

## Research Participant Disbursement Procedure

### Purpose

The purpose of this procedure is to provide guidance on all aspects related to paying human research participants. This document contains regulatory information, payment process procedures, and links to related guidance and forms.

### Human Subject Research Regulations

It is common to pay human research participants to encourage participation in research studies. Payment is generally offered as a recruitment incentive for a participant's time, inconvenience, or discomfort for participation in the research. Payment may be in the form of cash, gift cards, or other tangible items. For the purposes of this guidance, payment should be distinguished from compensation which involves reimbursement for research related injuries.

The amount and schedule of payment will generally depend on the study population and the nature of the research. Some studies will involve a single payment for completion of a questionnaire while other studies will require payment for a more complicated set of procedures. Definitive guidance on appropriate payment amounts is lacking, however, both the Department of Health and Human Services ("DHHS") and the Food and Drug Administration ("FDA") stress that payments should not be so high that they create "undue influence" such that a participant's ability to effectively evaluate the risks and benefits of the research is compromised.

For studies of long duration or that involve multiple interactions, the Office of Human Research Protections ("OHRP") recommends that payment be prorated for the time of participation in the protocol rather than delayed until protocol completion as the latter could unduly influence a participant's decision to withdraw at any time. The FDA maintains a similar position on prorating payments stressing that any credit for payment should accrue as the protocol progresses and not be contingent upon the participant completing the entire protocol. In addition, the FDA finds incentive bonus payments for protocol completion to be acceptable provided it is not coercive in any way.

Principal Investigators ("PI") should be aware of complicating issues of confidentiality and coercion when including Oakland University (OU) employees and/or students in research studies. Special considerations should also be given to the inclusion of vulnerable populations whose ability to evaluate risks and benefits may be unduly influenced by high payments. Additional protections may be required under these circumstances. The PI should include enough information on the prospective study population to permit the Institutional Research Board ("IRB") to make informed recommendations regarding these issues.

Children may also be paid for their participation in research studies. Appropriate payment will depend on the child's age, duration of participation, and the nature of the research. Gift cards to a toy store may be appropriate for younger children, while cash or cash equivalents (e.g., gift cards) may be appropriate for older children. Parents may also be paid for their time and inconvenience as deemed appropriate.

Payment of participants outside the United States poses additional challenges in determining appropriateness of payment methods. Consideration should be given to the context of the local economic standards and cultural practices.

### Obtain IRB approval

Incentive payments in any form or amount must be submitted to and approved by the OU IRB prior to implementation. When requesting IRB approval for incentive payments, both the IRB Submission Application or Amendment Form and the Informed Consent document should clearly describe the purpose of the payment, the amount of payment, the method of payment, the schedule of payment, anticipated participant enrollment, as well as the conditions under which the participant will receive partial or full payment. If payment will not be offered for participation in the protocol, the Informed Consent should state that.

It is the responsibility of the IRB to review the nature, amounts, methods, and timing of payments to ensure it does not present undue influence or is coercive in any way to participants in the research. Any changes in payments as defined in the original Submission Application must be reviewed and approved by the OU IRB prior to implementation.

The IRB Submission Application or Amendment Form in conjunction with the IRB approval letter will be required for all of the procedures described below. All of the participant reimbursement procedures will still be required even if the IRB identifies the study as “exempt”.

## **Documentation**

### Research Participant Disbursement Log

To ensure financial accountability and compliance with all applicable regulations, as well as sponsor and OU requirements, PIs must document and track the disbursement of all payments to research participants. The documentation and tracking must be recorded on a Research Participant Disbursement Log. The log must be completed in its' entirety with no field left blank.

The OU Financial Aid Office must be notified of all payments to OU students, regardless of the amount. The Research Participant Disbursement Log will also capture participant's status as a student. When OU students are enrolled on research protocols, it is the PI's responsibility to notify the Financial Aid Office.

PIs must submit the log(s) to the Accounts Payable Manager by the end of the protocol or the end of the calendar year, whichever occurs first. If the calendar year ends before the protocol, a new log(s) should be initiated which contain all disbursements for the new year.

The logs should be accompanied by a cover letter identifying the PI and the IRB approved protocol title and number.

RPRF Form Procedure In order for OU to meet its tax reporting responsibilities, the PI must provide sufficient information about the participant when applicable. The association of the participant to the nature of the research will not be disclosed. However, personally identifiable information about the participants that includes name, address, social security number, and amount paid will be disclosed and are required for tax reporting purposes. PIs must inform participants of tax reporting requirements in the informed consent document and the potential for disclosure of personally identifiable information when the anticipated payment(s) meets or exceeds \$75 for total IRB Approved Protocol participation.

For disbursements of \$75 or more per participant per IRB Approved Protocol, the participant is required to certify receipt of payment by completing an OU Research Participant Receipt Form (“RPRF”). If the participant chooses not to complete an RPRF form, they may be given the opportunity to participate in the research without receiving payment. Documentation of refusal to accept payment for participation in the research should be maintained in the study records.

PIs must submit all RPRF forms to the Accounts Payable Office by the end of the protocol or the end of the calendar year, whichever occurs first. The forms should be accompanied by a cover letter identifying the PI and the IRB approved protocol title and number.

RPRFs are considered confidential documents and all information provided is protected by federal and state laws. OU will not disclose any information without the consent of the participant for any other purpose except as allowed by law.

PIs must carefully monitor the disbursements for each protocol to determine when total payments to a participant meets or exceeds \$600 within the calendar year. In the event that \$600 or more is disbursed to a participant within one IRB Approved Protocol in one calendar year, an IRS Form W-9 form must be completed by the participant. The W-9 must accompany the cover letter and disbursement log and be turned into the Accounts Payable by the end of the protocol or the end of the calendar year, whichever occurs first. The participant’s code must be highlighted on the log as to quantify the disbursements to the participant. The Accounts Payable Office will issue a 1099-MISC to the participant.

## Payment Process

All disbursements to research participants are to be logged on a Research Participant Disbursement Log, regardless of the payment type or amount including gift cards or online survey credits (MTurk, Turk Prime, CloudResearch, Qualtrics, etc. ). Please see the *Documentation* section above for further instruction on completing the log.

For disbursements of \$75 or more per participant per IRB Approved Protocol, the participant is required to certify receipt of payment by completing an OU Research Participant Receipt Form (“RPRF”). Please see the *Documentation* section above for further instruction on completing the form.

### Participant Payment Options

- **Cash** See procedure for obtaining a Short Term Cash Bank detailed in the *Procurement* section below.
- **Gift Cards** Gift cards may be purchased by the PI after obtaining a Short Term Cash Bank with the procedure detailed in the *Procurement* section below. When the documentation for disbursement of funds is turned in to Accounts Payable, the gift card receipt(s) should be attached, as well. See the *Procurement* section for full documentation requirements.
- **Check** Research participants may be paid directly from the Accounts Payable Office by check. PIs should make the request for direct payment to participants using either a PV or Multiple Check Voucher (to be used when paying 3 or more participants for the same research protocol). See procedure for paying participants directly in the *Procurement* section above under *Payment Voucher*.

- **Tangible Gift** An item of nominal value can be given to a research participant in appreciation for participating in the research. An example would be a research participant who was provided an item for use in a protocol with the item subsequently given to the participant to keep once the protocol was completed.

Gifts may be purchased by the PI after obtaining a Short Term Cash Bank with the procedure detailed in the *Procurement* section below. When the documentation for disbursement of funds is turned in to Accounts Payable, the receipt(s) for the purchase of the items should be attached, as well. If preferred, a PO or PV may be used to purchase the item(s) as detailed in the *Procurement* section below. Gifts and/or gift cards should be treated like cash from both an accountability and reporting perspective. Caution must be exercised to avoid over-purchasing these items as PIs will be held financially responsible if they are not used in the research. To avoid over-purchasing, PIs are advised to buy small quantities more frequently.

### Procurement

This section details the procedures for obtaining funds to pay the participant or for purchasing gift cards and tangible gifts for participants, as well as the documentation required for each method.

PIs are able use their own funds to pay participants, buy gift cards, or buy tangible gifts, and receive reimbursement. Reimbursement is limited to \$500 per purchase in order to maintain compliance with OU Administrative Policies and Procedures (AP&P) 1000. The PI would be reimbursed via Payment Voucher (PV) with the same documentation requirements as outlined in the *Payment Voucher* section below. PIs may not fund an MTurk or other online research account with their own credit card.

### • **Short Term Cash Bank**

PIs should contact the Accounts Payable Manager to set up a meeting to establish a Short Term Cash Bank. The Accounts Payable Manager will require a copy of the IRB Submission Application as well as a copy of the IRB approval letter of the protocol submission before approving the cash bank. If the protocol is being funded by an external grant or contract, approval from the Office of Research Administration will also be required. Please note that such approval will be required each time funding is requested.

The request may not exceed \$1,000 over a 3 month period and the cash bank form must be signed by someone in the department with fund signing authority such as a Business Manager or Assistant Dean. However, these thresholds may be modified on a case-by-case basis at the discretion of the Accounts Payable Manager. The PI will take the cash bank form to the Cashier's Office in 120 North Foundation Hall (NFH) to obtain the cash. The Cashier's Office requires a 3-day notice for any Cash-Bank pickups over \$500 and/or if there is a request for specific cash denominations. Please contact the Cashier's Office for further details or email them at [Cashiers@oakland.edu](mailto:Cashiers@oakland.edu)

When the funds are completely disbursed, when more funds are needed, or the end of the calendar year, whichever comes first, the PI will submit the disbursement log to their department. Upon completion of the study, the PI should return any unused money to the Cashier and obtain a copy of the cashier deposit slip. This deposit slip must be submitted to Accounts Payable as described below. The department will create a PV payable to the PI. The first line of the PV will be a positive amount equal to the disbursed payments to the appropriate fund and account code K081 "Research Participation". The second line will be a negative amount equal to the disbursed payments. The fund and account should be left blank as Accounts Payable will fill these

fields in when they receive the PV. Therefore, there is a net reimbursement of \$0 to the PI. This process ensures that the disbursed funds are accounted for (i.e., we have the disbursement log) and will now be expensed in the appropriate fund.

The following documents should be submitted to Accounts Payable: (1) Payment Voucher, (2) disbursement log, and, if applicable, (3) a cashier deposit slip and (4) a receipt for tangible gifts or gift cards.

Should any portion of the cash bank remain unpaid, the PI will agree that OU may recover the amount outstanding by payroll deduction subsequent to the due date.

• **Purchasing Card (“P-Card”)**

The PI should contact the Accounts Payable Manager to obtain approval for use of an OU P-Card to procure gift cards or tangible gifts for participants up to \$5,000. The Accounts Payable Manager will require a copy of the IRB Submission Application as well as a copy of the IRB approval letter of the protocol submission in addition to a completed “Pcard Approval for Purchase of Mturk/Gift Cards for Research Study - Acceptance and Repayment Agreement” form before approving the purchase(s). If P-Cards will be used for charges to be paid from an external grant or contract funding, approval from the Office of Research Administration will also be required. Accounts Payable will review the information provided and return an approved copy of the Pcard Approval form. Please see the Amazon Mechanical Turk section below for procedures specifically pertaining to protocols conducted through that site.

The supporting documentation to include with the P-card statement will be the receipt, the approved Pcard Approval form Please see OU AP&P #1020 for full P-card statement reconciliation procedures.

After the gift cards or tangible gifts are completely disbursed, or the end of the calendar year, whichever comes first, the PI will submit the disbursement log to their department. The department will prepare a reconciliation of the cards purchased for the IRB approved protocol to the disbursement log which needs to include a copy of each P-card statement where card purchases were made for that protocol reconciled to the cards issued to participants. The full reconciliation including P-card statements, the disbursement log and a copy of the P-card Approval should be sent to the Accounts Payable Manager accompanied by a cover letter identifying the PI and the IRB approved protocol title and number.

• **Purchase Order (“PO”)**

A PO may be used to procure items from a vendor through the Purchasing Department. In order to use a PO, the PI should verify that the vendor will accept this form of payment. A PO is initiated through a Purchase Requisition (PR). The originating department will utilize the Requisition form in Banner. The PR must be approved / signed by the appropriate individual that has fund signing authority for the specified fund, such as the Business Manager or Assistant Dean. Once complete and approved the PR is submitted to Purchasing for issuance of the PO. If the fund on the PR is a grant fund, approval from the Office of Research Administration is required before submission to Purchasing. When the PO payment is submitted to Accounts Payable, the PV should be used with the PO# and and account should be left blank as Accounts Payable will fill these fields in when they receive the PV.

Therefore, there is a net reimbursement of \$0 to the PI. This process ensures that the disbursed funds are accounted for (i.e., we have the disbursement log) and will now be expensed in the appropriate fund. the following required supporting documentation: invoice, copy of the IRB Submission Application, and a copy of the IRB approval letter of the protocol submission.

After the gift cards or tangible gifts are completely disbursed, or the end of the calendar year, whichever comes first, the PI will submit the disbursement log to their department. The log should be sent to the Accounts Payable Manager accompanied by a cover letter identifying the PI and the IRB approved protocol title and number as well as identifying information for the PO/PV payments that were made related to the protocol.

#### • **Payment Voucher (“PV”)**

PIs may directly purchase items up to \$5,000 without a PO using a PV. An invoice and a Form W-9 from the vendor will be required for direct purchases. PVs must be signed by an individual within the department who has fund signing authority, such as the Business Manager or Assistant Dean. Approval from the Office of Research Administration will also be required if grant funds are being used.

The PV may also be used to pay participants directly. The participants will be required to complete an IRS Form W-9 (U.S. citizens and resident aliens) or IRS Form W-8BEN (non-resident aliens). See the *Payment Options* section below.

When the PV is submitted to Accounts Payable, the following will be required supporting documentation: invoice (not required for payments directly to participants), receipts (only if reimbursing PI), Research Participant Disbursement Log (only if reimbursing PI), copy of the IRB Submission Application, and a copy of the IRB approval letter of the protocol submission.

After the gift cards or tangible gifts are completely disbursed, or the end of the calendar year, whichever comes first, the PI will submit the disbursement log to their department. The log should be sent to the Accounts Payable Manager accompanied by a cover letter identifying the PI and the IRB approved protocol title and number as well as identifying information for the PO/PV payments that were made related to the protocol.

#### • **Amazon Mechanical Turk (“MTurk”) and other Cloud based research tools**

Total aggregate payments received must be less than \$25 per participant per IRB Approved Protocol. Any protocol which will utilize MTurk must set the survey criteria to disallow OU students, OU employees, and non-resident aliens from participation.

Each IRB approved protocol which specifically indicates that participants will be paid via MTurk will be funded via OU P-Card. PIs may not fund an MTurk account with their own credit card. Before any MTurk account may be funded, the PI must contact the Accounts Payable Manager to obtain approval to proceed with the funding. The Accounts Payable Manager will require a copy of the IRB Submission Application as well as a copy of the IRB approval letter of the protocol submission in addition to a completed “Pcard Approval for Purchase of Mturk/Gift Cards for Research Study - Acceptance and Repayment Agreement” form before approving the funding. If the protocol is being funded by an external grant or contract, approval from the Office of Research Administration will also be required. Accounts Payable will review the

information provided and return an approved copy of the Pcard Approval form. Please note that such approval will be required each time funding is requested. It is strongly recommended that funding of the account is nominal and as small of an amount necessary to fund the immediate needs of the protocol.

The supporting documentation to include with the P-card statement includes: the receipt indicating the amount of funding and the approved copy of the Pcard Approval for Purchase of Mturk/Gift Cards for Research Study - Acceptance and Repayment Agreement form. After the first funding for the protocol, only the receipt will be required for any additional funding necessary for the remainder of the protocol. The PI should always indicate the name of the protocol on the receipt.

After funds are completely disbursed at the completion of the protocol, it is the PI's responsibility to ensure that all undisbursed funds are credited back to the OU P-card which was used to fund the account as soon as possible. Also, the PI must submit a report of the disbursements to the department. The department will prepare a reconciliation of the MTurk charges for the IRB approved protocol to the disbursement log which needs to include a copy of each P-card statement where card charges were made for that protocol reconciled to the MTurk reporting for funds issued to participants. The full reconciliation including P-card statements, the MTurk log and a copy of the P-card Approval should be submitted to the Accounts Payable Manager accompanied by a cover letter identifying the PI and the IRB approved protocol title and number.

## **Tax Reporting Requirements**

If a U.S. citizen or U.S. resident alien research participant's total payments from OU within the calendar year is \$600 or more, OU is required to issue an IRS Form 1099-MISC to the participant. Please see the *Documentation* section above for the PI's responsibility in this process.

If a non-resident alien receives payment, the participant must complete an IRS form W-8BEN and OU is required to issue an IRS Form 1042-S. Non-resident aliens will be subject to 30% withholding, unless exempted by completing an IRS Form 8233. Exemption from withholding requires the following: (1) a U.S. social security number or individual taxpayer identification number, (2) citizenship of a country that has a tax treaty with the U.S., *and* (3) being in the U.S. for fewer than the maximum allowable days. Non- resident aliens may be eligible for a refund of the amount withheld by filing a U.S. tax return.

## **Confidentiality**

All OU PIs have an obligation to maintain participant confidentiality. There are several situations regarding participant payment that create confidentiality issues for participants. PIs are expected to maintain sufficient records to demonstrate compliance with the IRB approved protocol, as well as institutional, regulatory, and sponsor requirements. In order to meet these requirements, PIs may collect some or all of the following personally identifiable information about a participant depending on the amount of payment disbursed to the participant:

- Name
- Address

- Social security number
- Citizenship
- Relationship to Oakland University
- Amount Paid

To mitigate the risk of potential breaches in confidentiality as a result of collecting personally identifiable information, PIs must ensure all records are properly secured in a locked filing cabinet in a locked office. Identifying information should be removed or redacted from records when possible. Maintaining electronic records with this information should be avoided. When appropriate, codes may be used to link payment records to participants, however, any coding should be stored separately from the research record. Use of de-identified participant data does not eliminate the need to account for disbursement to participants.

Personally identifiable information is released when Accounts Payable issues a payment directly to a participant as a result of participation in the research. In addition, personally identifiable information is released for payment of participants who were required to complete an RPRF form. As indicated in the *Tax Reporting* section above, certain circumstances will require reporting of personally identifiable information to the IRS. As such, participants should be advised during the consent process and in the informed consent document of any situation in which their personally identifiable information will be released noting how the information will be collected, used and stored. Participants should be given the opportunity to decline payment in order to maintain their confidentiality and privacy, if so desired.

PIs must mark the transmission of any identifiable information to Accounts Payable as CONFIDENTIAL.

## **Contacts**

If you have questions on the Research Participant Disbursement Procedure, you may contact the following persons:

Bryan Atkinson Accounts Payable  
Manager Phone: 248-370-4395  
atkinson@oakland.edu

Cindy Hermsen Director of Financial Aid  
Financial Aid Phone: 248-370-2550  
hermsen@oakland.edu

Michael W. Long, Ph.D. Executive Director  
The Mobilization Zone Interim Director  
Research Integrity And Research Integrity  
Officer The Research Office Oakland  
University Phone: 248-756-6331  
mwstring@oakland.edu

MaiLia Kue Tax Manager, Accounting  
Office Phone: 248-370-2296  
mailiakue@oakland.edu



## Policies, Guidance & Links

For regulatory guidance on this topic, refer to:

- [Office of Human Research Protections Informed Consent FAQ: When does compensating subjects undermine informed consent or parental permission?](#)
- [Food and Drug Administration Information Sheet: Payment to Research Subjects](#)
- [Book: Bankert, E.A. and R.J. Amdur. Institutional Review Board Management and Function](#)

For general tax guidance on this topic, refer to:

- [IRS Publication 525: Taxable and Nontaxable Income](#)
- [Instructions for Form 1099-MISC](#)
- [Instructions for Form 1042-S](#)

For general university guidance on this topic, refer to:

- [Oakland University Office of Research Administration website](#)
- [OU Administrative Policies and Procedures #1000 - Procurement](#)
- [OU Administrative Policies and Procedures #1020 – Purchasing Card](#)

Links for forms referenced in this document:

[PV](#)

[Multiple Check Voucher](#)

[IRS Form W-9](#)

[IRS Form W-8BEN](#)

[IRS Form 8233](#)

[Research Participant Disbursement Log \( https://wwwp.oakland.edu/Assets/Oakland/ap/files-and-documents/forms/ResearchParticipantsDisbursementLog\\_20150519171521\\_883029.pdf\)](https://wwwp.oakland.edu/Assets/Oakland/ap/files-and-documents/forms/ResearchParticipantsDisbursementLog_20150519171521_883029.pdf)

[Research Participant Receipt Form \( https://wwwp.oakland.edu/Assets/Oakland/ap/files-and-documents/forms/ResearchParticipantReceiptForm\\_20150519171521\\_877374.pdf\)](https://wwwp.oakland.edu/Assets/Oakland/ap/files-and-documents/forms/ResearchParticipantReceiptForm_20150519171521_877374.pdf)

[Gift Card/MTurk - Pcard Approval Form \( https://wwwp.oakland.edu/ap/forms/miscforms/ \)](https://wwwp.oakland.edu/ap/forms/miscforms/)