

The District will maintain a separate bank account for funds received for specific purposes such as local, county, state (non-school facility related) or federal grant awards. This account will be called "Special Revenue Fund."

The Special Revenue Fund bank account will not earn interest.

- 1) Some contracts for grants are awarded to the District that specifically state the grant funds cannot be held in an interest bearing account;
- 2) All funds drawn for federal grant awards will be on a reimbursement basis only. Monies will be borrowed from the District's General Fund at the time checks are cut and will be repaid to the General Fund after the reimbursement request is fulfilled by the federal government or pass-through agency. (2 Code of Federal Regulations (C.F.R.), Part 200-305);
- 3) If the bank account were interest bearing, no interest would be earned against Special Revenue for Federal Award monies contained within because the reimbursement basis is used.

Credit Card Usage for Federal Awards

- 1) For federal award purchases, credit cards will be used on a case by case basis. Credit cards should only be used if a particular good or service cannot be obtained with a District local purchase order, voucher or system purchase order for direct payment;
- 2) See District's Administrative Procedure 3035B Credit Cards.