



EAST TENNESSEE STATE
UNIVERSITY

Federal Drawdown Procedures

Policy Name: Federal Drawdown Procedures

Policy Purpose

This policy specifies Grant Accounting Federal Drawdown Procedures

Applicability

This policy applies to ETSU employees.

Responsible Official, Office, and Interpretation

The Associate Vice President of Financial Services/Comptroller is responsible for the review and revision of this policy. For questions about this policy, please contact the Office of Financial Services. The CFO, in consultation with the Office of University Counsel, has the final authority to interpret this policy.

Defined Terms

N/A

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1. 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.
2. Prior to each drawdown, Banner screen FGRTBAL is reviewed to determine the cash balance of each federal grant.
3. 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.
4. 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.
5. 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.

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Procedures

N/A

Applicable Forms and Websites

N/A

Authority and Revisions

Authority: TCA § 49-8-203, et seq.

Previous Policy: N/A

The ETSU Board of Trustees is charged with policy making pursuant to TCA § 49-8-203, et seq. On March 24, 2017, the Board delegated its authority to ETSU's President to establish certain policies and procedures for educational program and other operations of the University, including this policy. The delegation of authority and required process for revision to this policy can be found on the [Policy Development and Rule Making Policy webpage](#).

To suggest a revision to this policy, please contact the responsible official indicated in this policy. Before a substantive change to the policy section may take effect, the requested changes must be: (1) approved by the responsible office; (2) reviewed by the Office of University Counsel for legal sufficiency; (3) posted for public comment; (4) approved by either Academic Council or University Council; and (5) approved by ETSU's President.