



## ORSP Guidance for Providing Research Incentive Payments

Revised: July 8, 2021

Principal Investigators (PI's) can choose to provide nominal **research incentive payments** to individuals participating as human subjects in research projects (requires IRB approval) to motivate their participation, therefore providing a direct benefit to the project. This is an optional method, as PI's can choose not to provide incentives to research participants. For PI's who opt to provide research incentive payments, they are expected to collect all required documentation.

Incentive payments are not allowable as payments for the exchange of services (wages, salaries). Research Incentive Payments are also not allowable in lieu of grant-funded stipends or scholarships, due to reporting issues to Financial Aid.

### **CSUEB Student Research Participants:**

If you choose to provide research incentive payments to current CSUEB student participants, these can be in the form of **University Student Account Credits**. The value of each incentive is between \$5 and \$25. Research incentive payments for any amount will require that each student recipient submit a completed and signed Acknowledgement of Receipt Form.

### **Non-CSUEB Students/Non-CSU Employees:**

If you choose to provide research incentive payments to non-CSUEB students and non-CSU employees for participating in a research study, these payments can be in the form of **Gift Cards**. Typically, the value of each incentive is between \$5 and \$25. Once obtained, gift cards must be stored in a secure location (e.g., locked drawer or safe) and the PI is required to maintain an ongoing inventory of issuance and distribution tracking as proof of card distribution. Note that this ongoing Inventory Issuance Log is subject to audit and must be up-to-date at all times.

There may be rare exceptions in which incentive payments exceed \$25.00. For these exceptions, each recipient is required to complete and sign an Acknowledgement of Receipt Form. As a reminder, prior approval from ORSP must be obtained for these exceptions.

### **Human Research Subjects Protocol**

In your protocol to obtain approval from the Institutional Review Board for conducting research on human subjects, include descriptions of any direct or guaranteed benefits, such as gift cards. Include how payments will be made, received, and distributed, and if payments will affect confidentiality. Note that excessive payments may be considered coercive. PI's must include a copy of their IRB approval letter when submitting the Research Incentive Payment Request.

The following is a step by step guide to process Research Incentive Payments at CSU East Bay:

Step	Responsible	Action
Step 1	Principal Investigator	<ul style="list-style-type: none"> <li>Submit an <u>ORSP Research Incentive Payment Request Form</u> to ORSP one month prior to purchase and distribution.</li> </ul>
Step 2	ORSP	<ul style="list-style-type: none"> <li>Review and ensure appropriate documents have been submitted by the PI</li> <li>Once approved, confirm with PI that they may proceed with the requested Research Incentive program.</li> </ul>
Step 3	Principal Investigator	<p><b>For non-CSUEB students/employees:</b></p> <ul style="list-style-type: none"> <li>PI to purchase gift cards via a Dept P-Card. No reimbursements are allowed.</li> <li>Print, distribute, and collect an <u>Acknowledgement of Receipt Form</u> from any non-CSU employee receiving a gift card valued at over \$25.</li> <li>Print the <u>ORSP Research Incentive Payment Distribution Form</u> and obtain signatures from each recipient. For e-gift cards distributed electronically, a report confirming distribution to each participant with some form of identifying information or email sent to recipients may be submitted in lieu of the signed distribution form.</li> <li>PI's are required to store gift cards in a secure location (such as a locked drawer or safe), and also maintain an ongoing inventory of issuance.</li> </ul> <p><b>For CSUEB students:</b></p> <ul style="list-style-type: none"> <li>Prepare Student Accounts upload template with all required information.</li> <li>Print, distribute, collect <u>Acknowledgement of Receipt Form</u> from all CSUEB student participants.</li> </ul>
Step 4	Research Participant	<ul style="list-style-type: none"> <li>CSUEB student participants are required to complete, sign and submit the <u>Acknowledgement of Receipt Form</u> and submit to the PI to receive their University Student Account Credit.</li> </ul>

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		<ul style="list-style-type: none"> <li>Non-CSU employees must also sign the <u>ORSP Research Incentive Payment Distribution Form</u> to confirm gift cards were distributed (unless report printout/copies of e-gift card emails are available). If over \$25, gift card recipients must also complete, sign and submit the <u>Acknowledgement of Receipt Form</u> and submit to the PI in exchange for the gift card.</li> </ul>
Step 5	Principal Investigator	<ul style="list-style-type: none"> <li>Submit signed <u>ORSP Research Incentive Payment Distribution Form</u> (or report printout or copies of emails for e-gift cards) and <u>Acknowledgement of Receipt Forms</u> to ORSP as supporting documentation for P-card charges, as appropriate.</li> <li>Submit Student Accounts Upload template to ORSP for any student participants</li> <li>It is expected that gift cards purchased shall be accounted for and fully-utilized. If additional gift cards remain, contact ORSP for the next steps.</li> </ul>
Step 6	ORSP	<ul style="list-style-type: none"> <li>ORSP to submit signed forms to Accounting and maintain copies on file.</li> <li>ORSP to submit Student Accounts Upload template to Student Finance Office for the current term of payment: Excel template should include the student name, net ID, dollar amount, and chartfield that will be charged.</li> </ul>

### Taxability / IRS Reporting

Note that this payment may be subject to reporting. See additional information below regarding taxation and financial aid.

**Financial Aid:** For CSUEB students, any resource received during the school year (other than employment earnings), must be reported to the Financial Aid office to ensure compliance with financial aid regulations. Any kind of direct payment or benefit to a student must be reported.

**Reporting to IRS:** The University does not assist in tax preparation, act as a tax consultant for individuals or entities, provide tax advice, and cannot answer tax questions. Recipients should

consult a tax professional who is proficient with taxation for assistance with their tax questions. It is the recipient's responsibility to determine whether a payment in whole or in part must be included as gross income under the Internal Revenue Service (IRS) Code. The University takes due diligence in its efforts to report any earnings deemed as taxable wage. For 1099-Misc reporting, payments of \$600 or more (within a calendar year) are reportable on form 1099-MISC. Note that reporting requirements and withholdings for non-resident aliens may be different than that of U.S. citizens and resident aliens.

For more information, visit IRS\_General Instructions for Certain Information Returns at <https://www.irs.gov/pub/irs-pdf/i1099gi.pdf> or IRS Publication 970, Tax Benefits for Education at <https://www.irs.gov/pub/irs-pdf/p970.pdf>.