

The Ohio State University
Managing Research Subject Payments
October 8, 2008

This document provides detailed procedural guidance on payments to research subjects. It includes payment mechanisms for both OSU Research Foundation (OSURF) projects and other research studies conducted by University faculty and staff. It should be used in conjunction with its companion document, [Guidelines on Payments to Research Subjects](#). Questions regarding OSURF research subject payments may be directed to Piera Giesken. Questions regarding other University research subject payments may be directed to the Accounts Payable division of the Office of the Controller. As with all expenditures, payments to human subjects are subject to audit.

OSURF Human Subject Cash Accounts:

This payment method may be used for single payments, or payments in aggregate, of up to \$100, per subject, per protocol, per year, for all research subjects. In addition, it may be similarly used for single payments, or payments in aggregate of up to \$500 for research subjects who are U.S. citizens or residents.

Establishing an account: To establish an initial base amount of funding for a cash account, a [Human Subject Petty Cash Fund Information Sheet](#) and a PREP form should be submitted to Piera Giesken at OSURF. The [Human Subject Petty Cash Fund Information Sheet](#) must be approved by the Principal Investigator (PI). The PREP form must be approved by the department chair. If the PI is the department chair, then the PREP form must be approved by the college dean. This approval authority may be delegated to the department or college Senior Fiscal Officer at the discretion of the dean. To establish a base amount of funds, the amount you intend to disburse in a quarter is usually a good starting point. A check, payable to the requestor, will be sent to the requestor along with a [Human Subject Payment Receipt](#) that should be copied as necessary for use when disbursing funds to subjects. It is the responsibility of the custodian to maintain the funds securely.

How to make payment to a subject: When a subject has completed his participation in a study, the account custodian should issue payment and have the subject fill out a [Human Subject Payment Receipt](#). A separate receipt is required for each disbursement. It is the responsibility of the custodian to maintain all receipts in a secure and confidential manner in the project records.

Replenishing funds in the account: The custodian should monitor the balance of the account. In order to maintain an adequate balance on hand, the custodian should submit, as necessary, a payment request in the PREP system, along with a [Human Subject Account Reimbursement Form](#) for the replenishment of funds. The Human Subject Account Reimbursement Form lists, in detail, all payments made from an account that need to be reimbursed to that account to restore the account balance to the base amount. For the replenishment of funds, the PREP requestor can be the account custodian or the PI, and the approver must be the requestors' supervisor or any level above the requestors' supervisor. Allow three to seven days for processing replenishment requests.

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Increasing the base amount of funds in an account: If the volume or frequency of subject participation in a project is greater than initially anticipated, replenishment requests might become inconveniently frequent. In such cases, it may be necessary to increase the base amount of the account. To do so, the custodian should submit a new [Human Subject Petty Cash Fund Information Sheet](#) along with a PREP form that indicates the reason for the amount of the requested increase. The PREP approval requirements for the establishment of an account (above) also apply to an increase in the base amount of an account.

Decreasing the base amount of funds in an account: If the initial base amount of a cash account turns out to be unnecessarily large, it may be prudent to reduce the base amount so that a large amount of cash is not needlessly at risk. To decrease the base amount of the account, the custodian may simply submit the desired amount of reduction in cash - via courier only! - , or by personal check or bank check made out to The Ohio State University Research Foundation. Alternatively the custodian can submit a [Human Subject Account Reimbursement Form](#) in the desired amount along with a memo from the PI stating that reimbursement to the cash account is not desired in order to effectively reduce the base amount of the account.

Closing out the account: When a project no longer needs a cash account, the custodian should return to OSURF the balance of cash on hand in the account as well as a [Human Subject Account Reimbursement Form](#) to account for all cash that has been paid to subjects, but has not been reimbursed. The total of the amount on the Human Subject Account Reimbursement Form and the cash submitted should be equal to the base amount of the cash account. Please note on the form that the account is being closed. Additionally, the cash on hand being returned to OSURF, should be delivered by courier to Piera Giesken. In lieu of cash a personal check or bank check may be submitted. Checks should be made out to The Ohio State University Research Foundation.

Records maintenance: All receipts for payments to human subjects from the project, should be maintained in a secure and confidential manner in the records of the project. They should not be sent to OSURF.

OSURF Human Subject Checking Accounts:

This payment method may be used for single payments, or payments in aggregate, of up to \$100, per subject, per protocol, per year, for all research subjects. In addition, it may be similarly used for single payments, or payments in aggregate of up to \$500 for research subjects who are U.S. citizens or residents.

Establishing an account: To establish an initial base amount of funding for a checking account, a [Human Subject Petty Cash Fund Information Sheet](#) and a PREP form should be submitted to Piera Giesken at OSURF. The [Human Subject Petty Cash Fund Information Sheet](#) must be approved by the Principal Investigator (PI). The PREP form

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must be approved by the department chair. If the PI is the department chair, then the PREP form must be approved by the college dean. This approval authority may be delegated to the department or college Senior Fiscal Officer at the discretion of the dean. To establish a base amount of funds, the amount you intend to disburse in a quarter is usually a good starting point. Research Foundation personnel will contact the requestor to coordinate a visit to the bank to set up the checking account. The custodian will be given a blank [Human Subject Payment Receipt](#) that should be copied as necessary for use when disbursing funds to subjects. It is the responsibility of the custodian to maintain the funds securely.

How to make payment to a subject: When a subject has completed his participation in a study, the account custodian should issue a check and have the subject fill out a [Human Subject Payment Receipt](#). A separate receipt is required for each disbursement. It is the responsibility of the custodian to maintain all receipts in a secure and confidential manner in the project records.

Replenishing funds in the account: The custodian should monitor the balance of the account. In order to maintain an adequate balance on hand, the custodian should submit, as necessary, a PREP payment request, along with a [Human Subject Account Reimbursement Form](#) for the replenishment of funds. The [Human Subject Account Reimbursement Form](#) lists, in detail, all payments made from an account that need to be reimbursed to that account to restore the account balance to the base amount. For the replenishment of funds, the PREP requestor can be the account custodian or the PI, and the approver must be the requestors' supervisor or any level above the requestors' supervisor. Allow three to seven days for processing replenishment requests.

Increasing the base amount of funds in an account: If the volume or frequency of subject participation in a project is greater than initially anticipated, replenishment requests might become inconveniently frequent. In such cases, it may be necessary to increase the base amount of the account. To do so, the custodian should submit a new [Human Subject Petty Cash Fund Information Sheet](#) along with a PREP form that indicates the reason for the amount of the requested increase. The PREP approval requirements for the establishment of an account (above) also apply to an increase in the base amount of an account.

Decreasing the base amount of funds in an account: If the initial base amount of a checking account turns out to be unnecessarily large, it may be prudent to reduce the base amount so that a large amount of money is not needlessly at risk. To decrease the base amount of the account, the custodian may simply submit the desired amount of reduction by check made out to The Ohio State University Research Foundation. Alternatively the custodian can submit a [Human Subject Account Reimbursement Form](#) in the desired amount along with a memo from the PI stating that reimbursement to the cash account is not desired in order to effectively reduce the base amount of the account.

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Closing out the account: When a project no longer needs a human subject checking account, the custodian should prepare a Human Subject Account Reimbursement form to account for all funds that have been paid out to subjects, but not reimbursed to the checking account. Please note on the form that the account is being closed. Additionally, the custodian should close the account at the bank and submit to OSURF a bank check for the balance of funds not disbursed from the account less any bank fees. The check should be made out to The Ohio State University Research Foundation and submitted to Piera Giesken. The total of the amount on the Human Subject Account Reimbursement Form and the check submitted should be equal to the base amount of the cash account less any bank fees.

Records maintenance: All receipts for payments to human subjects from the project, should be maintained in a secure and confidential manner in the records of the project. They should not be sent to OSURF

OSURF Gift Cards:

This payment method may be used for single payments, or payments in aggregate, of up to \$100, per subject, per protocol, per year, for all research subjects. Although gift cards are somewhat similar to cash or checks in their use, the mechanism for their procurement and accounting for their use are unique. Be sure you understand the required reconciliation procedures before you request gift cards for your project.

Purchase of Gift Cards: Gift cards can be obtained by purchase order through the Research Foundation Purchasing Department. Be sure you order only an amount of cards that you are sure you will use. Unlike cash or checking accounts, OSURF has no mechanism to accept the return of gift cards that have been purchased but not distributed to human subjects. Charges for gift cards purchased but not distributed will be transferred from the project to the department associated with the project.

How to make payment to a subject: When a subject has completed his participation in a study, the account custodian should issue a gift card, fill out a [Human Subject Payment Receipt](#), and have the subject sign the receipt. A separate receipt is required for each disbursement. It is the responsibility of the custodian to maintain all receipts in a secure and confidential manner in the project records.

Reconciliation of Gift Cards on a Sponsored Project: While a project is active, the value of undistributed gift cards (gift cards on hand), plus the value of all [Human Subject Payment Receipts](#) retained by the project should equal the amount of expense charged to the project for gift cards. When a project is finished, any undistributed gift cards should be turned in to the appropriate department and the charges for these gift cards should be transferred from the project to the department. A final reconciliation of gift cards on a project should confirm that the value of all [Human Subject Payment Receipts](#) retained in the project files is equal to the total expense for gift cards charged to the project.

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OSURF Accounts Payable (PREP) Disbursements:

*This payment method may be used for all research subject payments to U.S. citizens and residents. Its use is **required** for payments to U.S. citizens or residents, singular or in aggregate, greater than \$500 per subject, per protocol, per year. **NOTE:** See section below for additional details on payments to nonresident aliens.*

How to make payment to a subject: The PREP system can be accessed by a trained and authorized department administrator. **When making payments to human subjects via PREP it is critical to use account number 64610.** The use of this account ensures the confidentiality of subject information. Additionally, "payments to research subjects" should be chosen from the drop down selection for the "Short Description" box. If the research subject is not a University employee, he/she must complete an OSU AP Compliance Form (substitute W-9), which must be provided to Research Foundation Accounts Payable in order to release the payment. The OSU AP Compliance Form (substitute W-9) needs to be submitted only once for an individual. It remains in effect indefinitely, however, if the subjects' personal information changes, a new form should be submitted. University employees do not need to submit an OSU AP Compliance Form (substitute W-9). The required information for employees is already available through the human resources system.

Records maintenance: All records generated through PREP will be maintained centrally at the Research Foundation.

OSURF Accounts Payable Disbursements to Nonresident Aliens:

*Special processing requirements apply to payments to nonresident aliens. The University must comply with regulations of both the IRS and the Department of Homeland Security. The rules regarding payments to nonresident aliens are complex and the penalties for violations are harsh and can include deportation from the United States. For payments greater than \$100, OSURF needs to obtain critical information on the nonresident alien's visa status **before** the individual participates in a project as a research subject. Please contact Research Foundation (RF) Accounts Payable Office (Kathie Cooper 292-0143) for additional details. As a starting point, OSURF will need a copy of the subjects' visa or immigration stamp, a copy of their passport photo page, and a completed OSU AP Compliance Form (substitute W-9). Using these documents, OSURF personnel will determine if an individual is allowed to be paid as a research subject. In some cases, additional information may be required to make a final determination.*

University Cash Advances for Research Subjects (non OSURF projects):

This payment method may be used for payments, in aggregate, of up to \$100, per subject, per protocol, for all research subjects.

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Obtaining a cash advance: The faculty or staff member conducting the study should work with his/her departmental fiscal officer to initiate a Payment Request in the Accounts Payable PREP system. The advance, which is payable to the faculty or staff member conducting the study, should be charged to a departmental chartfield combination, using Convenience Order Number X08082 and Account 64616. The amount of the advance should be limited to what is expected to be expended within 60 days (several advances may be required over the course of a long-term study or series of studies).

How to make a payment to a subject: When a subject has completed his participation in a study, the account custodian should issue payment and have the subject fill out a Human Subject Payment Receipt. It is the responsibility of the custodian to secure any cash on hand and maintain originals or copies of all receipts.

Accounting for use of the advance: Within 60 days of receipt of the advance, copies of Human Subject Payment Receipts should be submitted to the departmental fiscal officer. In addition, any unused funds at the end of the 60-day period should be remitted to the departmental fiscal officer (to be re-deposited to the same chartfield combination as the original advance). If receipts and/or unused funds are not provided in a timely manner, the departmental fiscal officer should report the advance amount as taxable income to the faculty or staff member conducting the study.

Records maintenance: Copies of all receipts, accounting for all payments to human subjects, should be maintained in the department.

University Accounts Payable (PREP) Disbursements (non OSURF projects):

*This payment method is **required** for payments greater than \$100 to U.S. citizens or residents and is intended for subject payments that do not require confidentiality. If subject confidentiality is required, the payment should be processed through OSURF Accounts Payable. **NOTE:** Payments to nonresident aliens are not permitted on the University PREP system. See next section for details on processing these payments.*

How to make a payment to a subject: The faculty or staff member conducting the study should work with his/her departmental fiscal officer to initiate a Payment Request in the Accounts Payable PREP system. The payment should be charged to a departmental chartfield combination, using Convenience Order Number X08003 and Account 64610. If the research subject is not a University employee, he/she must complete an OSU AP Compliance Form (substitute W-9), which must be provided to University Accounts Payable in order to release the payment.

Records maintenance: Copies of all support for PREP disbursements should be maintained in the department.

University Accounts Payable Disbursements to Nonresident Aliens:

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*Special processing requirements apply to payments to nonresident aliens. For payments greater than \$100, the University needs to obtain information on the nonresident alien's visa status **before** the individual participates in a project as a research subject. Please contact University Accounts Payable (Diane Goubeaux at 688-4978) for additional details.*