2307 -- Federal Payments

Barton Community College (College) and Barton Community College Foundation (Foundation) will utilize payment methods that minimize the time elapsed between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement whether the payment is made by electronic transfer or issuance of redemption checks, warrants, or payment by other means.

The College/Foundation will request Federal payments that are timed in accordance with the actual immediate cash requirements.

1. The College/Foundation will maintain written procedures that minimize the time elapsing between the transfer of funds and disbursement by the College/Foundation, and financial management systems that meet the standards for fund control and accountability.

2. Advanced Federal payments are limited to the amounts needed and in accordance with the actual, immediate cash requirements of the College/Foundation in carrying out the purpose of the approved program or project.

3. Advanced Federal payments will be as close as administratively feasible to the actual disbursements by the College/Foundation for direct program or project costs and the proportionate share of any allowable indirect costs.

4. The College/Foundation shall make timely payment to contractors in accordance with contract provisions.

5. Whenever possible, the College/Foundation will consolidate advance payments to cover anticipated cash needs for all Federal awards.

6. The College/Foundation uses the preferred method of reimbursement whenever possible.

7. The College Comptroller and Budget Manager or his/her designee is authorized to submit requests for advance payments and reimbursements at least monthly.

Although the Federal awarding agency and pass-through entities cannot require separate depository accounts for funds provided to the College/Foundation or eligibility requirements for depositories, the College/Foundation will:

1. Account for the receipt, obligation, and expenditure of funds.

2. Deposit and maintain advance payments of Federal funds in insured accounts whenever possible.

3. Deposit and maintain advance payments of Federal funds in interest-bearing accounts, unless the following apply:

    a. The College/Foundation receives less than $120,000 in Federal awards a year.

b. The best reasonably available interest-bearing account would not be expected to earn interest in excess of $500 per year on Federal cash balances.

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.

4. To the extent possible, 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.

5. Remit interest earned on Federal advance payments deposited in interest-bearing accounts 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 the College for administrative expense.

The College/Foundation is authorized to submit requests for advance payments and reimbursement at least monthly when electronic fund transfers are not used, and as often as needed when electronic transfers are used, in accordance with the Electronic Fund Transfer Act (15 U.S.C. 1601).

Contact(s): Comptroller and Budget Manager

Related Form(s)
None

References

§ 200.305 Payment (78624, Federal Register, Vol.78, No. 248/Thursday, December 26, 2013/Rules and Regulations).

Relevant Policy or Procedure(s): 1305 – Fiscal Management

Approved by: President

Date: 6/1/15

Revision(s):