

Construction Funding Guidelines

Bond and Commercial Paper Project Funding

Construction projects funded by bonds and commercial paper are funded in arrears, with cash requested after expenses are incurred.

All cost centers associated with debt proceeds funding will be reviewed for potential cash requests on a monthly basis until either 90% of the total proceeds deposit is expended or requests are regularly below the \$100,000 minimum request threshold. At that point, review and requests for cash will be done quarterly. Bond proceeds that remain unspent for more than five years will be reviewed for cash draw requests with a frequency determined by the department responsible for the review, but reviews will occur at least annually.

Expenses incurred between August, September, and October will be reviewed collectively during November to help minimize the risk of errors due to fiscal year end expense corrections.

Review of expenses for cash requests will include a review and comparison of Finance System budget amounts to Project Fund Deposit amounts.

Reviews and cash requests are done by Plant Accounting and Financial Reporting.