

Lewis Center for Educational Research

**BP 9504: BOARD BYLAWS
 INTERFUND PAYABLES & RECEIVABLES**

Adopted: November 9, 2006

Revised: December 12, 2016

1. PURPOSE

Purpose: To establish protocol for handling interfund payables and receivables.

Scope: All interfund payables and receivables.

2. POLICY / PROCEDURE

From time to time, there may exist cash deficits in any particular fund. As such it may be necessary for one fund to temporarily transfer cash from another fund. In order to maintain the accounting integrity of each fund, an interfund payable/receivable will be established for each such borrowing. In the event that an interfund transaction is required, the Lewis Center Foundation (“Foundation”) is responsible for assessing the necessity of the payable/receivable as well as determining the plan of correction to eliminate the interfund transaction.

As it becomes apparent through the monthly closing of the Foundation’s books that an interfund receivable / payable is required to balance the funds, the Foundation’s accounting staff will record the necessary journal entries to establish the receivable/payable.

The Foundation will validate the necessity of the payable/receivable.

Should the Foundation determine that the interfund payable/receivable cannot be remedied within a reasonable time-frame, then the interfund accounting will need to be reviewed by the Foundation.

Only non-restricted funds may be used for interfund transactions.