

Federal Drawdown Procedures

East Tennessee State University's department of Grant Accounting draws down federal funds approximately once a month unless the federal granting agency requires another way of accessing their funds. The draw down process is performed by the Grant Accountant. Federal funds are drawn down on cost reimbursement basis.

Prior to each drawdown, Banner screen FGRTBAL is reviewed to determine the cash balance of each federal grant.

Grant Accounting maintains a cash request spreadsheet. The negative cash balance of each grant is added to the cash request spreadsheet as FGRTBAL is reviewed. The cash request spreadsheet is organized by individual grant index, granting agency, and the grand total of all federal grant funds to be drawn down. The Grant Accountant will go to each federal website to request the drawdown amount.

After the drawdown requests have occurred, the completed cash request spreadsheet is sent to the Financial Accounting office. The completed worksheet is used by Financial Accounting staff to allocate the funds when they are received by the bank. Federal grant funds are received from each granting agency via wire or ach transfer. The Financial Accounting staff creates a journal voucher to record the funds received to the appropriate grant index(s). The journal voucher is electronically approved by the Financial Accounting staff supervisor.

If a federal drawdown results in a federal grant index having a positive cash balance, the funds are returned based on the policy of the federal agency. Since federal funds are drawn down on cost reimbursement basis, return of funds is a rare occurrence.