

Cash Management & Funds Drawdowns

Policy Statement

The Office of Grants Award Services (OGAS) is responsible for preparing and performing drawdowns for federally sponsored programs. Under the terms of certain awards from some federal agencies, the University can draw down funds via electronic systems. The federal sponsoring agencies (e.g., NIH, NSF, DOED) authorize funds that meet the aggregate expenditure activity of the agency's awards to the University. This policy provides guidance and identifies requirements of using LOC's or other electronic payment mechanisms to drawdown federal funds.

Definitions

- **Drawdown (Draw)**
 - Accessing a payment website designated by the federal agency to transfer funds from the agency's account to the University.
 - **Letter of Credit (LOC)**
 - An electronic method of payment for requesting reimbursements of expenditures aggregated by funding sources.
 - **Appropriation**
 - A sum of money that has been set aside from a budget, usually a government budget, for a specific purpose.
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Responsibilities

- **OGAS**
 - Perform managerial review for LOC and other draws.
 - Execute and manage LOC and other draws to maximize the cash position of the University
 - Monitor the release of appropriated funds by sponsor and ensure compliance for cost sharing requirements are met before performing drawdowns
 - Ensure compliance with federal cash management requirements
 - Provide Accounting Services and Bursar with appropriate Workday Worktags for deposit of revenue
- **Principal Investigator (PI)**
 - Make immediate corrections if expenditures exceed the budget for the award
 - Monitor sponsored project expenditures on a timely basis
 - Reconcile and certify expenditures for drawdown
- **Accounting Services**
 - Receive revenue and review deposits made to the bank
 - Notify posting of revenue to OGAS
 - Bursar records and deposits payments into Workday Financial System by using invoice and backup documentation

Contacts

OFFICE	CONTACT	PHONE	EMAIL
Office of Grants Award Services	Christine Gonzalez	702-992-2506	Christine.Gonzalez@nsc.edu

Related Information

- 2 CFR 200.302 Financial Management
- 2 CFR 200.305 Federal Payment

History

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Certified by: Director, Grants Award Services

At the Direction of: Senior Vice President for Finance and Business Operations
