

Procedures

When a bond payment date is approaching, the trustee bank for the bond issue will send a statement approximately 30 days in advance of the due date to the Controller's Office. The statement indicates which bond issue has a payment coming due, the date the bank needs the funds, and the itemized payment amount.

When this statement is received, the designated staff member (the staff) in the Controller's Office will prepare a Monthly Bond Payment Summary (MBPS). The MBPS is sent to the Associate Controller along with a copy of the trustee's statement for authorization to pay. Should the associate controller be absent, the Associate Vice Chancellor for Financial Affairs will authorize the payment(s). The signed MBPS authorizes payment for each bond issue.

When the staff receives the authorization to make the bond payment, the MBPS is provided to the Cash Management Office to initiate the transfer(s) to the trustee bank. A copy of the MBPS is maintained in the appropriate bond file maintained by the Controller's Office. The staff then completes accounting entries to record the payment, into the proper categories (e.g. principal, interest and paying agent fees).

September 5, 2024