

Montana Carl D. Perkins Policy and Procedures Manual

Subject: Fiscal Program Responsibility
Policy: Cash Management
Effective: July 1, 2007
Revised: Not Applicable

Montana Perkins State Eligible Agencies must follow the [OMB Circular A110](#), Cash Management Improvement Act (CMIA) guidelines referenced in [31 CFR 205](#) and [State of Montana CMIA](#) guidelines.

Procedure

At the state level, cash is drawn directly against the grant based strictly on a negative cash balance showing up in the state's accounting system under the Perkins fund. Direct grant draw-downs are done through a web-based G5 grants management system called [E-grants](#) developed and maintained by the United States Department of Education.

The Office of Public Instruction requests Perkins funds based on negative cash balances through an email to the Office of the Commissioner of Higher Education (OCHE) Federal Accountant requesting these funds. Funds are distributed to the Office of Public Instruction (OPI) through an inter-agency transfer. When this process creates a negative balance for OCHE, OCHE may then draw directly against the federal grant.

Sub-Grantee Procedure:

For sub-grantees, there are two methods for reimbursement

- **Reimbursement Only Basis:** Sub-grantees must submit a quarterly fiscal report and current quarter's expenditure amount. Reimbursement is based on the negative cash balance reported.
- **Cash Advance Requests:** Sub-grantees may request funds through the [quarterly fiscal report](#) by entering cash requested in the field labeled *Estimated Requirements of Federal Funds*. Cash request amounts can be determined in advance based upon 30 days of estimated cash flow. Monthly disbursement will be prepared by the 10th of each month. The "Cash-on-Hand" balance will be carefully reviewed quarterly. Large positive cash balances will be questioned and adjustments will be made to future advances as needed.

Secondary:

[OPI Federal Grants Handbook, Section 400 Procedures](#)