



POLICY & PROCEDURE DOCUMENT

NUMBER: 3.2560

DIVISION: Finance and Administration

TITLE: Grants and Contracts Accounting - Federal Funds Drawdown

DATE: June 30, 2014

Authorized by: K. Ann Mead, Sr. VP for Finance & Administration

I. Purpose and Scope

Some federal agencies, such as the U.S. Department of Education, allow WKU/WKURF to request funds through various processes. This process is commonly known as a drawdown. Drawdowns are based on monthly or quarterly expenditures, as stipulated in the award document.

II. Policy

For awards funded directly as drawdowns, via various secure government websites, Grants & Contracts Accounting (GCA) periodically requests funds on an as-needed (cost reimbursement) basis.

III. Procedure

1. The GCA grant administrator assigned to an award(s) runs a printout of the expenditures monthly or quarterly, as appropriate. The grant administrator prepares an internal invoice and gives it to the assistant director who approves the drawdown.
2. The grant accounts specialist posts a journal entry using the internal invoice which increases the grants billed receivable and decreases unbilled receivable. The grant accounts specialist then updates the restricted invoices excel spreadsheet log using the same internal invoice and sends a copy of the invoice to the Cashier's Office for proper credit when the drawn down funds arrive in the WKU depository account.

3. When the government agency deposits the drawdown into the WKU depository bank account, the Cashier's Office will credit the funds to the grant index.
4. Funds are requested on a reimbursement basis and therefore no written procedures are necessary explaining procedures for minimizing the time lapse between the transfer of funds and the issuance of payments.

IV. Related Policies

All 3.25xx, 3.26xx and 3.27xx policies