



POLICY

2021-03

TO: Selectboard

FROM: Jessica Morris, Finance Director

RE: Cash Management-Uniform Grant Guidance Policy 2021-03

DATED: June 21, 2021

EFFECTIVE DATE: Immediately

CASH MANAGEMENT-UNIFORM GRANT GUIDANCE POLICY Town of Milton

PURPOSE

This policy establishes the standards of cash management of grant funds as defined by Uniform Guidance.

PROCEDURE

The Town will comply with applicable methods and procedures for payment that minimize the time elapsing between the transfer of funds and disbursement by the Town, in accordance with the Cash Management Improvement Act at 31 C.F.R. Part 205. Generally, the Town receives payment from grantors on a reimbursement basis. However, if the Town receives an advance in federal grant funds, the Town will remit interest earned on the advanced payment to the federal agency consistent with 2 C.F.R. §200.305(b)(9).

Payment Methods

Reimbursements: The Town will initially charge federal grant expenditures to nonfederal funds.

The Fiscal Assistant II will request reimbursement for actual expenditures incurred under the federal grants monthly. All expenditures that will be paid for with grant funds must be allowable and meet any applicable cost restrictions. *See Town policy 2021-04 Allowability of Costs-Uniform Grant Guidance.* Reimbursement requests will be submitted on Town Accounts Receivable form to the Grantor along with any forms required by the Grantor. All supporting documentation (invoices, time sheets, check/payroll stubs, etc.) will also be submitted. All reimbursements are based on actual disbursements, not on obligations.

Consistent with state and federal requirements, the Town will maintain source documentation supporting the federal expenditures (invoices, time sheets, check/payroll stubs, etc.) and will make such documentation available for the Grantor's review upon request.

Reimbursements of actual expenditures do not require interest calculations.

Advances: To the extent the Town received advance payments of federal grant funds, the Town will strive to expend the federal funds on allowable expenditures as expeditiously as possible.

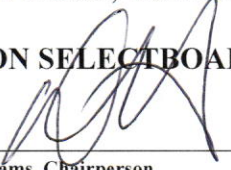
The Town will hold federal advance payments in interest-bearing accounts, unless an allowable exception applies. The Town will begin to calculate interest earned on cash balances once funds are deposited in the Town's account.

Interest will be calculated consistent with the Town's current monthly interest allocation procedure. The Town will remit interest earned on grant funds to the Grantor as required by the grant agreement (timing and method of remittance).

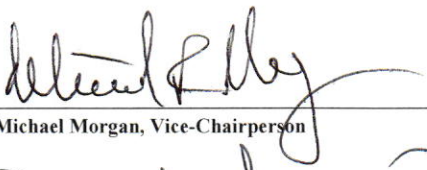
ADOPTION: The Milton Selectboard, acting in regular session on **June 21, 2021** voted in favor of the **Cash Management-Uniform Grant Guidance Policy**, as outlined herein as **Policy 2021-03**. Further, that this referenced Policy shall be part of the permanent record of the attachment of the same to the Minutes of the aforementioned Meeting.

Dated at Milton, Vermont this 21 day of June, 2021

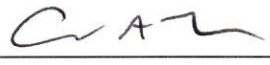
MILTON SELECTBOARD



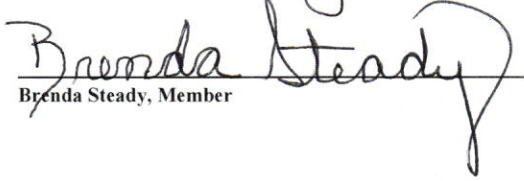
Darren Adams, Chairperson



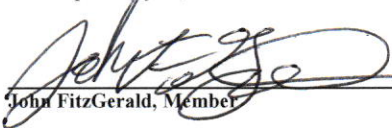
Michael Morgan, Vice-Chairperson



Christopher Taylor, Clerk



Brenda Steady, Member



John FitzGerald, Member

Filed with the Milton Town Clerk's Office this 22nd day of June, 2021

Attest: _____

Milton Town Clerk

