



Uncollectible Amount	Action		
	Actuals Ledger	GAAP Ledger	Budgetary Reporting Adjustments
<=\$3,000 current year receivable; all due diligence complete	Debit contra-revenue account; Credit A/R	No action needed	No adjustment needed because no allowance amount is created.
<=\$3,000 current year receivable greater than 180 days old but due diligence is not complete	Debit contra-revenue account; Credit Allowance for Doubtful Accounts (Account 12xx99)	No action needed	Debit Allowance for Doubtful Accounts; Credit Contra Revenue. Then record Fund Balance Reserve for Uncollectible Accounts (*)
<=\$3,000 prior year receivable not reserved in prior year; all due diligence complete	Debit contra-revenue account; Credit A/R. This amount can be funded as follows: 1) it may be offset by cancellation of prior year purchase orders 2) it may be offset by collections of receivables written off in prior years 3) it may be offset by surplus from a non-lapsing fund or 4) it may be offset by current year revenue.	No action needed	Credit contra-revenue account; Debit Fund Balance Adjustment for Prior Year Revenue Receivable
<=\$3,000 prior year receivable but due diligence is not complete	Debit contra-revenue account; Credit Allowance for Doubtful Accounts (Account 12xx99). This amount can be funded as follows: 1) it may be offset by cancellation of prior year purchase orders 2) it may be offset by collections of receivables written off in prior years 3) it may be offset by surplus from a non-lapsing fund or 4) it may be offset by current year revenue.	No action needed	Debit Allowance for Doubtful Accounts; Credit Contra Revenue. Then record Fund Balance Reserve for Uncollectible Accounts (*)
> \$3,000 current year receivable	Debit contra-revenue account; Credit Allowance for Doubtful Accounts (Account 12xx99)	No action needed	Debit Allowance for Doubtful Accounts; Credit Contra Revenue. Then record Fund Balance Reserve for Uncollectible Accounts (*)
> \$3,000 prior year receivable	Debit contra-revenue account; Credit Allowance for Doubtful Accounts (Account 12xx99). This amount can be funded as follows: 1) it may be offset by cancellation of prior year purchase orders 2) it may be offset by collections of receivables written off in prior years 3) it may be offset by surplus from a non-lapsing fund or 4) it may be offset by current year revenue.	No action needed	Debit Allowance for Doubtful Accounts; Credit Contra Revenue. Then record Fund Balance Reserve for Uncollectible Accounts (*)

* Institutions may not reserve into a deficit position. If reserve entry creates a deficit position, institution will need to reverse encumbrances or fund the deficit from a non-lapsing source.