

**Renaissance Academy
Charter School**

Cash Management – Federal Programs

The Charter School will comply with applicable methods and procedures for payments that minimize the time elapsing between the transfer of funds and disbursement by the Charter School, in accordance with the Cash Management Improvement Act at 31 CFR Part 205. Generally, the Charter School receives payment from the Pennsylvania Department of Education (PDE) on a reimbursement basis. CFR Sec. 200.305. However, if the Charter School receives an advance in federal grant funds, the Charter School Business Manager will remit interest earned on the advanced payment to the federal agency consistent with 2 CFR Sec 200.305(b)(9).

Payment Methods

Reimbursements

The Charter school will initially charge federal grant expenditures to non-federal funds. The Charter School Business Manager will request reimbursement for actual expenditures incurred under the federal grants. Reimbursement requests will be submitted to the Pennsylvania Department of Education for processing. All reimbursements shall be based on actual disbursements, not on obligations.

Consistent with state and federal requirements, the Charter school will maintain source documentation supporting the federal expenditures (invoices, time sheets, payroll stubs, etc.) and will make such documentation available for PDE to review upon request.

Reimbursements of actual expenditures do not involve interest calculations.

Advances

To the extent the Charter School receives advance payments of federal grant funds, the Charter School will attempt to minimize the time elapsing between the transfer of funds to the charter school and the expenditure of those funds on allowable costs of the applicable federal program within seventy-two (72) hours of receipt.

The Charter School shall hold federal advance payments in insured, interest-bearing accounts, unless an allowable exception applies. The Charter School will begin to calculate interest earned on cash balances once funds are deposited into the School's account.

Interest will be calculated consistent with the eGrants application. Total federal grant cash balances will be calculated on cash balances per grant and applying the Charter School's average interest rate. The Charter School will remit interest earned on grant funds annually to the U.S. Department of Health and Human Services Payment Management System, regardless of the federal awarding agency for the grant, through an electronic medium using either Automated Clearing House (ACH) network or a Fedwire Funds Service payment. (2 CFR Sec. 200.305(b)(9))

The Charter School may retain up to \$500 of interest earned per year.