

Policy: Cash Management

Policy Number: F108

Effective Date: August 28, 2018

Editions:

The Coalition, under the authority of the Board of Directors, will follow Federal and State laws, regulations, rules, and guidance including:

- Public Law 101-453 – The Cash Management Improvement Act of 1990 (CMIA)
- 31 CFR Part 208 - Management of Federal Agency Disbursements
- 2 CFR Part 200.302 - Financial management
- 45 CFR Part 75.305 – Payment
- OEL Program Guidance – 240.01

to institute proper controls relative to the cash management of agency funds, as well as, in accordance to Generally Accepted Account Principles.

Cash management consists of the collection, handling and usage of cash, as well as cash flow forecasting. The Coalition will utilize a variety of specific tools to ensure effective cash management including the use of multiple cash accounts.

Internal control measures will be used to ensure proper security, documentation and maintenance of transactions.

Cash Accounts

1. Bank Accounts - the Coalition will utilize three bank accounts to ensure proper segregation and utilization of funds.
 - a. Operating funds account – this account will be used for all OEL grants and expenditures. This shall be an interest-bearing account and interest earned on advances from grantors will be remitted to the appropriate grantor as determined by the grant agreements.
 - b. Local funds account – this account will be used for the Coalition unrestricted funds and restricted funds for any grant that is not from OEL. All interest earned on this account will be deemed unrestricted investment income.
 - c. Payroll account – this account is a zero-balance account and will be used only for making biweekly payroll payments to staff.

2. Petty Cash Account – The Coalition will maintain a small (less than \$500) petty cash account for small purchases.
3. PayPal Account – This account will be used to facilitate the collection of contributions to the Coalition and other payments from outside parties in relation to events hosted by the Coalition.

Cash Transfers

Cash transfers will be used to move funds from one Coalition bank account to another. There are a variety of reasons cash may need to be moved from one account to another. Finance Department staff responsible for making cash transfers will ensure the accuracy of transfers to ensure that external restrictions on cash balances are met. Cash transfers between accounts will be performed on an as-needed basis.

Cash Flow Forecast

Cash flow needs will be monitored on a weekly basis to eliminate idle funds and to ensure that payment obligations can be met. This information will be shared with senior leadership to ensure timely and effective cash flow planning.