In This Issue

Accounts Receivable 4-5

When Does an “Official Function” Require a Signed Contract? 6
Who is Authorized to Sign the Contract?

Records Retention Policy 6
Informational Overview

CCO is Discontinuing the Flipbook Version of Our Newsletter 7

Financial Statement General Ledger Training - Dec 13 7
### DECEMBER 2016

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>• Nov allocations run and Finance System closes</td>
<td>• CIW is now updated with month-end closing entries. Nov statements are ready for review and reconciliation</td>
<td>• Gift Expenditure cut-off to make the Dec 9 CUF wire transfer</td>
<td>• Check for unposted Nov Journals to correct, approve, or delete</td>
<td>• Finance System campus close for Nov 2016 – 6:00 PM</td>
</tr>
<tr>
<td>12</td>
<td>13</td>
<td>14</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>• Gift Expenditure cut-off to make the Dec 16 CUF wire transfer</td>
<td>• Gift Expenditure cut-off to make the Dec 30 CUF wire transfer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>20</td>
<td>21</td>
<td>22</td>
<td>23</td>
</tr>
<tr>
<td>• Allocation changes and creates due for Dec business. Email: <a href="mailto:Maggie.Young@Colorado.EDU">Maggie.Young@Colorado.EDU</a></td>
<td>• Gift Expenditure cut-off to make the Dec 30 CUF wire transfer</td>
<td></td>
<td></td>
<td>• Campus Closed - Holiday Break</td>
</tr>
</tbody>
</table>

### DECEMBER 2016 - JANUARY 2017

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>26</td>
<td>27</td>
<td>28</td>
<td>29</td>
<td>30</td>
</tr>
<tr>
<td>• Campus Closed - Holiday Break</td>
<td>• Fully approved expense reports due</td>
<td>• Creation, validation and dept approval of Dec JEs, PETs for Fund 30/31 projects, Fund 34 gift fund journals, and all Cash Transfers due</td>
<td>• Check for unposted Dec Journals to correct, approve, or delete</td>
<td>• Finance System campus close for Dec 2016 – 6:00 PM</td>
</tr>
<tr>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>• Campus Closed - Holiday Break</td>
<td>• CIW is now updated with month-end closing entries. Dec statements are ready for review and reconciliation</td>
<td>• Check for unposted Nov Journals to correct, approve, or delete</td>
<td>• Finance System campus close for Nov 2016 – 6:00 PM</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>10</td>
<td>11</td>
<td>12</td>
<td>13</td>
</tr>
<tr>
<td>• Dec allocations run and Finance System closes</td>
<td>• CIW is now updated with month-end closing entries. Nov statements are ready for review and reconciliation</td>
<td>• Check for unposted Nov Journals to correct, approve, or delete</td>
<td>• Finance System campus close for Nov 2016 – 6:00 PM</td>
<td></td>
</tr>
</tbody>
</table>

**INSTRUCTIONS**

Click here to access full descriptions and to add an event to your personal calendar.
**Accounts Receivable**

The process of recording Accounts Receivable and Allowances for Doubtful Accounts and writing off uncollectable receivables must follow certain procedures. These procedures are different for a state institution, such as CU Boulder, than they would be at a private entity, where receivables can be written off when management feels that they will not be collected. This article provides guidance on how Accounts Receivable should be managed at CU Boulder.

For further information on handling Accounts Receivable, see Chapter 12 of the Guide.

**Recording Accounts Receivable**

If CU Boulder has provided goods or services to an external customer and has not been paid, the revenue for this transaction should be credited and an Accounts Receivable account debited. For example, if $5,000 of services have been provided to an external customer, the revenue and receivable can be recorded with the following journal entry:

<table>
<thead>
<tr>
<th>ACCOUNT DESCRIPTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>518000 AR - Customers</td>
<td>5,000</td>
</tr>
<tr>
<td>552900 Sales and Services of Educational Activities</td>
<td>5,000</td>
</tr>
</tbody>
</table>

Once the payment is collected from the customer, the Accounts Receivable account should be used on the cash receipt form, which will offset the original receivable amount recorded. The Accounts Receivable account represents money owed to the university, and once it has been paid, the receivable should be offset with a credit to show that this money is no longer owed to the university.

Departments should keep records of all amounts owed in an Accounts Receivable detail and in an aged Accounts Receivable schedule. On a monthly basis, departments should reconcile the Accounts Receivable detail and the aged Accounts Receivable schedule to the total Accounts Receivable balance in the finance system.

Accounts Receivable balances are only maintained for external customers. Receivables should not be recorded for internal transactions, as the revenue and expense is recorded at the time of sale/service; and, Student Receivables are recorded in OU-SB.

**Past-Due Accounts Receivable**

If the receivable has not been collected by the due date, a follow-up invoice/second notice should be sent to the customer, and the customer should also be contacted by telephone or email. A log recording the department’s actions to collect the receivable should be kept and should include: 1) action taken, 2) person performing the action, 3) date of the action, and 4) result of the action.

Once the department has sent a second notice and contacted the customer by telephone or email, and the receivable is 30 days past due, State law requires that the receivable be reported to a collection agency. CU Boulder departments have historically used Central Collection Services (CCS). Instructions for submitting a past due account, instructions for obtaining reports, and the client manual can be found under Collection Guidance under the Central Collections tab of the Colorado Office of the State Controller website. A link to this website can be found under “C” on the A to Z Resources tab on the CCO website (www.colorado.edu/controller/resources). Departments that need to set up an account may contact CCS by phone at 303.866.6680 or by email at info@colorado.state.co.us. Alternatively, the entire receivable amount can be entered as a positive amount on the cash receipt form with the CCS fee recorded to account 553412 as a negative amount.

An Allowance for Doubtful Accounts should be kept to record the portion of Accounts Receivable that the department does not expect to collect. The Allowance for Doubtful Accounts is a credit balance that reduces the debit balance of the Accounts Receivable account. The actual amount of the Accounts Receivable balance is the combination between the Accounts Receivable balance itself and its related Allowance for Doubtful Accounts. At the end of the fiscal year, the collectability of all Accounts Receivable balances should be evaluated; and, if necessary, the Allowance for Doubtful Accounts should be adjusted (see Chapter 12 of the Guide for methods of determining the uncollectable amount of Accounts Receivable balances).

The following journal entry can be recorded in order to increase the Allowance for Doubtful Accounts:

<table>
<thead>
<tr>
<th>ACCOUNT DESCRIPTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>552900 Bad Debt Expense</td>
<td>5,000</td>
</tr>
<tr>
<td>518000 AR - Customers</td>
<td>5,000</td>
</tr>
</tbody>
</table>

**Writing Off Partially Collected Accounts Receivable**

If CU Boulder has provided goods or services to an external customer and has not been paid, the revenue for this transaction should be credited and an Accounts Receivable account debited. For example, if $5,000 of services have been provided to an external customer, the revenue and receivable can be recorded with the following journal entry:

<table>
<thead>
<tr>
<th>ACCOUNT DESCRIPTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>518000 AR - Customers</td>
<td>5,000</td>
</tr>
<tr>
<td>552900 Sales and Services of Educational Activities</td>
<td>5,000</td>
</tr>
</tbody>
</table>

If CU Boulder has provided goods or services to an external customer, the revenue and expense is recorded at the time of sale/service; and, Student Receivables are recorded in OU-SB.

Alternatively, the entire receivable amount can be entered as a positive amount on the cash receipt form with the CCS fee recorded to account 553412 as a negative amount.

If you have questions or require assistance, please contact your Area Accountant.

**Writing Off Accounts Receivable**

Accounts Receivable balances can only be written off when CCS determines that the amount cannot be collected. Departments can obtain a Recommended Write-Off report from CCS, and this report is sent to Mirinda Scott in the CCO for approval, once departments have noted which receivables on the report they believe are still collectible and will not be written off. Reports with collection amounts less than $20K will be approved within COO; reports with collection write-off amounts of more than $20K will be sent to the University Controller by CCO for review and approval. Once the report is approved, it will be sent back to the department, and the department can write-off the receivables.

For more information, see “Write-Off Information” under C > Central Collection Services on the A to Z Resources tab on the CCO website.

The following journal entry can be recorded in order to write-off an Accounts Receivable balance if the receivable has been offset in an Allowance for Doubtful Accounts:

<table>
<thead>
<tr>
<th>ACCOUNT DESCRIPTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>518000 AR - Customers</td>
<td>5,000</td>
</tr>
<tr>
<td>518000 AR - Customers</td>
<td>5,000</td>
</tr>
</tbody>
</table>

The following journal entry can be recorded to write-off an Accounts Receivable balance if the receivable has not already been offset in an Allowance for Doubtful Accounts:

<table>
<thead>
<tr>
<th>ACCOUNT DESCRIPTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>552900 Bad Debt Expense</td>
<td>5,000</td>
</tr>
<tr>
<td>518000 AR - Customers</td>
<td>5,000</td>
</tr>
</tbody>
</table>
Training & Events

DECEMBER 2016

PeopleSoft Finance Training classes cover basic information on fund accounting and budget theory. In this course, CCO will show you how to access and use the Finance System. Training includes navigation, ChartFields, Journal Entries (JEs), and reporting.

The class will be held Dec 13 from 9:00 am - 4:00 pm. Class will be held on the East Campus - Marine Street Science Center (MSSC), 3125 Marine Street, Room W179.

To register, email: Controller.Training@Colorado.EDU

PeopleSoft Finance Training: General Ledger - Dec 13

Financial Statement General Ledger Training - Dec 13

Records Retention Policy Informational Overview

An informational document on university records retention has been posted at http://www.colorado.edu/controller/resources/records-retention; scroll to paragraph two to view the Records Retention Presentation. After reviewing this document, please contact Mark Berge for questions on records retention policies, or Mirinda K. Scott for questions on records disposal procedures.

Records Retention Policy Informational Overview

An informational document on university records retention has been posted at http://www.colorado.edu/controller/resources/records-retention; scroll to paragraph two to view the Records Retention Presentation. After reviewing this document, please contact Mark Berge for questions on records retention policies, or Mirinda K. Scott for questions on records disposal procedures.

When Does an “Official Function” Require a Signed Contract? Who is Authorized to Sign the Contract?

This is the time of year when many departments host official functions. Did you know many of these events require a contract?

Whether for commencement, banquets, or receptions, “official functions” events typically require a contract. University policy (APS 2005 - Contracting Authority) requires that all event contracts for facility usage, guest lodging, catering, etc., regardless of dollar value, be processed through the PSC for review and signature. For additional reference, please review PSC Procedural Statement: Official Functions.

Contracts Less Than $5,000

When the total dollar amount is less than $5,000, send the contract to officialfunctions@cu.edu. In addition, the following information is required:

- Campus (Boulder)
- University Information
  - Department
  - Dept. Contact
  - Phone
  - Email
- Supplier Information
  - Supplier Name
  - Supplier Contact
  - Phone
  - Email
- Anticipated dollar amount
- Start date of contract
- Purpose of contract
- Method of payment (i.e., Procurement Card)

When submitting a supplier contract, be sure to send the unsigned original with no handwritten additions or strike-throughs to the PSC at officialfunctions@cu.edu for signature.

Contracts Over $5,000

If the contract amount will exceed $5,000, please follow these steps:

1. Create a requisition in CU Marketplace using the Non-Catalog form for a PO or the Standing Purchase Order Form for an SPO (SPO allows for multiple payments)
2. Use Commodity Code “12-Official Function”
3. In the Description field, state the business purpose and inclusive dates of the event
4. In the Comments field, provide the name, telephone number, and email address of the individual who will sign the contract on behalf of the supplier
5. Attach the unsigned contract. The PSC will review the contract and obtain appropriate signatures (Note: the contracts team will not review contracts without an approved requisition)
6. An Official Function form must also be completed and attached for events where food and beverage costs (with taxes/tips) are estimated to be over $500 total, or over $85/person
7. Advance payments cannot be made for event services until the contract is properly reviewed and approved. If the event requires a deposit over $5,000 a completed and approved Advance Payment to Vendors (ADV) form must be attached. The Campus Controller’s signature is necessary for advance payments over $10,000

For Official Functions, Hotels/Лodging, and Catering please email all contracts and questions to officialfunctions@cu.edu.

Records Retention Policy Informational Overview

An informational document on university records retention has been posted at http://www.colorado.edu/controller/resources/records-retention; scroll to paragraph two to view the Records Retention Presentation. After reviewing this document, please contact Mark Berge for questions on records retention policies, or Mirinda K. Scott for questions on records disposal procedures.

CCO is Discontinuing the Flipbook Version of our Newsletter

Beginning with the January 1, 2017 edition, in order to maintain ADA compliance for accessibility, CCO will discontinue the flipbook version of our newsletter. This functionality is provided by a third-party vendor currently.

Comments, questions, or concerns may be emailed to Controller.Comm@colorado.edu.
Campus Controller’s Office
3100 Marine Street, 4th Floor, 579 UCB
Boulder, CO 80309-0579

phone  303.492.3166
email  accounting@colorado.edu
web  http://www.colorado.edu/controller

editor  mirinda.scott@colorado.edu