

Cash Management Procedure for Sponsored Programs

Reimbursement is the preferred method to be used for all grants unless otherwise specified by the awarding agency. This means that the University draws down grant funds after costs have been incurred for grant related expenditures.

- The Principal Investigator (PI) for each grant approves all grant expenditures. The University pays for the allowable expenditures through the University's established payables and payroll processes. Grant expenditures are applied to unique cost centers in SAP that separate them from other university expenditures.
- A Budget to Actual Summary Report, along with a detailed list of transactions, is prepared by the Grant Accountant at the end of each month and made available to both the PI and the Institute for Public Service and Sponsored Programs (IPSSP), who review the reports for accuracy and feedback.
- Based on the expenditures in the Summary Report, the amount of the reimbursement is calculated and the Grant Accountant submits a draw down request for the funds or prepares an invoice for mailing.
- The invoice or draw down request is then recorded in SAP as a receivable and a copy of the documentation is given to the Fiscal Assistant for tracking.

To ensure cash receipts are properly safeguarded, deposited in the bank, and recorded accurately and timely in the accounting records, the following is the procedure the University is practicing for the receipt of funds:

- Cash, checks, and ACH remittance advices are received by the Fiscal Assistant and handed over to the Grant Accountant.
- The Grant Accountant identifies the transaction and makes copies of the check/remittances advice as well as all other supporting documentation.
 - Copies are maintained with the deposit documentation to be included in each individual grant file.
 - Documentation is forwarded (along with the physical check or cash) to the Revenue Accountant to complete the deposit or verify the ACH transfer with the bank and relieve the receivable in SAP.
 - A copy is provided to the Fiscal Assistant for the tracking of the cash receipt against accounts receivable.
- The Grant Accountant then records the deposit on the transaction report that gets distributed to the PI each month for review, which additionally details all grant funds received, by individual grant, including date funds are received, amount, and any remaining funds available.

Cash and checks are deposited on a daily basis, if possible, or at a minimum twice weekly. Any cash or checks held and not deposited are stored in a locked safe in the Student Accounts Office.