
2123 FUNDING UNDER LETTER OF CREDIT AGREEMENTS

Subject: SPONSORED PROJECTS
Effective: December 1986
Last Revision: December 2014
Last Reviewed: April 2018
Resp. Office: Research Services
Approval: Research Services

PURPOSE:

To establish authority and responsibility for the request and maintenance of letter of credit agreements funding sponsored programs.

POLICY:

1. Research Services, in consultation with the Office of the Comptroller is responsible for:
 - a. Establishing letter of credit funding agreements between the University and federal sponsors when applicable;
 - b. Establishing and maintaining processes and systems to ensure compliance with cash request and financial reporting requirements; and
 - c. Determining periodic cash requirements and initiating payment requests.
2. Research Services will ensure that cash receipts under letter of credit agreements are timed as closely as possible to cash disbursements. Any interest due on Federal cash will be calculated and paid to the appropriate sponsor by Research Services in accordance with applicable Federal regulations.

ROLES AND RESPONSIBILITIES:

RESEARCH OPERATIONS CASH MANAGEMENT GROUP ORS:

- Monitor GRANTREV activity on for each letter of credit cash holding account
- Process daily draw down request for cash based on actual GRANTREV activity
- Reconcile cash receipts with GRANTREV activity monthly
- Prepare quarterly Financial Cash Transaction Reports (FCTR) or Federal Financial Report (FFR)

The source of this document is Research Services.