

## **PAYMENT AND CASH MANAGEMENT POLICY**

### **Purpose**

This policy establishes procedures for payment, cash management, drawdowns, and reimbursement requests for federal awards in accordance with Uniform Grant Guidance (2 CFR Part 200, including §200.302 and §200.305).

### **Scope**

This policy applies to all Town departments administering or expending federal grant funds.

### **Policy**

#### **1. Timing of Drawdowns**

Federal funds will be requested only as needed to meet immediate cash requirements for approved expenditures. The Town will minimize the time between receipt of federal funds and disbursement in accordance with federal cash management standards.

#### **2. Reimbursement Requests**

When federal programs operate on a reimbursement basis, the Town will submit reimbursement requests based on actual expenditures incurred and documented. Requests will be supported by invoices, payroll records, or other appropriate documentation.

#### **3. Approvals**

All drawdown or reimbursement requests must be reviewed and approved by the Finance Director or Town Manager prior to submission. Supporting documentation will be maintained in the grant file.

#### **4. Payment Processing**

Payments made from federal awards will follow the Town's Financial Management and Procurement Policies. All invoices will be reviewed for accuracy and allowability prior to payment.

#### **5. Internal Controls**

The Town will maintain internal controls to ensure accurate accounting of federal funds, proper authorization of payments, segregation of duties where feasible, and periodic review of grant balances and expenditures.

#### **6. Record Retention**


Documentation related to drawdowns, reimbursements, and payments will be retained in accordance with federal record retention requirements and the Town's record retention policy.

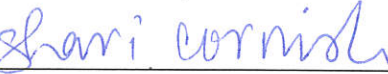
Consistency with Other Policies

This policy supplements the Town of Hardwick Financial Management Policy and applies specifically to federal awards. In the event of a conflict, federal grant requirements shall apply.


Adopted by the Hardwick Select Board on April 2, 2026.

Select Board:

  
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Ceilidh Galloway-Kane, Chair

  
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Shari Cornish, Vice Chair

  
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Larry Fliegelman, Member

  
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Derek Richardson, Member

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Tim Ricciardello, Member