Policy 7.28
Payments to Human Research Study Participants

Responsible Official: VP for Research Administration
Administering Division/Department: Office of Research Administration
Effective Date: September 01, 2014
Last Revision: October 16, 2014

Policy Sections:

I. Overview
II. Applicability
III. Policy Details
IV. Definitions
V. Related Links
VI. Contact Information
VII. Revision History

Overview

The purpose of this policy is to facilitate human subject research by describing the management of payments to human research study participants, including direct payments, advances, and gift cards.

Applicability

This policy applies to all administrators and custodians of human research studies who provide payments to participants or subjects for either: a) expenses incurred as a result of participation (e.g., travel related costs); or b) payments to compensate participants for their time and effort in the research study. This policy applies to cash, checks, gift cards, or any other form of compensation to a participant.

Policy Details

There are three acceptable methods for paying human study participants. The Principal Investigator (PI) may select the method most appropriate for each human research study. Regardless of the method of payment chosen, the PI or designee must maintain supporting documentation of receipt by the study participant. The actual payment method must align with the IRB approved or amended informed consent forms. Human study participants may elect to participate in a study but decline compensation for participation, in which case IRS-mandated information gathering and reporting will not occur.
a. **Direct Participant Payment Method:** This method instructs Payment Services to issue a check directly to the study participant and follows normal payment processing. Required supporting documentation should be attached to the payment voucher. Payments made via this process will be systematically reviewed for Form 1099-MISC compliance, reducing the administrative burden on the PI to fulfill the IRS regulatory requirements.

b. **Advance Payment Method (Research Participant Payment Fund (RPPF)):** This method allows a PI or custodian to request an advance of research funds for distribution to study participants. This advance is recorded directly onto the grant-specific project as a prepaid account; expense is not recognized at the time of advance. The advance must be used for the exclusive purpose of distributing cash payments to study participants in specific studies as outlined in the informed consent. Payments made via this process require the PI to monitor and report to Payment Services cumulative payments of $300 or more to an individual participant in order to comply with IRS regulations (see sec. IV). Details of procedures can be found in the Compass Online Reference Guide. See reference to this guide under sec. IX below.

c. **Gift Card Purchase Payment Method:** This method allows a PI or custodian to purchase gift cards (or similar types of payments) in advance of distribution to study participants through Emory Express. **Gift cards should not be purchased with RPPF funds, described in (b) above.** All purchases of gift cards (or similar types of payments) must comply with policies and procedures established by the Office of Payment Services. All documentation requirements for cash and check disbursements also apply to gift cards purchased in this manner. Payments made via this process require the PI or designee to monitor and report to Payment Services cumulative payments of $300 or more to an individual participant in order to comply with IRS regulations (see sec. IV).

This policy outlines the approved University method for paying human subjects and seeking reimbursement related to approved human research studies. Any method of paying human subjects or seeking reimbursement outside of this policy may be held to higher level of scrutiny, which may result in denial of reimbursement of funds paid to human subjects. Use of personal funds is highly discouraged due to related audit and regulatory risks.

Improper or fraudulent use of any RPPF amounts or Gift Cards may result in disciplinary action up to and including termination of employment.

Qualifying faculty and staff members may participate as human subjects in research to the extent their participation does not interfere or conflict with work responsibilities or create a conflict of interest with the study.

**IRS Regulatory Requirements**

The Internal Revenue Service (IRS) requires payments to individuals aggregating $600 or more during a calendar year to be reported on Form 1099-MISC, Miscellaneous Income, regardless of payment type. To maintain compliance with IRS reporting requirements, Emory requires that a W-9 Tax Identification Form be completed by the recipient when:

a. a single payment of $300 or more is received or,

b. multiple payments in one calendar year received equal $300 or more in aggregate.

**Payments to Foreign Nationals:**

For further information and implications related to payments to foreign nationals, refer to the Global Program Support site at [http://global.emory.edu/support/hosting_visitors/index.html](http://global.emory.edu/support/hosting_visitors/index.html).

**Please note that IRS requirements are not limited to compensation from one particular study, but all payments made by Emory for a given year.**

**Payments made to participants require the PI or designee to monitor and report to Payment Services cumulative payments of $300 or more to an individual participant in order to comply with IRS regulations.**

**Roles and Responsibilities**

**Principal Investigator (PI) – is responsible for:**

- Maintaining Institutional Review Board (IRB) approval for the duration of the study
- Appointing and overseeing custodian(s) to manage funds for paying human research study participants
- Ensuring payments to human research study participants are managed and distributed in a manner consistent with this policy and as detailed in the IRB approved informed consent forms
- Ensuring that human subject participant information is handled in a way that is compliant with HIPAA protected health information
- Ensuring funds (cash, checks, and gift cards) are properly safeguarded
- Monitoring total award spending, including spending related to the RPPF, to ensure overspending of the award does not occur
- Ensuring all expenses reflect appropriately on the proper project at the end of the award. Failure to do so may result in the lack of ability to obtain reimbursement for these expenses, causing the PI to identify an alternative funding source to cover these expenses.
- Immediately alerting the school/unit business office and Controller’s Office upon the recognition of violations of this policy including misuse and/or theft of funds

**Custodian** – is responsible for supporting the PI, as directed or appointed, in managing and safeguarding research funds (cash, checks, and gift cards).

Specific responsibilities include:

- Safeguarding research funds prior to distribution
- Securing appropriate documentation acknowledging each disbursement (whether cash or gift card) to a human research study participant
- Ensuring that human subject participant information is handled in a way that is compliant with HIPAA protected health information
- Immediately alerting the PI, school/unit business office and Controller’s Office upon the recognition of violations of this policy including misuse and/or theft of funds

**School/Unit Business Office** – is responsible for the following:

- Assigning responsibilities, if any, to department administrators or other department personnel
- Appropriately dealing with any violations of this policy including misuse and/or theft of funds or gift cards
- Collaborating with the PI to oversee appointments and changes to custodian(s) to manage funds for paying human research study participants

**Losses and Thefts**

All losses and/or thefts of fund should be reported immediately to the School Business Office and Controller’s Office.

- In the event of a theft, a police report must be obtained.
- In the event of a loss, a memo must be written to explain the circumstances surrounding the loss. The custodian, PI, and School Business Office must sign the memo.

**Document Retention and Audit Requirements**

It is the responsibility of the PI to obtain receipts and all required documentation under this policy. Once replenishment has been requested, it is the PI’s responsibility to ensure that their department maintains these receipts for the period of time in accordance with the Office of Grants and Contracts Accounting (OGCA) policy.

See [http://records.emory.edu/content/records/grant-records-closed](http://records.emory.edu/content/records/grant-records-closed).

Internal Audit and/or the University Central Finance Departments (i.e. Payment Services, Controller’s Office, Office of Grants & Contracts Accounting, Finance) may randomly audit RPPF cash and/or request receipts. Upon a request, the PI must produce the required support, including receipts.

Advance and replenishment funds made payable to a custodian may be subject to higher scrutiny by Federal authorities. Failure to provide receipts to Federal authorities will result in repayment by the University of the funds received. In this case, the University will seek reimbursement from the PI with responsibility for the funds and receipts.

The receipt images attached to the Compass Payment Request have met the University’s document retention requirements and are sufficient support for audit purposes following. These images will be maintained by the central financial system, not the PI.
Definitions

**Custodian** - Custodians are Emory employees, who support the management of human research studies on behalf of a PI. PIs may choose to appoint themselves as custodians. Students, contractors, temporary employees, or employees of partner organizations may not serve as custodians.

**Institutional Review Board (IRB)** - A research oversight committee charged with assuring, both in advance and by periodic review, that appropriate steps are taken to protect the rights and welfare of humans participating as subjects in approved research studies.

**Partner Organization** - Non-Emory entities that cooperate, joint venture, or team with Emory for projects or other activities.

**Principal Investigator (PI)** - a person (including Project Principal Investigators, Co-Principal Investigators, and Co-Investigators) who is responsible for the design, conduct or reporting of the research project or proposed research project.

**Research Participant Payment Fund (RPPF)** - A cash fund established to provide payments to human research study participants for their time and effort and expenses incurred as a result of participating in the study.

Related Links

- Current Version of This Policy: [http://policies.emory.edu/7.28](http://policies.emory.edu/7.28)
- [Institutional Review Board](http://www.irb.emory.edu)
- [Controller’s Office](http://www.finance.emory.edu)
- [Compass Online Guide](http://compass.emory.edu/training/Compass%20Reference%20Guide/FlashHelp/Compass_Online_Reference_Guide.htm)

Contact Information

<table>
<thead>
<tr>
<th>Subject</th>
<th>Contact</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarification of this document</td>
<td>Controller’s Office</td>
<td></td>
<td><a href="mailto:RPPF@emory.edu">RPPF@emory.edu</a></td>
</tr>
<tr>
<td>Clarification of voucher submission</td>
<td>Payment Services</td>
<td></td>
<td><a href="mailto:actspay@emory.edu">actspay@emory.edu</a></td>
</tr>
<tr>
<td>Clarification on document retention requirements</td>
<td>Office of Grants and Contracts Accounting</td>
<td></td>
<td><a href="mailto:kpeluso@emory.edu">kpeluso@emory.edu</a></td>
</tr>
</tbody>
</table>

Revision History

No previous versions of this policy were found.

*Emory University policies are subject to change at any time. If you are reading this policy in paper or PDF format, you are strongly encouraged to visit policies.emory.edu to ensure that you are relying on the current version.*