

Centenary College of Louisiana
Federal Funds Payment and Cash Management
(Effective July 1, 2017)

The policy of Centenary College is to request payments from Federal agencies at the time each agency requires financial reporting. The total disbursements for allowable costs for a given reporting period, less any credits, discounts, rebates, refunds, program income, or amounts withheld from payment to contractors to assure satisfactory completion of work, will represent the amount requested as a reimbursement.

- **Monthly Reporting:** The Department of Education requires monthly reporting. Funds will be requested monthly only if the academic period for the disbursements has begun or will begin within 10 days. Direct Loan funds are requested as needed after the loans are posted for academic periods that have begun or will begin within 10 days. At the beginning of each semester, when Title IV grants have been posted to student accounts and classes have begun, the Business Manager, Controller, or Vice President for Finance and Administration (VPFA) may authorize a reimbursement request from the Department of Education prior to the end of the reporting period.
- **Quarterly Reporting:** Agencies including the Internal Revenue Service (IRS), the National Endowment for the Humanities (NEH), National Endowment for the Arts (NEA), PHS (Public Health Service) Agencies including the National Institutes of Health (NIH), and the National Science Foundation (NSF) require quarterly reporting, and funds are requested quarterly. Funds may be requested for reimbursement of net expenditures as of year-end, if authorized by the Business Manager, Controller, or VPFA. When a large equipment purchase is made that is funded by a federal grant, the Business Manager, Controller, or VPFA may authorize a reimbursement request prior to the end of the reporting period.
- If at any time the College elects to request funds from a federal agency prior to expending the funds, the following steps are required:
 - Written approval of the Business Manager, Controller, or VPFA.
 - Verification by accounts payable specialist that the expenditure has been vouchered in the AP system and will be disbursed within two days or less.
 - Payment request will be certified by the Business Manager, Controller, or VPFA.
- Payment to sub-recipients shall conform to the standards of timing and amounts that apply to the payments by the respective agency to its grantees. Sub-recipients will be required to submit invoices with a breakdown by budget category to the PI/Program Director of the primary grant at Centenary. After the PI/Program Director has reviewed and approved the invoice for payment, it will be forwarded to the Coordinator for Grants and Faculty Endowments who will submit it to the Business Office. Payment will be made as per the Accounts Payable schedule.

Erroneous Payments

Advances or reimbursements made in error will be promptly refunded to the federal agency through www.pay.gov. The Business Office will calculate the interest earned on any excess funds due to an erroneous payment. Interest liability begins accruing on the date the funds were credited to the Centenary General Fund and is accrued until the date the funds are used for program purposes for that agency or are returned. Interest calculations must be documented and auditable. Interest earned in excess of \$500 per fiscal year will be remitted to the Department of Health and Human Services.

Certifications

Payments from federal agencies for grants and contracts will be requested by the method established by the agency. Examples include ACM\$ for NSF awards; Division of Payment and Management for NIH and IRS awards; and G5 for the Department of Education.

The required certification for payment requests is stated at 2 CFR 200.415(a):

- (a) To assure that expenditures are proper and in accordance with the terms and conditions of the Federal award and approved project budgets, the annual and final fiscal reports or vouchers requesting payment under the agreements must include a certification, signed by an official who is authorized to legally bind the non-Federal entity, which reads as follows: "By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise."

Therefore, each payment request must be certified by an officer who is authorized to legally bind Centenary College per the current Certificate of Incumbency, before the payment request is made.

Cash Management

Based on established federal funds payment policies, and with the exception of Federal Perkins Loan Program funds, Centenary College is not expected to earn interest on federal funds in excess of \$500 per year. This determination is based upon the best reasonably available interest-bearing account.

The Centenary College Federal Perkins Loan Program Fund will be maintained in a low-risk interest-bearing account. Interest or income earned on the Fund balance is retained by the College as part of the Fund. The account name will be "Centenary College Federal Perkins Loan Account."