

Business Category: NC Global TransPark Authority		Business Area: Office of the Finance Director
Approval Date: 10/17/2019	Last Revision Date: 9/14/2022	Next Review Date: 9/14/2024
Authority: NC General Statute § 63A North Carolina Global TransPark Authority NC General Statute §147-86.11 Cash Management for the State NC General Statute §143 State Departments, Institutions, and Commissions NC General Statute §143C State Budget Act NC General Statute §147-86.10 Cash Management		Select all that apply: <input type="checkbox"/> N/A <input checked="" type="checkbox"/> Requires Board approval <u>NCGTP Board of Directors</u> <input type="checkbox"/> Requires Federal Highways Administration (FHWA) approval <input type="checkbox"/> Requires other external agency approval: Click here to enter external agency name(s).
Definitions: <p>“Appropriation” – shall mean State funds drawn from the General Fund or the Highway Fund to support an expenditure by a State agency.</p> <p>“Authority” – shall mean The North Carolina Global TransPark Authority as enacted by Section 63A of the North Carolina General Statutes, and with powers as enumerated in Section 63A-4 of the North Carolina General Statutes.</p> <p>“Board” – shall mean The Board of Directors of the Authority with members as defined in Section 63A-3(b) of the North Carolina General Statutes.</p> <p>“Finance Committee” – shall mean the Finance Committee of the Board.</p> <p>“OSC” – shall mean the Office of State Controller.</p>		
Policy: <p>The Cash Management policy is intended to show the current and future cash positions, future inflows and outflows, and idle cash of the North Carolina Global TransPark Authority (Authority). It is for use by the Authority’s management, Board’s Finance Committee, and the Board of Directors of the Authority.</p>		
Scope: <p>This policy is intended to cover the unrestricted cash of the Authority as well as cash and investments of funds restricted at its source.</p>		
Procedures: <p>The Finance Director shall publish a quarterly report on all funds in their control showing cash balances on hand, and a comparative analysis of earnings performances.</p> <p>The report includes:</p> <ul style="list-style-type: none"> • Statement showing cash balances, disbursements, and interest earnings by account, and • Historical information and projected financial activity, and comparison of actual results with projections. 		

Utilize the Board's Finance Committee to monitor cash flow

- Monitor the cash balances of the Authority monthly.
- Ensure the Authority has cash liquidity of a minimum of twenty percent (20%) of the total State appropriations for the current fiscal year; or higher as required by external agreements, e.g.: loan covenants. In developing the baseline cash projections, the Authority shall use the revenues and expenses as specified in the Current Operations Appropriation Act and budget adjustments/amendments approved by the Board.
- Federal funds shall not be considered in calculating cash balances.

Federal Funds

The Office of the State Controller (OSC) issued NC OSC Policy 300.7, Cash Management Policy for Federal Funds to ensure that neither the federal government nor the State of North Carolina benefits or suffers financially because of the transfer of cash in support of State administered federal assistance programs. The policy applies to all funds received from federal assistance programs and deposited into the State Treasurer's account by agencies and institutions. Specifically, the Authority is to schedule its requests for federal funds so that the receipt (deposit) of these funds occurs as close as practicable to the issuance of payments or Electronic Funds Transfer.

https://files.nc.gov/ncosc/documents/files/300.7_cash_management_policy_for_federal_funds.pdf

The Authority does not have enough excess cash flow to carry federal or state grant projects. Accordingly, the Authority must request small progress billings from contractors performing work and in turn request reimbursement from the granting agency promptly; the Authority must request reimbursement for federal and state projects the same day the Authority disburses those funds.

Related Documents:

N.C.G.S. 147-86.10. It is the policy of the State of North Carolina that all agencies, institutions, departments, bureaus, boards, commissions and officers of the State, whether or not subject to the Executive Budget Act, Chapter 143, Article 1 of the General Statutes, devise techniques and procedures for the receipt, deposit, and disbursement of monies coming into their control and custody which are designed to maximize interest-bearing investment of cash, and to minimize idle and nonproductive cash balances.

§ 147-86.11. The State Controller, with the advice and assistance of the State Treasurer, the State Budget Officer, and the State Auditor, shall develop, implement and amend as necessary a uniform statewide plan to carry out the cash management policy for all State agencies.

§ 143C-6-11 (k). Highway appropriation. The NCDOT shall do all of the following: (1) Utilize cash flow financing to the extent possible to fund transportation projects with the goal of reducing the combined average daily cash balance of the Highway Fund and the Highway Trust Fund to an amount equal to between fifteen and twenty percent (15-20%) of the total appropriations for the current fiscal year from those funds. In projecting cash balances in future years, the Department shall use the estimated cash flow as specified in the Current Operations Appropriation Act. Any federal funds on hand shall not be considered as cash for the purposes of this subsection. The target amount shall include an amount necessary to make all municipal-aid funding requirements of the Department. (2) Establish necessary management controls to facilitate use of cash flow financing, such as establishment of a financial planning committee, development of a monthly financing report, establishment of appropriate fund cash level targets, review of revenue forecasting procedures, and reduction of accrued unbilled costs.

NC Global TransPark Cash Handling policy

NC Global TransPark Cash Handling SOP

Revision History		
Revision Date	Revision Number	Description
8/15/2019	0	Approved at the GTP Board Meeting on 8/15/2019.
10/17/2019	1	Revised for technical corrections.
9/14/2022	2	Removed procedure from policy and transferred to SOP.