**GRANT ACCOUNTS RECEIVABLE AGING**

1. Open the Conformance Report workbook (found in the Special Programs shared drive) at the “Aging” worksheet.
2. Columns B through H reflect the Beginning Accounts Receivable or Deferred Revenue (Liability) at July 1 (same as ending balances from June 30 of the previous fiscal year). These are grouped by type (State, Federal, or Private).
3. Columns J through M are covered in the GRANT REVENUE JOURNAL ENTRY PREPARATION procedure.
4. Columns N and P contain miscellaneous items that may be needed to adjust the Grant Accounts Receivable balance. Use only as necessary. An example may be audit adjustments or CURE grant interest earned. The interest earned by CURE funds must be recorded and reported to the State periodically. Any interest earned by CURE funds must either be spent for purposes of the grant or returned to the State at the end of the grant period. Interest earned by these funds is calculated at June 30 and at the end of the grant if the grant ends other than June 30. The calculated amount of interest earned is entered into “Aging” worksheet Column N or P (Miscellaneous) and a journal entry is prepared to debit interest earned and credit Accounts Receivable-State. For specifics on calculating the interest earned on CURE grants see CALCULATING CURE GRANT INTEREST procedures. This calculation is provided by the Financial Reporting Accountant and is only included here for explanatory purposes.
5. Column R is linked to and populated by the “Cash Summary” worksheet. Cash received from or refunded to granting agencies is recorded each month in the “Cash Summary” worksheet.
6. Columns T through AC are used to calculate the accounts receivable or deferred revenue (liability) of the grants. For simplicity, the accounts receivable accounts (state, federal, and private) throughout the year contain the sum of the accounts receivable and deferred revenue combined. On the “Aging” worksheet, Column H (Beginning Balance), Column K (Revenue), Column L (Difference), Column M (Indirect), Columns N and P (Miscellaneous) are summed and Column R (Cash) is subtracted. The formula for this calculation is placed in Columns V, Y, or AB for the State, Federal, and Private Combined Accounts Receivable Balance, respectively. Columns V, Y, and AB are summed and the formula placed into Column AC (Total Current Ending Balance).
7. Columns AD through CL are used to calculate the AGING of the receivable. The accounts receivable/deferred revenue balance of the grant at the prior fiscal year end is placed into Column CL. Each month of the fiscal year has five columns to help age the receivable. For example, the month of July has Columns CG through CK. Column CG is linked to the “Cash Summary” worksheet. Columns CH and CI are linked to the “Direct/Indirect” worksheet in order to pick up the direct and indirect expense of the grants respectively. Columns CG, CH, and CI are summed into Column CK to obtain the net activity for the month. Column CJ sums the Activity column and the prior month receivable balance column (or in the case of the month of July the prior fiscal year end column). For printing purposes, hide all columns except the prior fiscal year end column, the activity columns, and the receivable balance column for the current month. This report will then show the AGING of the receivable across the fiscal year.