

Capital Debt Requisition & Allotment Process

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Preface

This document is intended to be a job aid used by state agencies and University of North Carolina campuses during bi-monthly debt requisition and allotment cycles. The document details 1) how to enter and submit a requisition and allotment request via IBIS per the Debt Proceeds Drawdown Schedule, 2) how to correct inaccurate requests.

Approximately two times per month, agencies and university campuses can requisition debt proceeds for debt-funded capital projects. Requisition amounts are based upon expenditures incurred by such projects since the last requisition request. Requisitions must be made according to the Debt Proceeds Drawdown Schedule which is published annually by the Office of State Budget and Management.

Beginning July 1, 2019, agencies and campuses will submit one entry per project in NC IBIS which will stand as both the debt requisition request and accompanying allotment request. This request form is referred to as the “Bond Requisition Allotment”.

Agencies and University of North Carolina campuses should use this job aid while preparing the Bond Requisition Allotment request in NC IBIS.

Unless stated otherwise, all Bond Requisition Allotment requests MUST be submitted at or before noon on the first day of the requisition cycle according to the Debt Proceeds Drawdown Schedule.

Process Overview

Actor	Action	Complete by:
State Agency/University	<ul style="list-style-type: none"> Prepare Bond Requisition Allotment request based upon newly incurred expenditures on debt-funded projects Submit Bond Requisition Allotment via NC IBIS 	Day 1 of Cycle (Typically, Monday at noon)
Office of State Budget and Management	<ul style="list-style-type: none"> Review Agency/University Bond Requisition Allotment request Address any outstanding errors with agency/campus Approve Bond Requisition Allotment request Run Bond Requisition Report from NC IBIS and send to Department of State Treasurer (DST) 	Day 2 of Cycle (Typically, Tuesday by 5 PM)
Office of State Controller (CMCS)	<ul style="list-style-type: none"> Process Requisition requests and allotment requests into CMCS 	Day 2 of Cycle (Typically, Tuesday after 5 PM)
Department of State Treasurer	<ul style="list-style-type: none"> Requests funds from Bank per the Bond Requisition Report sent by OSBM 	Day 3 of Cycle (Typically, Wednesday)
State Agency/University	<ul style="list-style-type: none"> Verify fund availability and pay vendors 	Day 4 of Cycle (Typically, Thursday)

Table 1: Capital Debt Requisition and Allotment Process

Capital Bond Requisition Allotment Form

The Bond Requisition Allotment form is very similar to a regular allotment request form but should be used exclusively for debt-funded projects. A new Bond Requisition Allotment request form should be completed for each fund code. If you are unsure what type of allotment form to use, please contact your OSBM Capital Analyst(s). The Bond Requisition Allotment form can be found in NC IBIS using the following steps:

Step 1 – Completing Basic Information

1. Log in to **NC IBIS**
2. Select “Create New Request” Dropdown List:

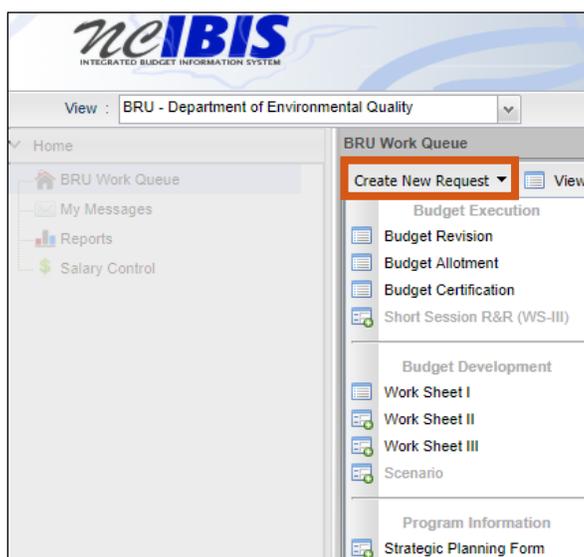


Figure 1: Create New Request Selection

3. Select “Budget Allotment” Dropdown List then select “Capital”:

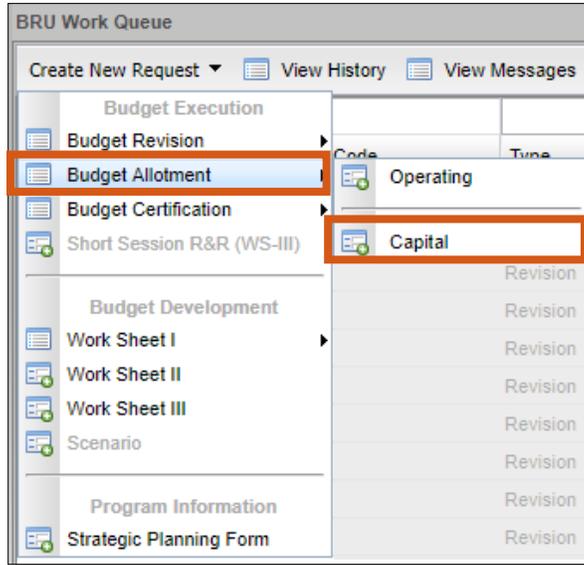


Figure 2: Capital Budget Allotment Selection

4. Complete the “New Capital Budget Allotment Form – Basic Information” Screen:

When completing the “New Capital Budget Allotment Form – Basic Information” screen every field must be completed. Contents for each field are as follows:

- **Fiscal Year** – Current fiscal year of the request
- **Budget Code**
- **Fund Code**
- **Type of Allotment** – “Bond Requisition” MUST be selected to properly execute a requisition and allotment request for debt-funded projects (*shown in Figure 3*)

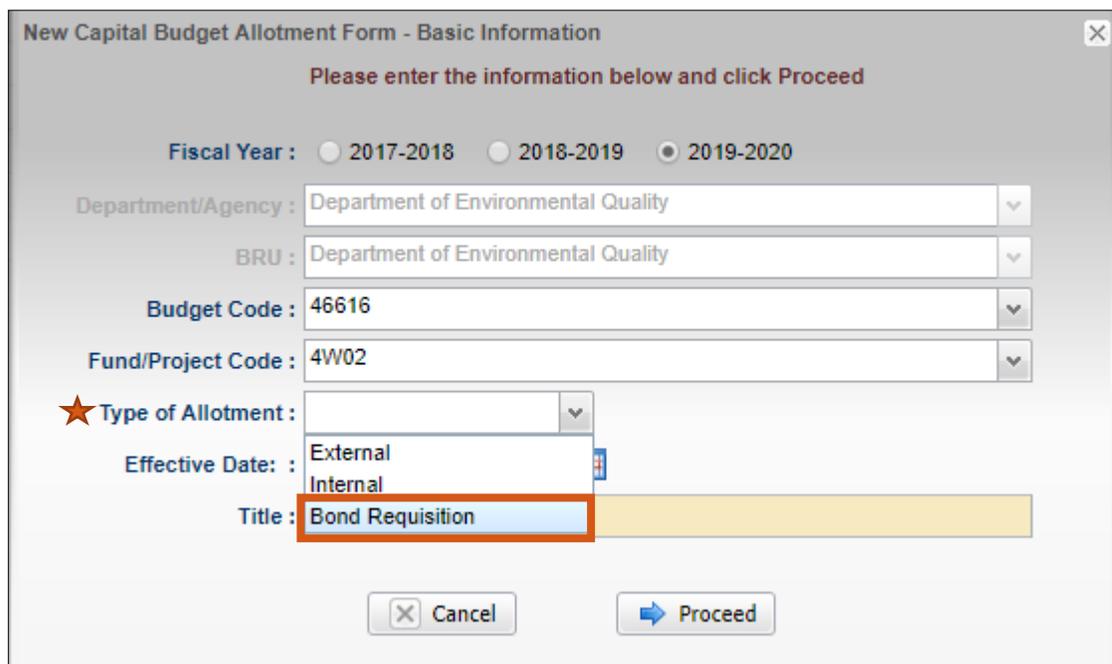


Figure 3: New Capital Budget Allotment Form - Basic Information Screen – Type of Allotment

- **Effective date** – MUST reflect the second date of the requisition cycle (typically, Tuesday). Please refer to the Debt Proceeds Drawdown Schedule for the current year for correct effective dates. (shown in Figure 4)

New Capital Budget Allotment Form - Basic Information

Please enter the information below and click Proceed

Fiscal Year : 2017-2018 2018-2019 2019-2020

Department/Agency : Department of Environmental Quality

BRU : Department of Environmental Quality

Budget Code : 46616

Fund/Project Code : 4W02

Type of Allotment : Bond Requisition

★ Effective Date :

Title :

Figure 4: New Capital Budget Allotment Form - Basic Information Screen - Effective Date

- **Title** – Naming convention for Bond Requisition Allotment requests is “[Fund Code] – Debt Requisition – [MM/DD/YYYY]” (shown in Figure 5)
 - Ex. 4W02 – Debt Requisition – 07/09/2019

New Capital Budget Allotment Form - Basic Information

Please enter the information below and click Proceed

Fiscal Year : 2017-2018 2018-2019 2019-2020

Department/Agency : Department of Environmental Quality

BRU : Department of Environmental Quality

Budget Code : 46616

Fund/Project Code : 4W02

Type of Allotment : Bond Requisition

Effective Date : 07/09/2019

★ Title : 4W02 - Debt Requisition - 07/09/2019

Cancel Proceed

Figure 5: New Capital Budget Allotment Form - Basic Information Screen - Title

5. Check information and enter Bond Requisition Allotment justification:

In the “Basic Information” tab, it is important to check over all data fields for accuracy. It is also important to provide adequate support for the request by writing a good justification. The justification narrative should include the agency/university’s statutory authority for making the request, expenditure details related to the requested amount, and relevant project details/updates.

Additionally, it is important to double check that the “Type of Allotment” field has been set to “Bond Requisition” (as shown below in Figure 6).

Directly below the “Type of Allotment” field will be a new field called “Requisition Budget Code”. The “Requisition Budget Code” field contains the various Special Fund (2-type) budget codes from which debt proceeds are transferred when a requisition request is received by OSBM. The OSBM Capital Analyst(s) will make the appropriate selection upon reviewing the Bond Requisition Allotment request. This field will not be available for agencies or universities to select.

The screenshot shows the 'Basic Information' tab of a web form. At the top, there are three tabs: 'Basic Information', 'Budget Detail', and 'Attachments'. The 'Basic Information' tab is active. The form contains the following fields and values:

- Fiscal Year : 2019-2020
- BRU : Department of Environmental Quality
- Budget Code : 46616-DEQ - Connect NC
- Fund/Project Code : 4W02-Connect NC Projects-Loan Administration Fee
- Type of Allotment : Bond Requisition
- Requisition Budget Code : 29006 29015 29018- Grant (218C) 29018- Loan (218L)
- Effective Date : 07/09/2019
- Request Type : Capital Allotment
- Reference Number : AB-TTHU
- Title : 4W02 - Debt Requisition - 07/09/2019
- Justification : (A text area with a star icon and a rich text editor toolbar containing icons for bold (B), italic (I), and underline (U).)

Figure 6: New Capital Budget Allotment Form - Basic Information Tab - Data Check & Justification

Capital Projects Split Into Grants and Loans

Any capital project that splits debt proceeds into grants and loans must submit one Bond Requisition Allotment request for grant funds and another separate request for loan funds. This is a direct result of the “Requisition Budget Code” (shown above in Figure 6). Grant funds and loan funds come from two different Special Fund (2-type) budget codes during the requisition process. Currently, NC IBIS does not have the capability to identify two Special Fund (2-type) budget codes on the same Bond Requisition Allotment request form. Please contact your OSBM Capital Analyst(s) if you have any questions.

Step 2 – Completing Budgetary Information

1. Requirements Section

In the “Budget Detail” tab, agencies and universities will enter the requirements and receipts to be affected by the requisition and allotment.

In the “Requirements” section, incurred, unpaid project expenditures should be listed using the appropriate expenditure accounts (see *Figure 7 below*).

Requirements

Edit Row Remove Row(s) Sort Rows Cancel Edit

CC# Account#

Cost Center	Account Number	Account Description
	534320	BLDG-DESIGN CONTRACTS
	534479	MISC PROJ COSTS-STRUCTURE
	534339	BLDG-GRADE.FILL,CLEAR CON

Cash Requested Add

Budget	Unallotted to Date	Cash Requested
\$0.00	\$0.00	\$549.25
\$0.00	\$0.00	\$9,441.00
\$0.00	\$0.00	\$15,700.25
\$0.00	\$0.00	\$25,690.50

Figure 7: Budget Detail Tab - Requirements Section

2. Receipts Section

In the “Receipts” section, only one receipt account should be selected. A receipt account has been established for each debt type. It is important that the correct receipt account is used based upon the type of debt funding that supports the project.

In the example below (*Figure 8*), receipt account 438054 is selected as this is the account established for the Connect NC General Obligation Bond. If you are unsure what the appropriate receipt account is for a capital project, please contact your OSBM Capital Analyst(s).

Receipts

Edit Row Remove Row(s) Sort Rows Cancel Edit

CC#

Cost Center	Account Number	Account Description
	438054	TRANSFER-CONNECT GO BOND

Cash Requested Add

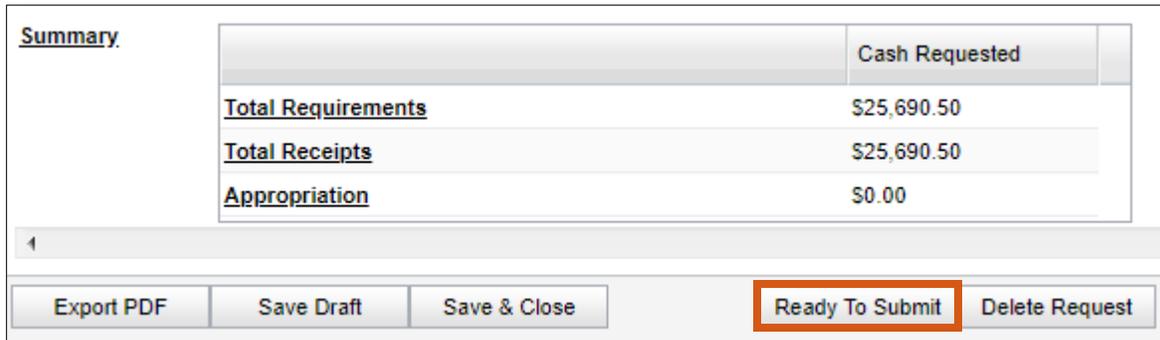
Budget	Unallotted to Date	Cash Requested
\$0.00	\$0.00	\$25,690.50
\$0.00	\$0.00	\$25,690.50

Figure 8: Budget Detail Tab - Receipts Section

3. Summary Review

The “Summary” section calculates the total requirements and total receipts based upon the information entered in the previous two sections. The Capital Bond Requisition Allotment requests should always have equal requirements and receipts and net zero impact on appropriations (see *Figure 9 below*).

When the request is complete, click “Ready to Submit”.



	Cash Requested
<u>Total Requirements</u>	\$25,690.50
<u>Total Receipts</u>	\$25,690.50
<u>Appropriation</u>	\$0.00

1

Export PDF Save Draft Save & Close **Ready To Submit** Delete Request

Figure 9: Budget Detail Tab - Summary

4. Final Review and Submission

Prior to submitting the Bond Requisition Allotment request, NC IBIS will prompt a final review. Please carefully check ALL fields on the form for accuracy. To submit the request, click “Submit to OSBM”.

At this point, it is also possible to go back and edit the form, delete the request completely, or close the request to come back to later.

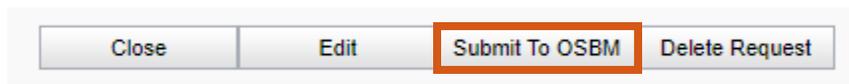


Figure 10: Final Review Screen and Submission

Unless stated otherwise, all Bond Requisition Allotment requests MUST be submitted at or before noon on the first day of the requisition cycle according to the Debt Proceeds Drawdown Schedule.

Requisition & Allotment Process Next Steps

OSBM Review

The OSBM Capital Analyst(s) will review each Bond Requisition Allotment request. All acceptable requests will be approved no later than 5:00 PM on the second day of the requisition cycle according to the Debt Proceeds Drawdown Schedule.

Any requests that are not approved will be returned to the agency or university. The agency/university must correct any errors and resubmit to OSBM as quickly as possible.

All approved Bond Requisition Allotment data will interface with cash management (CMCS) overnight between the second and third days of the requisition cycle.

OSC & DST Review

On day three of the requisition cycle the Department of the State Treasurer will draw all the requisitioned funds down from the banking institution.

The Office of the State Controller will verify that all requisition entries from IBIS correctly interfaced into the cash management system.

Fund Availability

Requisitioned and allotted funds will be available to the requesting agencies and universities on the fourth day of the requisition cycle. Agencies and universities are then able to pay vendors.

Fixing Errors and Oversights

The process for addressing and resolving errors in a Bond Requisition Allotment request is heavily dependent upon when the error is identified, and when OSBM is notified.

If an agency/university identifies an error prior to the Bond Requisition Allotment being approved by OSBM, the entire form can be returned to the submitting agency/university to be corrected and resubmitted.

If an agency/university identifies an error after the Bond Requisition Allotment is approved by OSBM, please contact your OSBM Capital Analyst(s) for assistance.