



Compensation of Subjects

Background

The Institutional Review Board (IRB) must review and approve the methods used to recruit participants, including any compensation provided, to ensure that the study does not include language that may influence a potential participant's decision about participating in the research study.

First, it is not necessary to compensate participants who participate in research. However, paying research participants in exchange for their participation is a common and, in general, acceptable practice. Payment for participation should be just and fair (e.g., current market value) for the time and effort required of the participant to complete the study.

The Food and Drug Administration (FDA) requires prorating payments based on duration of participation in the research so that participants are able to receive compensation even if they do not complete the entire study. The FDA also indicates that payment to research participants should be considered an incentive to participate rather than a benefit. Therefore, the IRB does not consider compensation in their assessment of the risk benefit analysis for the proposed research, nor is payment allowed in the benefit section of the informed consent document.

Requirements

The IRB requires the amount of compensation provided to participants is described in the IRB application. The amount of compensation must also be communicated to participants during the consent process. Compensation may be listed in recruitment materials so long as it is not overly emphasized.

Proposals to the IRB regarding subject compensation should indicate and justify monetary and non-monetary compensation. A description and justification of non-payment, partial payment or proration must also be included. Any amount paid as a bonus for completion is reasonable and not so large as to unduly induce participants to stay in the study when they would otherwise have withdrawn.

For projects that involve extra credit to students, an alternative form of extra credit must be provided that is equitable in terms of time and resources for students to complete if they choose not to participate in the proposed research project.

As noted above, compensation should not be described as a benefit to participants. If applicable, a clear description of how prorating will be handled must be included.

IRS Reporting Requirements:

Payment to participants for research participation is subject to IRS reporting requirements.

Tax information must be reported for payments over \$600 per year, while payments of less than or equal to \$600 per year are exempt from IRS 1099 reporting requirements. The \$600 threshold encompasses the cumulative amount a person receives from all UA studies in a single calendar year.

It is the responsibility of the principal investigator to obtain names, social security numbers (SSN), addresses, and payment amounts, and include that information as an attachment to the check



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request for reimbursement of the participant pay. This information should be kept separately from the study documents and in a secure location. No other information about the study should appear with the reimbursement documentation.

If subject payments will be \$50 or less from The University of Arizona per payment, social security numbers are not required. However, regardless of amount, any subject payment will require the collection of enough identifiable information to support an audit trail of where the monies were sent. (If you have questions about this, please contact the [Financial Services Offices Accounts Payable](#).)

If the research project is a confidential study, it is not necessary to identify the human participants by name or SSN. However, an NIH Certificate of Confidentiality (CoC) must be provided along with the check request, and the total payment to any individual participating in a confidential study must be less than \$600 in a calendar year (information obtained from Sponsored Projects).

An appropriate statement should be added to the Informed Consent Form to reflect the identifiable subject information collected for tax reporting and financial compliance purposes.

Payment in Remote Participation:

Below is a summary of best practices when paying subjects for their remote participation in research, and how to confirm/document the payment for UA Financial Services purposes.

From Operational Advances:

1. Payment via Gift Cards (electronic or plastic cards)

- a. For this method, researchers will need to obtain confirmation of payment from the subject. This could be obtained via an email, or via a Postage Paid Postcard sent with plastic cards that will need to be returned. Keep in mind many retail shops offer e-Cards, and the email used to send payment would be the confirmation of receipt. Some even offer one step further and provide a report as to whether the card has been accepted or redeemed.

2. Payment via phone apps (Venmo, PayPal, Zelle, etc.)

- a. For confirmation, most apps have a Summary page, or some sort of monthly report sent to the user's email. A screenshot of the actual confirmed payment to include with the report would work, as well.

From Disbursement Voucher Process:

1. Payment via a check or ACH (dependent on the availability to provide banking information) to each subject/participant

- a. Please note, this method includes the administrative process of obtaining SSN from each subject, regardless of payment amount, to create a Vendor # for each.