

Best practices for spend authorizations

Cash advance receiving funds via direct deposit

These best practices provide recommendations on how to secure a spend authorization cash advance when the custodian elects to receive it via direct deposit.

Spend authorizations deposited in a bank account

Once spend authorization cash advance funds have been deposited into your bank account, we recommend keeping them separated from your personal funds. You can keep funds separate using one of the following methods:

- Transfer the funds to a separate ASU or non-ASU bank account specifically opened for the study.
- Withdraw cash, if necessary, and keep the funds in a secure, lockable cash box that is placed in a locked desk or cabinet. You must place the cash box in a safe at closing time if one is available.

You must maintain a detailed reconciliation to properly support the disbursement of a spend authorization cash advance fund. A reconciliation of the cash funds must be completed every time an expense reimbursement is made or monthly per [FIN 403](#).

Monthly reconciliations

Spend authorization cash advances secured in a bank account or checks used to pay participants a reconciliation must be completed monthly to identify deposits and paid or unpaid checks. Because a new spend authorization cash advance must be completed for additional cash needs, it is vital that a monthly reconciliation is used. Monthly reconciliations are used to do the following:

- Identify uncashed checks from prior spend authorizations from lengthy participant studies.
- Keep track of carry-forward balances.

Custodian responsibilities

- Clearing advance amounts promptly. Custodians must complete the proper documentation and repay any unused funds.
- Providing documentation of the expenditures made from the funds. The total cash available and receipts must equal the original fund amount.
- Record keeping and documentation of the use of the spend authorization cash advance funds. We recommend keeping an Excel file for the reconciliation that clearly indicates the total cash advance with details of the disbursement made.

Closing spend authorization cash advances

Custodians closing out spend authorization cash advances are responsible for making payments to ASU or any outstanding balances. The remaining money in the cash fund must be deposited with ASU Cashiering Services. Custodians can remit the funds to Cashiering Services in cash or check with the following:

- ASU ID number.
- Custodian name.
- Workday spend authorization number.

[Refer to FIN 403: Spend Authorization — Cash Advance](#) for questions or more information.