Guidelines for Paying Research Subject Testing Fees Using a Petty Cash Fund

I. Purpose

The purpose of this document is to provide faculty and staff with detailed guidelines for using a Petty Cash fund to pay one-time Research Subject Testing Fees in a scientific research project. The payments are generally small amounts, but less than $600 or additional reporting is required. The research subject-testing fee cannot be used for the payment of personal services that would be considered as independent contractor payments.

II. Establishing the Fund

The Petty Cash Request form can be found at http://fiscal.gmu.edu/forms/index.html. The Principal Investigator (PI) should complete the Petty Cash Request form, and if the expenditures will be charged to a fund beginning with a “2”, send it to the Office of Sponsor Programs (OSP) for approval. The OSP will approve, provide the budget amount and the ended date of the project/grant.

After the request has been approved, it will be sent to Accounts Payable for check disbursement. The Petty Cash must be issued in the name of the custodian, who is the person responsible for managing the fund. When the check is ready, Accounts Payable personnel will contact the custodian. The custodian must pick up the check in person at Purchasing and Accounts Payable, Commerce I, Room 400. The custodian should bring a University photo ID. Upon receipt of the check, the custodian will sign a **Petty Cash Receipt of Funds and Certification of Responsibility**. The custodian may then cash the check and hold the funds in a secure location at the University.

III. Maintaining the Fund

The custodian MUST keep the Petty Cash fund in a secure location such as a locked drawer. The key to the drawer must remain in the custodian’s procession at all times. A log of payments to research subject must be kept for all disbursements. It should include the name, address, SSN (if applicable), signature of recipients and the amount paid to each individual. If the PI determines that the names of the research subject are of a confidential nature, the PI should assign a code for each individual payment. The PI is responsible for maintaining the file that cross references to the code for ten (10) years.

The completed log, plus cash on hand must equal the total amount of the Petty Cash fund at all times.

Any individual who receives $600 or more in a course of the given calendar year, the PI is required to obtain the Social Security Number of the recipient. The PI must notify Accounts Payable so a 1099-Misc can be issued at the end of the given calendar year.

IV. **<u>Request Replenishment the fund</u>**.

The custodian must complete the **Petty Cash Reimbursement Request** form (PCRR), sign, date, and attach all receipts/ or log of payments to the request. The form should be submitted to the Petty Cash Officer, Accounts Payable, MSN 3C1. Allow five business days to process reimbursement request.

The replenishment check will be charged to the grant/fund as processed.

V. <u>Closing the fund/Completing the project.</u>

After the project is completed, the PI is responsible for closing the Petty Cash fund. To do this, the PI must complete section C (Closing Fund) on the Petty Cash request form, obtain appropriate approval and attach all receipts/the log of payments.

If there is cash that has not been disbursed, complete a Cash Receipt form with the following information:

Bank code: 5
Fund 18213, account 13136.
Description: Custodian’s name

The completed Cash Receipt should be sent to the Cash Office at MSN 2E1 for deposit. Attach the copy of the Cash Receipt to the Petty Cash Closing form and send to Accounts Payable at MSN 3C1. The total disbursement will be charged to the grant/fund.