

University of New Mexico
Commonly Used Balance Sheet Account Codes and Definitions

<u>Account Code</u>	<u>Title</u>	<u>Description</u>
A226	Accounts Receivable Miscellaneous	To record money owed to UNM by customers external to UNM, for goods or services that have been delivered or provided, but for which the customer has not yet paid. Also referred to as "sales on account" or "credit sales". Internal UNM transactions should NOT be recorded using Accounts Receivable. Upon receipt of the payment, Accounts Receivable is reduced (credited)
A800	Resale Inventory	Goods purchased for subsequent sale. Upon sale of the items, the cost amount recorded in this account code should be reduced (credited), and the "cost of goods sold" should be charged as an expense on the Operating Ledger.
A900	Prepaid Expense	Amounts paid to a vendor for goods or services that have yet to be received. Examples are maintenance contracts or insurance premiums for an entire year, paid at the beginning of the year; deposits paid to hold hotel rooms or conference facilities, postage purchased ahead of time for subsequent use, etc. As the expense is actually incurred, the Prepaid amount should be reduced (credited), and an appropriate expense account code on the Operating Ledger should be charged. For instance, 1/12 of an annual insurance premium paid in advance should be charged to expense every month; by the end of the year, the Prepaid amount would be zero.
L110	Other Accrued Payables	Used to record an expense that is incurred in the current period, for which payment is not due until a later period. To accrue an expense, the appropriate Operating Ledger expense account code is charged (debited), and L110 is credited. In the period in which the payment is made, the accrual entry must be reversed, with the actual cash payment being charged to the appropriate Operating Ledger expense account code. The net effect to expense should be zero in the period in which the payment is made; and over the course of the two periods, the Accrued Payable is zeroed out.
L3G0	Unearned Revenue	Cash received from outside of UNM, for goods or services that UNM has not yet delivered or provided. Examples are advance ticket sales to Athletic or Theatrical events. Upon delivery of the goods or services, Deferred Revenue is reduced (debited), and the appropriate Operating Ledger revenue account code is credited.
L3J1	Deposits and Funds Held for Others	Cash received from outside of UNM, for which UNM is not the final intended recipient. Examples are key deposits which will ultimately be refunded to the employee or student, and funding for scholarships, for which UNM acts as a "pass-through" to the student to whom the scholarship is being awarded. Amounts recorded here that are not refunded or ultimately paid over to the intended recipient should be reclassified as revenue by reducing (debiting) the amount in L3J1, and crediting the appropriate Operating Ledger revenue account code.