



CASH INCENTIVE PAYMENTS (\$50 OR LESS) TO PARTICIPANTS IN SPONSORED PROGRAMS

Scope: All campuses served by Louisiana State University (LSU) Office of Accounting Services

Effective: July 1, 2017. This FASOP supersedes and replaces all prior versions.

Purpose: To establish a procedure for disbursing cash incentive payments (\$50 or less) to participants in sponsored programs. This procedure is to provide an expeditious cash payment process as an alternative to standard check writing procedures.

Procedure:

- A. Sponsoring department initiates the following forms:
 1. AS548, "Request for Distribution of Cash Incentive Payments to Participants," for the total amount of anticipated participant incentive payments to be disbursed. Accounts Payable & Travel must be contacted prior to payment to nonresident alien participants to ensure compliance with FASOP: AS-04.
 2. AS549, "Acknowledgement of Receipt of Cash Incentive Payment".
 3. Cash Advance Spend Authorization will be completed prior to the cash incentive payments.
 4. Expense Report will be completed after the cash incentive payments are disbursed.
- B. Project Coordinator in the sponsoring department should create the Cash Advance Spend Authorization and attach the approved AS548 form.
- C. Once the Cash Advance Spend Authorization is approved by Accounting Services, the cash will be available in the Project Coordinator's bank account within two to three business days.
- D. Each participant will sign the Form AS549, "Acknowledgment of Cash Incentive Payment" at the time he/she receives payment, certifying receipt of the amount of cash received.
- E. The Project Coordinator will create an Expense Report to allocate expenditures to the respective expense item and grant worktag. The approved Cash Advance Spend Authorization should be linked to the Expense Report. Also, the completed AS549 form providing the participant names and their unique identifiers should be attached to the Expense Report.
- F. A separate list with the participant information which includes Social Security Numbers must be sent to Accounts Payable & Travel since the incentive payments may be subject to 1099 reporting.
- G. The Travel Office will audit the Expense Report and account for the disbursement of funds to the participants to ensure the cash advance was expended. Any unexpended funds must be returned to the University.