

University of Wisconsin-Eau Claire Office of the Provost:
Guidance on Research Participant Incentives

October 9, 2024

I. Background

Use of participant incentives is a common research practice. It encourages and recognizes human subjects' participation in and completion of a research task or sequence of tasks, and it may be key to securing broad participation in a research protocol. Incentives may include cash, checks, gifts and gift cards.

The University of Wisconsin-Eau Claire balances its responsibility to maintain confidentiality of information about human research subjects with record keeping requirements of the University of Wisconsin System, grantor agencies, and the Internal Revenue Service. In situations where confidentiality is not related to human subjects but it is in the best interests of the study to maintain confidentiality, the same procedures outlined below will apply.

The overarching aims of this document are to ensure:

- The confidentiality of research participants.
- Timely, convenient compensation to participants to facilitate the progress of the study.
- The appropriateness of the incentive for participation in the research study.
- Compliance with relevant institutional, governmental, and grantor policies and practices.

II. Regulations

When researchers choose to provide incentives to participants or potential participants in their research, they must follow certain regulations designed to ensure participant confidentiality and must follow proper accounting procedures. For instance, in the UW System Financial Administration policy on Prizes, Awards and Gifts ([UW System Administrative Policy 330](#)) the use of Program Revenue (not General Program Revenue, e.g. 102) or Gift/Grant funds are preferred for incentives, including research incentives. And, for example, under the Internal Revenue Code, when total payments to human subjects for services exceed \$600 in a calendar year, they are subject to income reporting requirements on tax form 1099-MISC and information must be collected from research participants including names, social security numbers, mailing addresses, and dates of participation.

III. Procedures

The Principal Investigator (PI) is responsible for identifying and justifying the use of participant incentives in the research protocol submitted, reviewed, and approved by the IRB prior to performing the research. The protocol must identify the anticipated benefit of offering incentives, specify the dollar amount of incentives, and describe the proposed method of disbursement and timing of all payments. The PI is also responsible for tracking incentives disbursed to research participants.

The Institutional Review Board (IRB) is charged with the responsibility to review and approve both the amounts and methods of incentivizing to ensure that incentives are not coercive and do not present undue influence to participate or to continue participation. The UW System policy specifies that the amount or value of the incentive should be based on the minimum amount reasonably required to achieve the objective of the research and should not exceed \$200 per participant.

In accordance with the PI's request in the research protocol for payments to participants, the IRB will determine which of two levels of confidentiality is needed for making payments to research participants. Level 1 Confidentiality of Payment is used when confidentiality is not needed to protect the identity of the payment recipient; unless otherwise requested by the PI, Level 1 confidentiality is assumed. Level 2 Confidentiality of Payment is used in cases when it is critical to protect the identity of the payment recipient; when the IRB authorizes Level 2 confidentiality, it will be noted in the IRB's approval letter to the PI.

Regardless of level of confidentiality, with IRB approval PIs have the discretion to confer non-recurring payments of \$50 or less to human subjects without obtaining social security numbers and mailing addresses. Typically, the research protocol would identify that the particular circumstances of the study are such that it would be unreasonably burdensome to collect this information in light of the very low potential for the total payments to the recipient to exceed the Internal Revenue Code threshold of \$600 in a calendar year.

The following paragraphs summarize procedures for making payments or giving gifts to research participants.

- **For Gifts such as stickers, mugs, t-shirts, or other tangible items considered minimal value (less than \$10 per person)**

The PI must complete a BP Logix eForm Request for Purchase of Gift Cards/Awards/Prizes/Incentives Form. The PI should then purchase the item using the Direct Pay or Procurement Card method, following **procurement policies** in doing so. The PI is responsible for maintaining a log of the items they distribute and providing that document to Accounts Payable. The document should include names, items distributed to each participant, estimated value, purpose of gift/incentive, date of distribution, and signature of each participant.

- **For Level 1 Confidentiality of Payment with Non-recurring Payments of \$50 or Less**

Payments can be made to research participants by the PI, who must request a check be issued to themselves by the University through the **Payment to Individual Report (PIR) process**. The PI must supply Accounts Payable with a current signed W-9. They must then complete a BP Logix eForm Request for Purchase of Gift Cards/Awards/Prizes/Incentives Form and attach the approved form to their PIR. Once payments have been made to research participants, the PI is required to supply Accounts Payable with a document that includes names, amount paid to each participant, the purpose of payment, dates of service, and signature of each participant. If all funds issued to the PI were not distributed to research participants, the PI is responsible for paying the University back for the unused funds. This can be done with cash or a check made payable to the University.

Payments may also be made to research participants by the PI in the form of gift cards. The PI must complete a BP Logix eForm Request for Purchase of Gift Cards/Awards/Prizes/Incentives Form and attach the approval to their payment method. These may be purchased using a Procurement Card or they may use the PIR process to submit a request for funds to themselves. They must supply Accounts Payable with a document that includes names, amount paid to each participant, the purpose of payment, dates of service, and signature of each participant. If all gift cards purchased by the PI were not distributed to research participants, the PI is responsible for paying the University back for the unused gift cards. This can be done with cash or a check made payable to the University.

Alternatively, payments can be made directly to research participants by Accounts Payable on the standard *Payment to Individual Report (PIR)* form, which will require names, social security numbers, mailing addresses, and purpose of payment and dates of service. If more than one research participant is being paid, they must be paid individually, each providing a completed and signed W-9 to Accounts Payable, prior to the submission of the PIR. Payment information will be retained by Accounts Payable in the voucher; these documents are considered to be public, potentially open to public review.

- **For Level 1 Confidentiality of Payment with Non-recurring Payments of More than \$50**
Payments can be made to research participants by Accounts Payable on the standard **Payment to Individual Report (PIR) form**, which will require names, social security numbers, mailing addresses, and purpose of payment and dates of service. If more than one research participant is being paid, they must be paid individually, each providing a completed and signed W-9 to Accounts Payable, prior to the submission of the PIR. Payment information will be retained by Accounts Payable in the voucher; these documents are considered to be public, potentially open to public review.
- **For Level 2 Confidentiality of Payment with Non-recurring Payments of \$50 or Less**

Payments can be made to research participants by the PI, who must request a check be issued to themselves by the University through the **Payment to Individual Report (PIR) process**. The PI must supply Accounts Payable with a current signed W-9. They must then complete a BP Logix eForm Request for Purchase of Gift Cards/Awards/Prizes/Incentives Form, including a copy of the IRB approval letter, which authorizes Level 2 confidentiality, and then attach the approved form to their PIR. For each cash payment made to research participants, the PI must obtain signed receipts. The PI shall maintain a record of the research participants' names and corresponding coded identifications; this will be the only record of the payee names, and it will stay in the control of the PI. The PI is required to supply Accounts Payable with a document that includes the coded identification, amount paid to each participant, the purpose of payment, and dates of service. If all funds issued to the PI were not distributed to research participants, the PI is responsible for paying the University back for the unused funds. This can be done with cash or a check made payable to the University.

Payments may also be made to research participants by the PI in the form of gift cards. The PI must complete a BP Logix eForm Request for Purchase of Gift Cards/Awards/Prizes/Incentives Form, including a copy of the IRB approval letter, which authorizes Level 2 confidentiality, and then attach the approval to their payment method. These may be purchased using a Procurement Card or they may use the PIR process to submit a request for funds to themselves. The PI shall maintain a record of the research participant's name and corresponding coded identification; this will be the only record of the payee names, and it will stay in the control of the PI. The PI is required to supply Accounts Payable with a document that includes the coded identification, amount paid to each participant, the purpose of payment, and dates of service. If all gift cards purchased by the PI were not distributed to research participants, the PI is responsible for paying the University back for the unused gift cards. This can be done with cash or a check made payable to the University.

- **For Level 2 Confidentiality of Payment with Non-recurring Payments of More than \$50**

Payments can be made to research participants by Accounts Payable on the standard *Payment to Individual Report* (PIR) form, which will require names, social security numbers, mailing addresses, and purpose of payment and dates of service. If more than one research participant is being paid, they must be paid individually, each providing a completed and signed W-9 to Accounts Payable, prior to the submission of the PIR. Payment information will be retained by Accounts Payable in the voucher; these documents are considered to be public, potentially open to public review. The informed consent and any applicable HIPPA documents required for use in the research study do not need to describe the collection of information from research participants when that information is solely used to process study payment. Instead, study teams are recommended to have research subjects complete a form to obtain

information that also alerts the participant that the payment will be reported by the UW to the IRS; this form should be maintained separately from research records.

	Level 1 Confidentiality of Payment	Level 2 Confidentiality of Payment
Payment of \$50 or less	<p>PI pays research participants through a cash fund or gift card – signed receipts are required in lieu of social security numbers and mailing addresses. (PIR issued to PI or gift cards purchased with procurement card)</p> <p style="text-align: center;">– OR –</p> <p>Accounts Payable pays research participants via PIR – social security numbers and mailing addresses are required.</p>	<p>PI pays research participants through a cash fund – signed receipts are required in lieu of social security numbers and mailing addresses. (PIR issued to PI)</p>
Payment of more than \$50	<p>Accounts Payable pays research participants via PIR – social security numbers and mailing addresses are required.</p>	<p>Accounts Payable pays research participants via PIR – social security numbers and mailing addresses are required.</p>

Non-Resident Aliens (NRAs) – an individual who is a citizen of any country other than the United States. These individuals are treated differently for tax purposes than US tax residents.

Payment to NRA – any dollar amount
Contact University Controller

Accounts Payable
pays research
participants via PIR
– additional
paperwork and
documentation is
required

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