

Pioneer Springs Community School Federal Fiscal Policies:

Cash Management of Federal Funds Policy and Procedure

Approved 12/10/18 by PSCS Board of Trustees

Pioneer Springs Community School will maintain written cash management policies designed to minimize the time elapsing between the transfer and subsequent disbursement of funds ([2 CFR Part 200.305](#)). Pioneer Springs Community School will strive to expend the Federal funds on allowable expenditures as expeditiously as possible. Specifically, Pioneer Springs Community School attempts to expend all drawn downs of federal funds within 72 hours of receipt. Prior to each payment request, the Finance Manager reviews the general ledger to determine the exact amount of cumulative expenditures to date and reviews and calculates the exact amount of payroll and/or other payables that will be paid out within three business days once the payment is received. The Finance Manager verifies that legible, satisfactory source documentation is on file to support each cost included in the request for payment. Prior to the draw-down request, the Finance Manager and Director of Academics and Operations review and verify the accuracy of the amount to be requested. The Finance Manager requests payment and certifies that the expenditures are true and correct and that the payment received will be paid out within three business days of receipt in Pioneer Springs Community School depository account.

No later than three days after payment was requested, the Finance Manager will verify that the payment was received in Pioneer Springs Community School depository account. The Finance Manager will notify the Director of Academics and Operations that payment has been received and will immediately process said payroll or other payables. The Finance Manager will verify all payments to ensure that no funds are being paid out for goods and services not actually received and to verify that all funds received for a particular payment are paid out and do not remain on deposit in the Pioneer Springs Community School depository account.

Interest Earned on Advances – Pioneer Springs Community School will hold federal advance payments in interest-bearing accounts, unless an allowable exception applies. Pioneer Springs Community School will begin to calculate interest earned on cash balances once funds are deposited into the school's account.

Interest will be calculated quarterly and interest earned will be remitted within 30 days of the end of the quarter. Interest earned amounts up to \$500 per year may be retained by Pioneer Springs Community School for administrative expense. Any additional interest earned on Federal advance payments deposited in interest-bearing accounts must be returned annually.