



# BRIGHAM YOUNG UNIVERSITY

## FINANCIAL SERVICES POLICIES AND PROCEDURES

### RESEARCH CASH FUND

#### **Description:**

Research Cash Funds are used to pay research subjects or survey participants in connection with University approved research.

#### **Establishment:**

1. A Research Cash Fund application form may be obtained online from the Financial Services website.
2. The form should be completed and forwarded to the department controller who will then submit the application to Financial Services
3. The amount requested should be equal to the estimated expenditure.
4. The application must contain an estimated completion date for fund usage.
5. If the application is approved, cash will be provided by Treasury Services at the Cashier's Office at D-155. A check may also be provided if requested.
6. If a check is provided, it should be cashed at the bank. The nearest available bank is the Wells Fargo located in the BYU Store.

#### **Custodian:**

1. The custodian must be an individual within the department who is authorized and designated by the department's management to administer and control the research funds.
2. The custodian must be a full-time employee of the University.
3. The custodian must consider it part of his or her personal stewardship to safeguard the fund.
4. In the event of termination or transfer of the department's fund custodian, the balance of the fund is to be deposited at the Cashier's Office, D-155 ASB.
5. The custodian of the research fund is considered liable, and if funds are lost or stolen, Financial Services and the University Police must be contacted immediately.

#### **Operation:**

1. The fund should only be used to pay research subjects in small amounts.
2. Every payment from the fund must be supported by a form containing two signatures, one from the recipient of the funds and another from a witness who watched the individual receive the money. Two witnesses may also sign attesting to the distribution.
3. Items **NOT** to be Purchased, Paid For, Or Comingled With Research Funds:
  - a. Change funds (see University Change Fund Policy)
  - b. Any purchases or expenditure items

- c. Cash checks
  - d. Items regarded as travel expenses
  - e. Payments to employees, such as wages, loans, bonuses, awards, advances, etc.
  - f. Copy machine monies
  - g. Revenue from any departmental sales
  - h. Items such as postage stamps cannot be used in place of cash
  - i. Personal services or items, such as flowers, candy foods, beverages, etc.
  - j. Payments to other University centers or departments
  - k. Payments for items that are to be purchased through the purchasing system according to the University Purchasing Policy
4. When the funds are distributed, submit the distribution documentation with the order number listed to [cashfunds@byu.edu](mailto:cashfunds@byu.edu), and deposit any excess funds at the Cashier's Office (D-155 ASB). When research subject confidentiality is necessary, the Principal Investigator and Controller's approval stating reason will be sufficient documentation.
  5. Periodic unannounced audits of the fund will be conducted.

### **Reconciliation:**

1. The research fund is to be reconciled by the department at least on a monthly basis.
2. The following formula must be used to balance the fund:

$$\frac{\text{Cash on hand}}{\text{Monies already paid out to subjects}} = \text{Established fund balance}$$

3. If there is an overage upon balancing the fund, the overage is to be deposited immediately to the department's over/short account, according to the University's established deposit procedures.
4. If there is a shortage upon balancing the fund, a memo is to be sent to Financial Services. The memo should include a request for reimbursement due to a shortage, include the department's over/short account the shortage should be charged to along with an explanation for the shortage. The memo should also be approved by the controller responsible for the research cash fund.

### **Security:**

1. The research fund must be kept safeguarded at all times.
2. The fund must not be commingled with any other monies.
3. The fund must be kept locked in a container to which unauthorized access is difficult.
4. The fund will be subject to periodic unannounced audits performed by University employees.