



## HOW TO SET UP AND USE A FUND 29 TO PAY HUMAN SUBJECTS FOR MULTIPLE FUND 30/31 SPONSORED PROJECTS

### Overview

Generally, sponsored projects that require cash payments to study subjects set up a petty cash fund for this purpose directly in the project speedtype and name the PI or the PI's designee as the custodian. This is the preferred practice. However, in order to allocate subject payments to multiple projects from a single petty cash fund or to provide needed flexibility or operational efficiency, it is permissible to establish a petty cash fund in a departmental Fund 29 speedtype set up exclusively for human subject payments. The Fund 29 holds the balance sheet cash 000200–Petty Cash and directs the subject payment expense to the appropriate project speedtype by means of the Payment Authorization form used in the petty cash fund reimbursement process.

### Set up new petty cash fund

Note: The org must already have an existing Fund 29 with a cash balance that is able to transfer cash into a new Fund 29.

1. Create a new Fund 29 speedtype for subject payments (use the [SpeedType ChartField form](#)). It does not need a budget because this speedtype functions essentially as a clearing FOPPS.
2. Make a cash transfer from an existing departmental Fund 29 to the new speedtype for the amount needed for the petty cash fund. [How to do a cash transfer](#).
3. With the cash in the new speedtype, set up a petty cash fund in the new speedtype using the [Petty Cash/Change Fund Request form](#). If you need assistance in setting up the petty cash fund, contact CCO [Accounting@Colorado.EDU](mailto:Accounting@Colorado.EDU), or 492-3166. The following wording can be used in these form fields:

For Petty Cash Funds Only:			
Type of expenditures to be paid from this petty cash fund:	Human subject payments made from this Fund 29 to various departmental sponsored projects that require subject payments.	Explain why normal procurement methods (Procurement Card, PO, etc.) can't be used:	
Average payment per occurrence:		Average number of payments per week:	
<i>If used for study subject payments:</i>	Subject Payment Budget:	Varies by project	Project End Date: Ongoing

Note: There is a \$5000 limit per petty cash custodian. If the custodian for the new petty cash fund is a custodian for other petty cash funds, the total for all cannot exceed \$5000.

## Use the new petty cash fund

1. There are a variety of ways to operate the petty cash fund depending on the business needs and process flow of the department. As always, proper cash control must be maintained at all times. The Cash Control section of the Accounting Handbook, the Petty Cash PPS, and Chapter 10 of the Guide cover this in detail. Feel free to contact your area accountant for operational assistance or advice.
2. Reimburse the fund using a Payment Authorization (PA) form. The PA serves to direct the expense to the appropriate sponsored project as shown in the example below. Note: The custodian signature on the PA certifies that Fund 30/31 expenses are allowable and appropriate. This means that subject payments must be budgeted in the project. If upon a post audit review SPA finds no budget for subject payments, the expense may be moved off the project to an appropriate departmental FOPPS.

Accounting Information ( <i>SpeedType or FOPPS plus Account ChartField are required</i> )									
Description	Speed Type	Account	Fund	Org	Program	Sub Class	Project/Grant	Amount	
Human subject payment	13090214	495102	30	10190			1545466	450.00	
Human subject payment	13090167	595102	30	10190			1545438	200.00	
								<b>Total</b>	650.00

**Be sure subject payments are budgeted, or risk having the expense removed from the project.**

**Use the PA form to reimburse the Fund 29 petty cash and to direct the subject payment expense to the appropriate sponsored project.**

Reimbursement of the petty cash fund should take place in a timely manner to maintain a sufficient supply of cash to pay study subjects. At a minimum this should occur monthly so that the expense posts to the project and the PI can review up-to-date financial statements. Shortly after completion of the study subject phase, submit a final reimbursement to ensure that project funds are available and that these costs are paid before project close-out.