

Federal Funds

IREDELL-STATESVILLE SCHOOLS

Cash Management Plan

The purpose of this policy is to ensure that neither the federal government nor the Iredell-Statesville Schools (I-SS) benefits or suffers financially as a result of the transfer of cash in support of I-SS-administered federal awards. This policy shall apply to all funds received from Federal awards and deposited into I-SS's State Treasurer's account.

- I-SS will schedule requests for Federal funds so that the receipt (deposit) of those funds occurs as close as practicable to the issuance of I-SS warrants or payments by Electronic Funds Transfer.
- The request for Federal funds should be timed so that the funds are on deposit in the account with the State Treasurer no more than three business days prior to the date of issuance of the disbursement by I-SS warrant or payments by Electronic Funds Transfer.
- Whenever possible, advance payments must be consolidated to cover anticipated cash needs for all Federal awards made by the Federal awarding agency to I-SS.
- To the extent available, I-SS will 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 cash payments.
- I-SS must be able to account for the receipt, obligation and expenditure of federal funds separate from non-federal funds.
- Advanced payments of Federal funds must be deposited and maintained in insured accounts whenever possible.
- Advanced payments of Federal awards must be maintained in interest-bearing accounts unless the following apply:
 - Receive less than \$120,000 in Federal awards per year
 - The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on Federal cash balances.
 - 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.
- Interest earned on Federal advanced payments deposited in interest-bearing accounts must be remitted annually to the Department of Health and Human Services, Payment Management System, Rockville, MD 20852. Interest amounts up to \$500 per year may be retained by I-SS for administrative expense.