

**Pataula Charter Academy and  
Spring Creek Charter Academy  
Cash Management/Drawdown of Federal Funds Policy and Procedure**

**Purpose:**

The purpose of this policy is to provide school officials guidelines for maintaining compliance in cash management and the drawdown of Federal funds.

**Definitions:**

Financial Services – The CFO and Office Manager

Supplanting - For the purpose of this policy means reduction or removal of Federal funding due to lack of need.

**Policy Statement:**

PCA and SCCA shall, in accordance with 2 C.F.R. Part 200 Subpart D 200.305, maintain and adhere to the required guidelines for cash management and the drawdown of Federal funds.

**Guidelines for the Drawdown of Federal Funds:**

- A. Financial services shall maintain financial management systems that meet the standard for fund control and accountability.
- B. The drawdown of funds shall occur regularly as failure to drawdown funds over an extended period of time may put the school at risk for supplanting.
- C. The drawdown request amount must be as close as is administratively feasible to the actual immediate cash requirements for carrying out the purpose of the approved program/project.
- D. The drawdown request timing must be as close as is administratively possible to the actual disbursements for direct program/project costs and the proportionate share of any allowable indirect costs.
- E. Financial services must make timely payment to contractors in accordance with the contract provisions.
- F. To the extent possible, financial services must disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional payments.
- G. If the school must utilize a bank or other depository for the maintenance of advance payments, the school shall:
  1. Keep the money in insured accounts whenever possible.
  2. Keep the money in interest-bearing accounts unless the following apply:
    - a. The school receives less than \$120,000.00 in Federal awards per year,
    - b. The best reasonably available interest-bearing account would not be expected to earn interest in excess of more than \$500.00 per year on Federal cash balances, or
    - c. The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and Non-Federal cash

resources.

The school may keep up to \$500.00 of interest earned on such funds. Any additional interest must be remitted according to Federal requirements.

- H. The school may utilize the payment by reimbursement method on any Federal award used for construction, or if the major portion of the construction project is accomplished through private marketing financing or Federal loans and the Federal award constitutes the a minor portion of the project.
- I. Financial Services shall maintain all appropriate documentation for review in accordance with documentation retention regulations as the school must be able to account for the receipt, obligation, and expenditure of funds.

**Procedure:**

Once an invoice is received it will immediately be given to the CFO/Business Director. The Business Director determines from which class the funds to pay the invoice will come (i.e. Title I, Title IIA, Title III, etc.). Once that has been determined the invoice will be given to the Office Manager to pay the invoice by the due date. After the invoice has been paid, a copy of the check and the invoice will be given back to the CFO/Business Director. The CFO/Business Director will request the funds from the appropriate program through GAORS form DE147 within one month of payment of the invoice. The CFO/Business Director will maintain documentation of the invoice, other supporting documentation, payment, and draw-down request for monitoring purposes.

Legal Ref: 2 C.F.R. Part 200 Subpart D 200.305

Approved: 11/16/15

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