

FINANCIAL OPERATION

Policy 3155
(Regulation 3155)

Financial Management

Payments from Federal Awards/Cash Management

Payments from Federal awards will minimize the time elapsing between transfer of funds from the Federal pass-through entity and the disbursement of funds by the District to vendor recipients regardless of whether the payment is made by electronic transfer, or issuance/redemption of checks, warrants or payments. The District will make timely payment to contractors consistent with the terms of each specific contract. If a Federal award allows for advance payment, those Federal funds will be deposited and maintained in insured interest-bearing accounts. Interest amounts of up to \$500.00 per school year will be maintained by the District to be utilized for administrative purposes. The District's cash management of Federal funds will be consistent with requirements §200.305 of the Code of Federal Regulations.

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Cash Management Procedure

In order to ensure compliance with Cash Management Improvement Act (CMIA), the following procedures have been implemented:

1. The individual District Manager for each Federal grant will review and prepare each payment request to ensure compliance with CMIA and related regulations.
2. The District's financial officer will, as an additional check, review the payment requests prepared by the Federal grant manager to ensure compliance with federal and state regulations.
3. Payment requests will be made for each Federal program on a monthly basis. If the amount to be requested in any month is \$500.00 or less, the District's financial manager may elect to carry over the sum until the succeeding month.
4. All Federal funds will be documented by an individual program and tracked by the District's financial officer.
5. The District's financial officer will monthly track Federal funds as individual expenditures in the District's general ledger.
6. The District's financial officer will have initial responsibility to ensure overall compliance of cash management requirements. The District's external auditor will monitor utilization of Federal funds to ensure compliance with federal and state cash management requirements.

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