

## Procedures for Paying Human Subjects

- I. Federal regulations which deal with human subjects are applicable only to sponsored programs funded with federal monies, in accordance with the [Code of Federal Regulations, Title 45 \(Public Welfare\), Part 46 \(Protection of Human Subjects\)](#). This federal regulation applies to all research involving human subjects conducted, supported or otherwise subject to regulation by any federal department or agency that takes appropriate administrative action to make the policy applicable to such research. Texas State University (Texas State) has elected to apply this federal regulation to all sponsored programs and institutional funds so as to assure protection of human subjects in all sponsored programs.
- II. Research activities in which the only involvement of human subjects will be in one or more of the following categories are exempt from the confidentiality aspects of this policy:
  - a. Research conducted in established or commonly accepted educational settings, involving normal educational practices, such as:
    - 1) research on regular and special education instructional strategies; or
    - 2) research on the effectiveness of or the comparison among instructional techniques, curricula, or classroom management methods.
  - b. Research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures or observation of public behavior, unless:
    - 1) information obtained is recorded in such a manner that human subjects can be identified, directly or through identifiers linked to the subjects; and
    - 2) any disclosure of the human subjects' responses outside the research could reasonably place the subjects at risk of criminal or civil liability or be damaging to the subjects' financial standing, employability, or reputation.
  - c. Research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures, or observation of public behavior that is not exempt under paragraph b. 2) of this section, if:
    - 1) the human subjects are elected or appointed public officials or candidates for public office; or
    - 2) federal statute requires without exception that the confidentiality of the personally identifiable information will be maintained throughout the research and thereafter.
  - d. Research involving the collection or study of existing data, documents, records, pathological specimens, or diagnostic specimens, if these sources are publicly

available or if the information is recorded by the investigator in such a manner that subjects cannot be identified, directly or through identifiers linked to the subjects.

- e. Research and demonstration projects which are conducted by or subject to the approval of department or agency heads, and which are designed to study, evaluate, or otherwise examine:
  - 1) public benefit or service programs;
  - 2) procedures for obtaining benefits or services under those programs;
  - 3) possible changes in or alternatives to those programs or procedures; and
  - 4) possible changes in methods or levels of payment for benefits or services under those programs.
  
- f. Taste and food quality evaluation and consumer acceptance studies:
  - 1) if wholesome foods without additives are consumed or
  - 2) if a food is consumed that contains a food ingredient at or below the level and for a use found to be safe, or agricultural chemical or environmental contaminant at or below the level found to be safe, by the Food and Drug Administration or approved by the Environmental Protection Agency or the Food Safety and Inspection Service of the U.S. Department of Agriculture.

### III. Methods of Payments

Texas State may pay human subjects participating in any sponsored program by gift card or gift certificate, or electronic gift cards or cash. Participants cannot be given the chance to receive compensation through raffles or Lotteries which are considered “gambling” under the [Texas Penal Code](#), which is an illegal activity. The [Texas Penal Code \(Sec. 47.01 et seq.\)](#) defines a lottery as “any scheme or procedure whereby one or more prizes are distributed by chance among persons who have paid or promised consideration for a chance to win anything of value, whether such a scheme is called a pool, lottery, raffle, gift, gift enterprise, sale, policy game, or some other name.”

Texas State will maintain the names of human subjects in confidence unless exempted under Section II of this policy. The only explanation that is required on the payment document is: "Details are on file and available for review in the department." Attachments identifying the name or nature of the study should NOT accompany the payment document or reconciliation if confidential.

Please use the standard language in any document indicating payments, even when dealing with third party vendors: “This payment is for an incentive to participate in a Texas State University-IRB approved research study”.

**NOTE: DO NOT USE THE TITLE OF THE PROJECT OR PROJECT DESCRIPTION ON ANY DOCUMENT THAT LINKS TO THE HUMAN SUBJECTS' NAME ON ANY INCENTIVE PAYMENT DOCUMENT.**

- a. Texas State Employees and Non-Texas State Employees

- 1) Payments to these types of human subjects are handled the same regardless of classification. Payment to a Texas State employee as a human subject is outside of the scope of Texas State job duties (i.e. employment) and therefore is not reported through Payroll.
- 2) Payments to human subjects in their native country (outside of the U.S.) are allowed and there is no tax consequences or reporting required by Texas State. These human subjects are not earning the payment for work (participation) in the research project while in the U.S. The PI should confirm the human subject is a resident of the country in which the payment was made. The PI must obtain the [Foreign Source Income Exclusion Statement](#) from each participant in a foreign country.
- 3) Payment by gift cards or certificates – Typically, gifts cards or certificates are purchased from a vendor using the cash received via the electronic research cash advance request. A direct deposit will be made to the PIs personal checking account. The PI may then purchase the gift cards and issue them to research subjects. A log of the payments and receipts must be kept.
  - (a) If the PI purchases the cards, and issues them to human research subjects then the PI must maintain the appropriate documentation per the type of research activity.
  - (b) If the PI purchases gift cards from a third party (e.g. Amazon), then the PI must provide a receipt of payment to the third party. The third party is responsible for tracking the payments issued by them to the human subjects account. A list of payments made electronically by a third party vendor, must be provided (or maintained by the PI) to support those types of gift cards/certificates and will include at a minimum the email for the recipient and their email address. The third party has the tax reporting responsibility.
  - (c) A PI must not purchase gift cards that have activation fees that the participant has to deduct from their incentive.
- 4) Payment by cash – Cash incentives may be paid directly to research subjects as well after the PI has received the research cash advance.

IV. Prohibited Payments – Certain payments are prohibited from being made for human subjects participating in a Texas State-sponsored research program. These are:

- a. A PI or other Texas State employee may not pay human subjects from personal or other funds and request reimbursement at a later time via the e-NPO process. If this situation occurred, the proper process is as follows:
  - 1) Reimbursement will only be processed through a research cash advance request. The PI will need to obtain written approval from the Assistant Vice President for Research and Federal Relations (AVPR) before beginning the research cash advance request process. The approval will need to be added as an attachment to the research cash advance request. If IRB approval is required, the IRB approval letter and number will also need to be included on the research cash advance request.

- 2) Once the funds have been deposited into the PI's account, he or she will need to submit a reconciliation to close out the research cash advance. The supporting documentation as required by the type of research project.
  - 3) Should a PI spend more than the requested research cash advance, he or she will need to reconcile the initial research cash advance request and submit an additional research cash advance request for the overage.
  - 4) The PI will follow the same reconciliation process for the overage.
- b. Texas State employees may not use P-cards to purchase gift cards or certificates.
- c. International Participants – Payments cannot be made to research participants who are international visitors (such as F-1 or J-1 students) because these individuals cannot work as independent contractors in the United States. Also, many international visitors are prohibited from receiving compensation from any entity other than their sponsor.
- d. Payments cannot be made to employees, graduate students, or undergraduate students who are funded by the research grant. Texas State cannot pay these employees as independent contractors because of the possible conflict of interest and internal control issues.
- e. No accounts can be used for donations or raffles of any kind.

## V. Approvals and Processing

### a. [Electronic Research Cash Advance Requests](#)

- 1) The electronic Research Cash Advance and Research Cash Advance Reconciliation will automatically route for proper approvals once submitted.
- 2) Internally-Funded Programs (e.g., Research Enhancement Program (REP) grants, Multi-disciplinary Internal Research Grants, (MIRG), Recovered Indirect Cost Account, Undergraduate Research Fund (URF) – The approved electronic Research Cash Advance Request will automatically route to the AVPR for review and approval. The PI and the approver must assure that the expenditure to the human subjects is being made in accordance with provisions of the award.
- 3) The completed and approved electronic Research Cash Advance Request will automatically route to Accounts Payable for processing of the payments. Direct deposits will be made to the PI's personal bank account. Allow 10 working days for processing.

### b. Electronic Research Cash Advance Reconciliation

For UPPS 02.02.06, there are three types of designated projects. The three types are Complete, Partial and None. These designations refer to the level of

supporting documentation that will be uploaded by the PI during the reconciliation process.

- 1) For a project designated as "Complete:" The Human Subjects log of payments, signed acknowledgement of payment forms, or Foreign Sourced Income Exclusion Statement and deposit slip for returned funds will all need to be electronically attached to the research cash advance reconciliation. If a third party is used for electronic gift cards, a detailed listing of payment recipients is required along with a receipt for payment to the third party.
- 2) For a project designated as "Partial:" The Human Subjects log of payments with unique identifiers (instead of the recipients' names) is electronically attached to the electronic research cash advance reconciliation. The PI must also collect signed acknowledgement of payment forms, or Foreign Sourced Income Exclusion Statements and retain them at the department level. The PI must submit a log of payment with recipient names to the AVPR using the prescribed Excel file format. No other file format is acceptable. The deposit slip for returned funds will all need to be electronically attached.
- 3) For a project designated as "None:" The PI and at least one other person affiliated with the research project (e.g. employee or graduate student) will submit a written and signed statement certifying that payment was issued to human subjects in the increments approved by the IRB. The statement must be attached to the electronic research cash advance.

Once submitted, the electronic reconciliation will automatically route for review and approval to the Post Award Support Services if grant funds are being used, followed by the AVPR, and Accounts Payable. The research cash advance is then cleared, and related expenses are recorded.

## VI. RESPONSIBILITIES

- a. The PI has the following responsibilities with regard to making payments to human subjects through Texas State:
  - 1) Select participants in accordance with Texas State policies.
  - 2) Prepare and submit Prepare and submit electronic Research Cash Advance Request, Human Subject Log, Acknowledgement of Receipt of Funds
  - 3) Verify that the participant is a U.S. person via receipting process. Note, if the human subject confirms he or she is a U.S. citizen, then the PI can accept the recipient's certification for that and the signed form will serve a proof of the due diligence done by Texas State.
  - 4) Ensure confidentiality and proper protocol procedures are followed, in accordance with federal and state regulations and Texas Stat policies (Refer to [UPPS No. 02.02.03, Protection of Human Research Subjects](#)).
- b. Post-Award Support Services

- 1) ensure compliance with external funding source requirements.

c. Unit Administrator (Chair, Director or Dean) – Approval and oversight of research

d. Assistant Vice President for Research and Federal Relations–

Review and approve all requests for research cash advances, ensure reconciliation documentation is attached and assure compliance with internal funding source requirements.

e. General Accounting Office - Accounts Payable

- 1) Processing research cash advances for human subjects participating in a research study.
- 2) Process research cash advances and advise departments or schools regarding standard Texas State payment processes. Review the payment requests for completeness.
- 3) Process research cash advance payments for human subject participants in lump sum to the PI, or when applicable, process individual payments to participants.
- 4) Review for compliance and approve all research cash advances, reconciliations, and required supporting documentation to ensure accuracy and compliance. Authorized to request additional information/documentation, clarification, revisions etc. as needed.