



## Procedure

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### BONDS PAYABLE PROCEDURE

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**Effective Date:** July 24, 2018

**Reviewed Date:** March 15, 2022

**Responsible Office:** Controller

**Division:** Finance

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#### I. PURPOSE/OBJECTIVE

To document the University procedures for handling, monitoring the activities related to the Bonds Payable.

#### II. STATEMENT OF PROCEDURE

- A statement is received from the Bond Trustee semi-annually in June and December, with payment amounts due the next 6 months. Payments includes principle, interest and all other fees and charges.
- Payments are due on the second of each month.
- The Senior Accountant/Asset Accountant prepares a wire at the end of each preceding month. The wire is approved and submitted via the banking system by the controller or assistant controller. A manual check is then prepared to record the activity in the general ledger.
- The Accounting Supervisor/Fiscal Accountant records a journal entry monthly to record the liability and trust activity from the trust statements.
- All journal entries are reviewed and approved by the controller or assistant controller.
- Financial information is reviewed periodically for accuracy by the controller.
- At year-end, any additional adjustments needed are made to the amortization balance and any other accounts to ensure accuracy of the financial statements.
- A financial statement review is performed by the Controller/Assistant Controller periodically during the year to ensure accuracy of the financial information.

#### III. REVISION/REVISED HISTORY

August 28, 2018-Revision Date