

	GCA704
	Billing and Collections
	Prepared By: Grant and Contract Accounting
	Approved By: Brian Laffey
	Effective Date: 06/01/2010

<p>Purpose Illinois Institute of Technology receives substantial funding in the areas of sponsored research, education, public service and other funding agencies. The University ensures all cash payments are made out and collected in a timely and efficient manner thereby improving cash availability.</p>
<p>Policy Grant and Contract Accounting is responsible for the invoicing of funding sources and the collection of outstanding receivables.</p>

Definitions

Cost Reimbursement– The University is reimbursed for actual, allowable expenditures that do not exceed the award amount. (These reimbursements may be made by Letter of Credit (LOC) or payment of invoices for actual costs incurred)

Letter of Credit– Payment is received through electronic transfers of cash from the Federal Reserve Bank to the University.

Fixed Price A sponsored award in which the agency pays a fixed dollar amount for certain agreed upon deliverables.

been resolved

- f* On expired agreements, if payments have not been received prior to the date of the award and collection efforts by upper management have been unsuccessful, it will then be forwarded to legal counsel to determine if it meets the requirements for potential litigation.
 - o If it is determined that the award qualifies for litigation, legal counsel will assume the responsibility to perform further collection efforts on behalf of the University.
 - o In the event that legal counsel is unable to proceed with litigation,