

PROCEDURES FOR SELECTING AND PAYING HUMAN SUBJECTS

OVERVIEW

Research project results are often dependent on human subjects testing, tasting, reacting, responding to various stimuli, or simply completing a survey. As an incentive to encourage participation in the research some awards provide funds for payments to the human subjects. When such payments are made, the disbursements are to be made as payments to independent contractors, not payments to employees for work performed.

Payment amounts should not be large enough to constitute an undue inducement to participate in a risky or uncomfortable procedure. For studies in which financial remuneration is a major reason for participation, and which represent minimum risk to the participants, remuneration may be sufficient to engage participants.

SELECTION OF HUMAN SUBJECTS / PARTICIPANTS

Participants may be:

1. Employees of the university;
2. Students of the university; or
3. Non-university affiliated individuals
4. U.S. Citizens, Permanent Residents or Foreign Nationals (restrictions apply for foreign nationals).

Participants may NOT be:

1. For non-university affiliated individuals; international visitors cannot work as independent contractors in this country. Also, many international visitors are prohibited from receiving compensation from anyone other than their sponsor. These individuals have the option of participating in studies without being paid.
2. Employees, graduate students, or undergraduate students who are funded by the research grant to which the human subject payments will be charged. These employees cannot also be paid as independent contractors from the same funds because of the possible conflict of interest and internal control issues.

PAYMENT TO HUMAN SUBJECTS / PARTICIPANTS

Payment for non-confidential studies

The institute is required to report payments equal to or greater than \$600 on Form 1099-MISC, therefore, unless the payment is for a confidential study, the Institute is required to request the Human Subject's Social Security Number (SSN) and home address in order to fulfill the Institute's tax reporting responsibilities with the IRS.

Five payment scenarios for non-confidential studies are outlined below in A, B, C, D and E. Follow the instructions for the scenario that best fits your situation.

A. When individual payments of (less than or equal to) <=\$100 is made directly to a participant with out-of-pocket money.

1. Select participants in accordance with this procedure.
2. Provide the notice below to all participants/human subjects.
3. If the subject is NOT a US citizen or Permanent Resident of the US
 - a. You CANNOT pay a non-US citizen any money directly. You must choose another method of payment.
4. If the subject is a US citizen or Permanent Resident of the US you may disburse the funds.
 - a. The department must keep documentation that shows the name of the individual, the amount and the signature of the individual(s) that the funds were given to as support for a minimum of 7 years.
5. To obtain reimbursement for the funds distributed:
 - a. Complete a Direct Pay Requisition in OSCAR
 - b. For support, attach the log that shows the name, amount given and signature of the recipient.

B. When individual payments are (less than or equal to) <=\$100 to each participant and payment is to come from Rensselaer Check or Petty Cash.

1. Select participants in accordance with this procedure.
2. Provide the notice below to all participants/human subjects.
3. If the subject is a Rensselaer employee or student and NOT a US citizen or Permanent Resident of the US
 - a. Obtain a W-8BEN Form. If you choose to make payment to a foreign national individual there may be complications with regards to taxation. The Controller's office may require additional information from the subject to determine how to tax and report. These payments could be subject to 30%, 14% or 0% tax based on the individual's visa status, home country and other history.
 - b. Submit request for payment through OSCAR and attach the W-8BEN and some type of documentation of the study.
4. If the subject is a Rensselaer employee, student or unaffiliated with RPI and is a US citizen or Permanent Resident of the US
 - a. Provide the notice below to all participants/human subjects.
 - b. The individual responsible for the disbursement of funds must complete a **"Rensselaer Polytechnic Institute Petty Cash Payment Request for Human Subjects and Athletics ; Total Payment for <= \$100.00 ONLY"**
 - c. The form to be used is shown below. These forms will be 2 part forms so that the department can maintain a copy of the transaction.
 - d. The form is given to the subject who can "cash in" the form at the Cashier Counter, Academy Hall, Level 2, M-F 9:00 – 2:00 within thirty (30) working days.
5. The department copy of these disbursements must be kept as support for a minimum of 7 years.

C. When individual payments are (greater than) >\$100 to each participant:

1. Select participants in accordance with this procedure.
2. Secure a completed copy of one of the following IRS forms:
 - a. If the subject is NOT a Rensselaer employee or student;
 - i. W-9 (for US citizens and permanent residents) from individuals not affiliated with Rensselaer. This form must include the person's social security number. (Rensselaer employees/students do not need to complete a W-9 form.)
 - b. If the subject is a Rensselaer employee or student and NOT a US citizen or Permanent Resident of the US
 - i. W-8BEN Form. If you choose to make payment to a foreign national individual there may be complications with regards to taxation. The Controller's office may require additional information from the subject to determine how to tax and report. These payments could be subject to 30%, 14% or 0% tax based on the individual's visa status, home country and other history.
 - c. If the subject is a Rensselaer employee or student and is a US citizen or Permanent Resident of the US
 - i. No additional forms are required
3. Provide the notice below to all participants/human subjects.
4. Prepare a Direct Pay request in OSCAR, attach the W-9 or W-8BEN forms if required.

D. When individual Rensselaer Bookstore/Computer Store Gift Certificates are given <=\$100 to each Participant

1. The gift certificates can be obtained from the Rensselaer Bookstore/Computer Store and charged directly to the appropriate FOAPAL with authorization. Contact these offices for procedures on authorizing the purchase of gift certificates.
2. Select participants in accordance with this procedure.
3. Provide the notice below to all participants/human subjects.
4. The gift certificate is given to the subject.
5. The department must keep documentation that shows the name of the individual, the amount of the gift certificate and the signature of the individual(s) that the certificates were given to as support for a minimum of 7 years.

E. Other Gift Certificates/Cards are given <=\$100 to each Participant

1. This is a good option if participants are off campus or in remote locations or other states.
2. The gift certificates can be purchased personally and are a reimbursable expense.
 - a. The receipt and a detailed explanation of what project the certificates/cards will be utilized for must be attached to the reimbursement processed as a direct pay in OSCAR.
3. Select participants in accordance with this procedure.
4. Provide the notice below to all participants/human subjects.
5. The gift certificate is given to the subject.
6. The department must keep documentation that shows the name of the individual, the amount of the gift certificate and the signature of the individual(s) that the certificates were given to as support for a minimum of 7 years.

Payment for a confidential study

If the research study has been approved by the IRB to be confidential in nature, it is not necessary to identify the Human Subject by name or SSN. However, the total payments to any individual participating in confidential studies cannot be equal to or greater than \$600.

The procedure for handling payments to human research subjects while maintaining confidentiality or anonymity follows the same steps as for non-confidential studies with the following exceptions:

1. When confidentiality prohibits sharing of personal data, the principal investigator/department submits an alternative internal control plan to the AVP RA&F. This plan should include a copy of the IRB approval for the confidential study, should indicate the method that will be used to collect and maintain the participant information and documentation, as well as a certification that the faculty/department understands the responsibility for maintaining the information. This request should indicate the award under which the research is being conducted.
2. If the plan is approved by the AVP RA&F, in this extreme case ONLY; the Institute will make payment directly to the PI who will disburse the funds in cash to the participants. The request and all approval documentation must be submitted in OSCAR.
3. The principal investigator is responsible to maintain all documentation regarding payment or human subjects for a minimum of 7 years.

Non-Confidential Study

Payment Description	Pay from Petty Cash Account OR Out-of-Pocket?	Make payment through OSCAR
<= \$100 (payments to U.S. citizens and residents)	Yes	No
<= \$100 (payments to foreign nationals)	No	Yes (if student or employee at RPI ONLY) Include W-8BEN
>=\$101 (payments to U.S. citizens and residents)	No	Yes Include Form W-9 if not RPI Employee or Student
>=\$101 (payments to foreign nationals)	No	Yes (if student or employee at RPI ONLY) Include W-8BEN
Gift Certificate <=\$100 value	N/A Follow Options D or E above	N/A Follow Options D or E above
Gift Certificate >=\$101 value	Not Allowed	Not Allowed

Confidential Study

Payment Description	Pay from Petty Cash Account?	Make payment through OSCAR
Total payments restricted to each individual. Must be < \$600 See procedure above	Follow Non-Confidential Study Guidelines	Follow Non-Confidential Study Guidelines

Provide the following memo to all Human Subjects.

Notice to Human Subjects

Any payments and/or gifts you receive in accordance with the research being performed is considered taxable income. If payment(s) exceed \$600 in any one calendar year, the university is required to file a Form 1099-MISC with the IRS. For amounts less than \$600, you are responsible for reporting the additional income on your personal tax return but no Form 1099-MISC will be issued to you or filed with the IRS by Rensselaer.

This form is a 2 part NCR form that can be ordered from Robert H Hill & Co Inc, 451 Broadway, Troy, NY 12180 274-1080. Reference order number "RPI NCR Payment Form".

Below is a SAMPLE ONLY

Rensselaer Polytechnic Institute Petty Cash Payment Request Athletics and Human Subjects

Total Payment for <= \$100.00 ONLY

Present this document at the Cashier Counter, Academy Hall, Level 2, M-F 9:00 – 2:00.
You must present some form of ID to receive payment.

Faculty/Staff Student Other

Payment To Be Made To (name): _____

Name of Department contact: _____ Phone: _____

This individual will be contacted for any questions about the payment or FOAPAL's to be charged.

Accounting for Cash Expenditure

Fund	Organization	Account*	Program	Activity	Amount
					\$
					\$

Total Payment Amount must be <=\$100.00

For Human Subjects use account code 0781

Description/Purpose of Payment: _____

Date of participation: _____

If you are charging a research/restricted fund you MUST maintain a copy of this document for 7 years for audit purposes.

Authorized Signature Date

Printed Name Please

The cashier's office will not provide photocopies of this form or any documents attached. If you want or need a copy please make copies before coming to the cashier's office.