	Recognized Revenue
	Credit Revenue	332030		(\$20,558.00)			
(A) Contract cost utilization is processed and posted.	Debit Deferred Revenue	118472		\$20,558.00	533	G80	Recognized Revenue
	Credit UAR	332035		(\$20,558.00)			
(7) (B) Billing and cost utilization are generated and posted.	Debit AR for billing.	112642		\$0	516	A10	System Generated Billing Entry
	Credit AR for cost utilization						
	Debit UAR for cost utilization	332035		\$0			

Notes: Shaded accounting entries are not visible to departments because the transaction is posted against an NCA only.

^a Project Type and Bill Type determine which NCA is used. Refer to the NCA by RAS Award Category job aid.

^b ## equals fiscal period and xxx equals initials of person who set up the budget

WebLinks GL Transaction Detail - Example

The GL Transaction Detail Report for 10/2006 shows the original budget, deferred revenue, payment, expenses (next page), revenue recognition, and cost utilization transactions.

GL Transaction Detail for 10/2006 To 10/2006 (CLOSED)

Pdf Excel

Row(s) 1 - 30 of 30

Source NCA	Prog	Line Description 1	Budget	Financial	Lien	PO ID	Invoice ID	Invoice Dt	Jrnl ID	Jrnl Dt	Reference	Posted Dt	PrepID
DPA - DPA NOT USED													
FundFY - 01 ETHICON ENDO-SURGERY 06/07													
NCA Group - 200000 REVENUE NCA BUDGET GROUP													
135	322030	Budget appro. 07/06 - 06/07	75,000.00	(1)	0.00				04EF01931	10/16/2006		10/17/2006	SFFMFXO
Total:			75,000.00		0.00								
Total:			75,000.00		0.00								
Total:			75,000.00		0.00								
DPA - 404955 MED SCH-SURGERY-GENERAL													
FundFY - 01 ETHICON ENDO-SURGERY 06/07													
NCA Group - 100000 BALANCE SHEET NCA BUDGET GROUP													
516	118642	System Generated Billing Entry	0.00	75,000.00					A100071764	10/17/2006	(2)	10/18/2006	SFFPROD
516	118642	Payment Applied To AR	0.00	75,000.00-	(3)				A200071841	10/19/2006		10/19/2006	SFFPROD
516	118642	System Generated Billing Entry	0.00	0.00					A100072275	10/24/2006		10/24/2006	SFFPROD
516	118642	System Generated Billing Entry	0.00	0.00	(2)				A100072820	10/27/2006		10/29/2006	SFFPROD
516	118642	System Generated Billing Entry	0.00	0.00					A100073672	10/31/2006		11/08/2006	SFFPROD
516	118472	System Generated Billing Entry	0.00	75,000.00-					A100071764	10/17/2006		10/18/2006	SFFPROD
523	118472	Recognized Revenue	0.00	1,716.78					G800072259	10/24/2006	(2)	10/24/2006	SFFPROD
523	118472	Recognized Revenue	0.00	20,558.00					G800072817	10/27/2006		10/29/2006	SFFPROD
523	118472	Recognized Revenue	0.00	858.39					G800073672	10/31/2006	(7A)	11/08/2006	SFFPROD
Total:			0.00	51,866.83-									
NCA Group - 200000 REVENUE NCA BUDGET GROUP													
523	322030	Recognized Revenue	0.00	1,716.78-					G800072268	10/23/2006		10/24/2006	SFFPROD
523	322030	Recognized Revenue	0.00	858.39-					G800073559	10/31/2006	(6)	11/07/2006	SFFPROD
523	322030	Recognized Revenue	0.00	20,558.00-					G800072874	10/31/2006		10/31/2006	SFFPROD
523	322035	Recognized Revenue	0.00	1,716.78					G800072268	10/23/2006		10/24/2006	SFFPROD
516	322035	System Generated Billing Entry	0.00	0.00					A100072275	10/24/2006		10/24/2006	SFFPROD
523	322035	Recognized Revenue	0.00	1,716.78-					G800072269	10/24/2006		10/24/2006	SFFPROD
516	322035	System Generated Billing Entry	0.00	0.00	(6)				A100072820	10/27/2006		10/29/2006	SFFPROD
523	322035	Recognized Revenue	0.00	20,558.00-					G800072817	10/27/2006		10/29/2006	SFFPROD
516	322035	System Generated Billing Entry	0.00	0.00					A100073672	10/31/2006		11/08/2006	SFFPROD
523	322035	Recognized Revenue	0.00	858.39-					G800073672	10/31/2006		11/08/2006	SFFPROD
523	322035	Recognized Revenue	0.00	858.39					G800073559	10/31/2006	(6)	11/07/2006	SFFPROD
523	322035	Recognized Revenue	0.00	20,558.00					G800072874	10/31/2006		10/31/2006	SFFPROD
Total:			0.00	22,133.17-									

MCA Group - 401000 ACADEMIC SALARIES - EXC TIME											
536	401070	OCT PAYROLL	0.00	20,000.00	0.00						
Total:			0.00	20,000.00	(4)	0.00	PR04DL0	10/31/2006	10/27/2006	SFPROD	
MCA Group - 411000 ACADEMIC BENEFITS											
536	411070	OCT PAYROLL	0.00	290.00	0.00						
536	411110	OCT PAYROLL	0.00	154.00	0.00						
536	411130	OCT PAYROLL	0.00	60.00	0.00						
536	411140	OCT PAYROLL	0.00	54.00	0.00						
Total:			0.00	558.00	(4)	0.00	PR04DL0	10/31/2006	10/27/2006	SFPROD	
MCA Group - 434000 OTHER SERVICES											
545	434835	From 64950-444955.	0.00	1,716.78	(4)	0.00					
556	434835	TAKATA INS 0906	0.00	858.39	(4)	0.00					
Total:			0.00	2,575.17	(4)	0.00	0000072105	10/23/2006	TAKATA INS	10/23/2006	SFSEGET
MCA Group - 438888 CAMPUS UNALLOC-BUDGET USE ONLY											
135	438888	Budget appro. 07/06 - 06/07	75,000.00-	0.00	0.00						
Total:			75,000.00-	0.00	0.00						
Total:			75,000.00-	51,866.82-	0.00						
Total:			75,000.00-	51,866.82-	0.00		04EF01991	10/16/2006	10/17/2006	SFPMFXO	

Total Expenses =
\$23,133.17

WebLinks Budget Status Report - Example

Pdf Excel

Budget Status Report for 10/2006 To 10/2006 (CLOSED)

Row(s) 1 - 31 of 31

Fund: XXXXXXXXXX
 Title: ETHICON ENDO-SURGERY 06/07
 Indirect Rate: 0
 PI: XXXXXXXXXX
 Fund Start: 07/01/2006
 Fund End: 06/30/2007

The summary at the bottom of the Budget Status Report includes budget and expense totals for direct and indirect costs. It also shows payment history. For prepaid loans, the report summary does not show revenue recognition or billing (since costs are utilized against a prepaid balance).

NCR Group	Title	Ledger Budget	Prior Expense	10/2006	Ledger Tot. Exp.	Ledger Balance	Projected Expense	Projected Balance
401000	ACADEMIC SALARIES - EXC TIME	0.00	0.00	20,000.00	20,000.00	20,000.00	0.00	20,000.00
402110	ACADEMIC SALARIES - POS TIME	0.00	0.00	0.00	0.00	0.00	0.00	0.00
403000	SALARY RELATED (BUDGET USE)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
404200	NON-ACAD SALARIES - EXC TIME	0.00	0.00	0.00	0.00	0.00	0.00	0.00
405200	NON-ACAD SALARIES - POS TIME	0.00	0.00	0.00	0.00	0.00	0.00	0.00
411000	ACADEMIC BENEFITS	0.00	0.00	558.00	558.00	558.00	0.00	558.00
412000	NON-ACADEMIC BENEFITS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
430000	NON-PAYROLL UNALLOCATED	0.00	0.00	0.00	0.00	0.00	0.00	0.00
430100	COST SHARING COMMITMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
430200	COST SHARING OFFSET	0.00	0.00	0.00	0.00	0.00	0.00	0.00
432000	COMMUNICATIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
432300	COMPUTING/DATA PROCESSING	0.00	0.00	0.00	0.00	0.00	0.00	0.00
432600	FREIGHT AND POSTAGE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
432900	INTEREST AND DEPRECIATION	0.00	0.00	0.00	0.00	0.00	0.00	0.00
433200	LEASE AND RENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
433500	MEETINGS & ENTERTAINMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
433600	MEMBERSHIPS & SUBSCRIPTIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
433700	PRINTING, REPRODUCTION & MEDIA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
434000	OTHER SERVICES	0.00	0.00	2,575.17	2,575.17	2,575.17	0.00	2,575.17
434120	CONSULTING SERVICES PURCHASED	0.00	0.00	0.00	0.00	0.00	0.00	0.00
434320	PATIENT CARE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
436000	OTHER SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
437000	TRAVEL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
437300	UTILITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
437500	OTHER EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
437510	SUBAWARD CUM EXP <= \$25,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
437520	SUBAWARD CUM EXP > \$25,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
438888	CAMPUS UNALLOC-BUDGET USE ONLY	75,000.00-	0.00	0.00	0.00	75,000.00-	0.00	75,000.00-
440000	CAPITAL EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
491000	HOSPITAL RECOVERY (BUDGET)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
492000	RECHARGE CREDIT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Direct Costs	(1) 75,000.00-	0.00	23,133.17	(4) 23,133.17	51,866.83-	0.00	51,866.83-
	Indirect (F&A) Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Grand Total	75,000.00-	0.00	23,133.17	23,133.17	51,866.83-	0.00	51,866.83-
	Remaining Balance	0.00	75,000.00-	51,866.83-	0.00	0.00	0.00	0.00
	Billing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Payment	0.00	0.00	75,000.00-	(3) 75,000.00-	0.00	0.00	0.00

Expenditure Summary By NCA Group - Example

The Expenditure Summary by NCA Group provides budget and financial totals for major expense categories for a DPA-Fund-FY combination. It does not include revenue, billing or payment information. The totals on this report will match the Direct Costs and Indirect Costs for the *Ledger Budget* and *Ledger Total Exp* columns on the Budget Status Report (refer to rows at the bottom of the report).

Pdf Excel

Row(s) 1 - 4 of 4

Expenditure Summary By DPA, Fund, NCA Group for 10/2006 (CLOSED)

Grouping	Budget	Financial	Lien	Balance	Pct
DPA - 404955 MED SCH-SURGERY-GENERAL					
Fund/FY - 01 ETHICON ENDO-SURGERY 06/07					
- DIRECT					
- SALARY					
ACADEMIC	0.00	20,000.00	0.00	20,000.00	N/A
Total:	0.00	20,000.00 (4)	0.00	20,000.00	N/A
- BENEFITS					
ACADEMIC	0.00	558.00	0.00	558.00	N/A
Total:	0.00	558.00 (4)	0.00	558.00	N/A
- NONPAYROLL					
OTHER SERVICES	0.00	2,575.17 (4)	0.00	2,575.17	N/A
CAMPUS UNALLOCATED	(1) 75,000.00-	0.00	0.00	75,000.00-	0.00%
Total:	75,000.00-	2,575.17	0.00	72,424.83-	3.43%
Total:	75,000.00-	23,133.17	0.00	51,866.83-	30.84%
Total:	75,000.00-	23,133.17	0.00	51,866.83-	30.84%
Total:	75,000.00-	23,133.17	0.00	51,866.83-	30.84%
Totals:	75,000.00-	23,133.17	0.00	51,866.83-	30.84%

RAS Prepaid Revenue Cycle Accounting Entries - Example

	Jrnl Date	AR	DEF	REV	UAR	CASH	C.CONT
Prepaid Line Set Up		112642	118472	332030	332035	110004	116060
A100071764	10/17/2006	75,000.00	(75,000.00)				
Payment Deposit							
A200070161	9/27/2006					75,000.00	(75,000.00)
Payment Application							
A300071841	10/19/2006	(75,000.00)					75,000.00
Spending Revenue Recognition							
G800072268 Normal	10/23/2006			(1,716.78)	1,716.78⁽¹⁾		
G800072269 Cost Utilization	10/24/2006		1,716.78		(1,716.78)⁽¹⁾		
Billing: Normal	10/24/2006	1,716.78			(1,716.78)		
Cost Utilization	10/24/2006	(1,716.78)			1,716.78		
A100072275	10/24/2006	0.00			0.00		
Spending Revenue Recognition							
G800072874 Normal	10/31/2006			(20,558.00)	20,558.00⁽¹⁾		
G800072817 Cost Utilization	10/27/2006		20,558.00		(20,558.00)⁽¹⁾		
Billing Normal	10/27/2006	20,558.00			(20,558.00)		
Cost Utilization	10/27/2006	(20,558.00)			20,558.00		
A100072820	10/27/2006	0.00			0.00		
Spending Revenue Recognition							
G800073559 Normal	10/31/2006			(858.39)	858.39⁽¹⁾		
G800073672 Cost Utilization	10/31/2006		858.39		(858.39)⁽¹⁾		
Billing Normal	10/31/2006	858.39			(858.39)		
Cost Utilization	10/31/2006	(858.39)			858.39		
A100073673	10/31/2006	0.00			0.00		
Totals		--	(51,866.83)	(23,133.17)	--	75,000.00	--

⁽¹⁾ If the "normal" and "cost utilization" procedures to recognize revenue are processed the same night, the UAR entries may be summarized resulting in a \$0.0 posting to UAR.

Not visible to departments