

Hamburg Public Library Cash Management Procedure for Federal Programs

Purpose

The purpose of this policy is to detail the responsibilities of the Hamburg Public Library and Hamburg Public Library staff for receiving government grants. The Hamburg Public Library shall maintain accounting methods and internal controls and procedures that assure those responsibilities are met.

Payment Methods Reimbursements

The Hamburg Public Library will initially charge federal grant expenditures to non-federal funds. The Library Director will request reimbursement for actual expenditures incurred under the federal grants. Such requests shall be submitted with appropriate documentation and signed by the requestor.

All reimbursements are based on actual disbursements, not on obligations.

Consistent with state and federal requirements, the Hamburg Public Library will maintain source documentation supporting the federal expenditures and will make such documentation available to review upon request.

Reimbursement of Advancements

When the Hamburg Public Library receives advance payments of federal grant funds, it must minimize the time elapsing between the transfer of funds to the Hamburg Public Library and the expenditure of those funds on allowable costs of the applicable federal program. (2 CFR Sec. 200.305(b)) The Hamburg Public Library shall attempt to expend all advances of federal funds within 1-5 business days.

The Hamburg Public Library shall hold federal payments in insured, non-interest-bearing accounts.

Delegation of Responsibility

When determining how the Hamburg Public Library will spend its grant funds, the Library Director will review the proposed cost to determine whether it is an allowable use of federal grant funds before obligating and spending those funds on the proposed good or service.

Expenditures must be aligned with approved budgeted items. Any changes or variations from the state-approved budget and grant application need prior approval from the state.

Verification of Goods Received and Services Provided

Through documentation, including but not limited to receipts, the Hamburg Public Library Director will ensure that all goods and/or services provided through the expenditures of federal funds were provided in accordance with the grant guidelines.

Tracking of Expenditures

Expenditures will be tracked by the Hamburg Public Library director through the use of receipts and proper filing. Additionally, the expenses will be verified by the Hamburg Public Library's Treasurer and through the organization's yearly audit.

Approved by the Board of Trustees, January 12, 2021
Reviewed by the Board of Trustees, May 14, 2024