

## Research Subject Compensation Cash Handling Training

The process that units follow to distribute cash and its equivalents to Research Subjects must maintain a clear separation of duties. The University requires strong internal controls for research subject payments in order to prevent mishandling of funds and to safeguard against loss. It is also designed to protect students and employees from inappropriate charges of mishandling funds by defining his/her responsibilities in the cash handling process.

**What is considered cash and cash equivalents?** Includes the following: checks, cash, gift cards or other items with monetary value. It does not include items bought in bulk to give as treats or distractions during the research study. These are considered project supplies, not compensation.

**What does separation of duties mean?** There are three roles directly involved with handling or tracking cash or its equivalents: the Cash Requestor/Obtainer, the Disburser of Payments, and the Reconciler. It is strongly recommended that an individual have responsibility for only one of these cash handling roles. However, if not feasible, the Requestor/Obtainer and Disburser of Payments may be the same person.

Research Subject Compensation Cash Handling also has required responsibilities for the Principal Investigator, Faculty Advisor (if applicable), and Departmental Research Administrator. Persons in these roles may also be the Cash Requestor/Obtainer, Disburser of Payments, or Reconciler if necessary.

### Description of Roles and Responsibilities:

#### Departmental Research Administrator

- Responsible for presenting the cash handling training materials to the individuals in the roles below in a timely manner.

#### Faculty Advisor and/or Principal Investigator

- Ultimately responsible for reasonably ensuring the proper custody, safekeeping and accountability of all cash or equivalents.
- Responsible for reasonably ensuring that the amount of cash or equivalents that requested is consistent with the needs of the research project.

#### Cash Requestor/Obtainer

- Purchases cash equivalents or receives cash advance.
- Provides proof/receipt of purchase to the Reconciler.
- Has access to cash or equivalents.
- Ensures that cash or equivalents are kept in a secure environment (safe or locking cash box/bag in a locked drawer).

### **Disburser of Payments**

- Disburses the cash or equivalents to the research subjects.
- Maintains a journal/log of research subjects. Sends an email to the Reconciler at least monthly with the total amount of compensation disbursed.
- Has access to cash or equivalents.
- Serve as the contact person for any internal or external audit of cash equivalents (for example, audit of gift cards).
- Ensures that cash or equivalents are kept in a secure environment (safe or locking cash box/bag in a locked drawer).
- Responsible for returning all unused cash or equivalents (gift cards & any other items of value). Ensures that the project/department does not retain cash or equivalents that is returned by the research subject. The project cannot retain cash or equivalents from research subjects as a gift. If cash remains for any reason, it must be returned to Accounting and Financial Reporting to close the advance. However, they may use the remaining cash equivalents to fund research subject payments for other similar research projects. If this is done, journal entries must be made to move the cost of the compensation to the new project. Any other remaining cash equivalents must be sent to Surplus Operations.

### **Reconciler**

- Verifies amount of cash or equivalents purchased is reflected on the accounting statements (SA3 or TDR) as part of the monthly review.
- Must be aware that journal logs are maintained.
- Must NOT have access to cash equivalents.

Important information including record keeping *requirements* based on amounts and type of compensation can be found at <https://gao.fo.uiowa.edu/grant-and-contract-management/general-administration/research-subject-compensation-policy-procedures>

(Grant Accounting → Policies & Procedures → Research Subjects Compensation)