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# BUSINESS OFFICE'S GUIDE FOR APPROVING HUMAN SUBJECT PAYMENTS

**Office of Research Compliance and Integrity**  
**215.573.8800**

University of Pennsylvania  
School of Medicine

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## Introduction

### Purpose of Reference Guide

The *Business Office's Guide for Approving Human Subject Payments* provides information and guidance on remuneration and reimbursement of out-of-pocket expenditures provided to research subjects participating in research trials. This reference guide is intended to assist business offices in understanding regulatory limitations on paying human subjects. University of Pennsylvania Financial Policy [2319.1](#): (<http://www.finance.upenn.edu/vpfinance/fpm/2300/2319.1.asp>) governs the limits and requirements for paying human subject participants. Additional guidance can be found on the following web sites:

- Office of Human Research, see *Penn Manual for Clinical Research*
- SOM – Reference Guide for Petty Cash

### Objectives

Upon completion of this reference guide, business office staff will:

- Have an overview of human subject payments
- Understand the types of distributions and limits
- Understand the key roles and responsibilities in the approval process
- Be familiar with the policies surrounding human subject payments
- Review the documentation requirements
- Know where to go for assistance

## Human Subject Payments

### Definitions

Human subject payments include remuneration and reimbursement. Payments to human subjects must follow University of Pennsylvania Policy 2319.1: *Payment of Human Subject Fees for Non University Employees*.

- **Remuneration** is the payment human subjects receive for their time and effort involved in participating in a study. Remuneration can take the form of a check, cash, a money order, a gift card, or any distribution with a monetary value.
- **Reimbursement** of out-of-pocket expenditures refers to payments to a human subject for out-of-pocket expenses incurred as a result of participating in the study, including expenses such as study-related travel, lodging, or meals.

### Remuneration

*Remuneration* is the payment human subjects receive for the time and effort involved in participating in a study. Remuneration can take the form of a check, cash, a money order, a gift card, or any distribution with a monetary value.

Payments to human subjects can be disbursed through 1) Accounts Payable form "C-368 Request for Payment" for U.S.Citizens and Resident Aliens OR "C-368fd Request for Payment – Foreign Individual" for Non Resident Aliens 2) Petty cash , or 3) Other forms of remuneration (gift cards, tokens, money orders, or any distribution with a monetary value).The C-2 Human Subject Voucher should be used for all types of payments, as supporting documentation, approval, and identification of fund source. All remuneration should be coded to object code 5316.

Object Code	Description	Use
5316	Human Subject Payments – Direct	<ul style="list-style-type: none"> <li>▪ Direct remuneration payments to human subjects (not to be used for reimbursement of out-of-pocket expenses)</li> </ul>

Individual human subject payments made through Accounts Payable, do **not** have to be forwarded to the Office of Regulatory Affairs for additional approval as long as they follow the detailed payment schedule described in the IRB approved informed consent and protocol. Any deviation from the approved informed consent or protocol **must** be submitted to IRB for approval prior to subject participation and remuneration.

## Reimbursement of Subject's Out-of-Pocket Expenditures

Reimbursement of out-of-pocket expenditures refers to payments to a human subject for out-of-pocket expenses incurred as a result of participating in the study, including expenses such as study-related travel, lodging, or meals.

In some cases these travel-related expenses, can be in the form of a SEPTA token, parking voucher, or cab voucher. Other types of reimbursement may include medication, medical supply costs, or meals. US Citizens and Resident Aliens' reimbursement for out-of-pocket expenses is not subject to IRS income reporting requirements and is not reportable. However, Non Resident Aliens receiving reimbursement for out-of-pocket expense are reportable to the IRS.

Reimbursement of out-of-pocket expenses should **not** be recorded with remuneration under object code 5316. If cash or a check is being disbursed for both human subject remuneration and out-of-pocket expense reimbursement, the amounts should be allocated between the appropriate object codes. Reimbursement for travel cost (mileage, parking, or meals) should be coded to "5206 Non-Employee Domestic Travel." Other out-of-pocket expense reimbursements for medication, medical supplies etc. should be coded to "5241 Patient Care Supplies."

Object Code	Description	Use
5206	Non-Employee Domestic Travel	<ul style="list-style-type: none"> <li>▪ Reimbursement of human subject out-of-pocket travel related expenditures</li> </ul>
5241	Patient Care Supplies	<ul style="list-style-type: none"> <li>▪ Purchases of medical supplies (e.g., needles, alcohol wipes, etc.)</li> <li>▪ Reimbursement to human subjects for out-of-pocket non-travel expenses (e.g., medication)</li> </ul>

Use the AP form C-368 or C-368fd to split human subject remuneration and out-of-pocket reimbursement charges between the appropriate object codes. On the petty cash voucher, the types of reimbursement should be detailed and charged to the appropriate object codes. The new C-2 Human Subject Voucher will be helpful when separating the payment as described in the Documentation Standards section.

**Form –C-368 (Multiple Distribution)**

**University of Pennsylvania**  
**Office of the Comptroller**  
**Request for Payment**

VENDOR #   
 PENN ID #  DATE:

Will Call  Wire   
 Attachment  Foreign Draft   
 Federal Express

Faculty/Staff (last 4 digits of SSN) \_\_\_\_\_  
 Student (last 4 digits of SSN) \_\_\_\_\_  
 Other (SSN) \_\_\_\_\_

PAYEE NAME \_\_\_\_\_  
 (Individual) (Last Name) (First Name) (MI)

PAYEE NAME \_\_\_\_\_ Tax Payer Identification # \_\_\_\_\_  
 (Company)

Address 1 \_\_\_\_\_  
 Address 2 \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Line#	Invoice Date (DD/MM/YYYY)	Invoice Number	Amount	26 Digit-Account Number (# of digits in category)							
				CNAC (3)	ORG (4)	BC (1)	FUND (6)	OBJ (4)	PROG (4)	CREG (4)	
1											
			<b>Total Amount:</b>								<b>Auditor Approval</b>

**Business Purpose of Payment (please check one)**

**Taxable Payments to Individuals for:**

Royalties (4919)  Honorarium (5314)   
 Consulting (5302)  Other Services (5319)   
 Consulting Computer (5306)  Subject Fees (5316)   
 Lecture Fees (5313)  Subject List Attached

**Payments to Companies or Reimbursements to Individuals for:**

Conferences (5210)  Telephone (5260), Postage (5269)   
 Subscriptions (5239)  Photography (5275)   
 Supplies – Misc (5249)  Gas (5413), Electric (5410)   
 Advances PI's (5317)  Other (Explain) \_\_\_\_\_

Explanation for Payment: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Approval Section**

<b>Embossed Identification</b>	<b>Signature of Budget Administrator</b>	
	<b>Type Name of Budget Administrator</b>	
	<b>Additional Approval Signatures (if necessary)</b>	
	<b>Mail Code</b>	<b>Telephone</b>
<b>Comptroller's Authorization</b>		

11/06

**Form –C-368fd (Foreign Drafts)**

**University of Pennsylvania**  
**Office of the Comptroller**  
**Request for Payment - Foreign Individuals**

VENDOR NUMBER  DATE:   
 PENN ID #

FOREIGN NATIONALIST  W-9 REQUIRED   
 FOREIGN DRAFT  C-12 REQUIRED   
 FEDERAL EXPRESS

Faculty/Staff (Last Four digits of SS#): \_\_\_\_\_  
 Student (Last Four digits of SS#): \_\_\_\_\_  
 Other (Social Security Number): \_\_\_\_\_

PAYEE NAME (Individual): \_\_\_\_\_  
 LAST NAME FIRST NAME MI.

PAYEE NAME (Company): \_\_\_\_\_ Tax Payer Identification Number: \_\_\_\_\_

ADDRESS 1: \_\_\_\_\_  
 ADDRESS 2: \_\_\_\_\_  
 CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_

Line #	INV. DATE (DD-MMM-YR)	INVOICE NUMBER	AMOUNT	26 DIGIT-ACCOUNT NUMBER(# of digits in category)							
				CNAC(3)	ORG(4)	BC(1)	FUND(6)	OBI(4)	PROG(4)	CREP(4)	
1											
2											
3											
4	TAX DEDUCTED AMOUNT	( )		000	0001	1	000000	2106	0000	4373	
5	TOTAL AMOUNT										
		TAX NET AMOUNT									Auditor Approval

**Business Purpose of Payment (please check one):**

**Taxable Payments to Individuals for:**

Royalties (4919)  Honorarium (5314)   
 Consulting (5302)  Other Services (5319)   
 Consulting Computer (5306)  Subject Fees (5316)   
 Lecture Fees (5313)  Subject List Attached

**Payments to Companies or Reimbursements to Individuals for:**

Conferences (5210)  Telephone (5260), Postage (5269)   
 Subscriptions (5239)  Photography (5275)   
 Supplies Misc (5249)  Gas (5413), Electric (5410)   
 Advances PI's (5317)  Other (Explain) \_\_\_\_\_

Explanation for Payment: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

<b>APPROVALS SECTION</b>		
EMBOSSED IDENTIFICATION	SIGNATURE OF BUDGET ADMINISTRATOR	
	TYPE NAME OF BUDGET ADMINISTRATOR	
	ADDITIONAL APPROVAL SIGNATURES IF NECESSARY	
DEPARTMENT NAME	MAIL CODE	TELEPHONE
COMPTROLLER'S AUTHORIZATION		

**Form –Foreign National Information Form**

**University of Pennsylvania  
Foreign National Information Form**

All applicable questions below must be answered. A copy of your I-94 Card,VISA, Passport and an I-20 / DS-2019 or I-797 must be attached to this form. This form must be returned before any check can be issued by Payroll or Accounts Payable.

**This section is to be completed by Department Representative.**

Purpose for submitting this form:	
<input type="checkbox"/> Employee (mark the appropriate box below) <input type="checkbox"/> New to University <input type="checkbox"/> Change in Visa Status <input type="checkbox"/> Tax Treaty Renewal	<input type="checkbox"/> Independent Contractor/Honorarium (Amount \$ _____) <input type="checkbox"/> Scholarship/Fellowship (Amount \$ _____) <input type="checkbox"/> Other _____ (Amount \$ _____)
Annual Salary \$ _____	Department Contact Person _____
Position Title _____	Email Address _____
Department Name _____	Telephone Number _____ Ext. _____
Campus Address _____	

**The remainder of this form is to be completed and signed by Foreign National.**

1. Last or Family Name			First	Middle	Mr., Mrs., Ms., Dr. (Circle One)
2. Social Security # or Temp ID#			3. Date of Birth		
			_____ / _____ / _____ <small>Month Day Year</small>		
4. U.S. Local Street Address _____			5. Foreign Residence Address _____		
Address Line 2 _____			Address Line 2 _____		
Address Line 3 _____			City _____ Postal Code _____		
City _____			Province/Region _____		
State _____ Zip Code _____			Province/Region Postal Code _____		
Telephone Number ( ) _____			Country _____		
6. Country of Citizenship		7. Country that issued Passport		Passport # / Expiration Date	
8. Visa # ( not the control number)			9. Email Address		
10. Your Current U.S. Immigration Status					
<input type="checkbox"/> U.S. Immigrant/Permanent Resident		<input type="checkbox"/> F-1 Student		<input type="checkbox"/> J-2 Spouse or Child of Exchange Visitor	
<input type="checkbox"/> J-1 Exchange Visitor		<input type="checkbox"/> H-1 Temporary Employee		Other _____	
11. If Immigration Status is J-1, What is the Category?					
<input type="checkbox"/> 01 Student		<input type="checkbox"/> 05 Professor		<input type="checkbox"/> 12 Research Scholar	
<input type="checkbox"/> 02 Short Term Scholar		<input type="checkbox"/> 07 Alien Physician		Other _____	
12. What is the Primary Purpose of your Current Stay in the U.S.?					
<input type="checkbox"/> 01 Studying in a Degree Program		<input type="checkbox"/> 05 Observing		<input type="checkbox"/> 09 Demonstrating Special Skills	
<input type="checkbox"/> 02 Studying in a Non-Degree Program		<input type="checkbox"/> 06 Consulting		<input type="checkbox"/> 10 Clinical Activities	
<input type="checkbox"/> 03 Teaching		<input type="checkbox"/> 07 Conducting Research		<input type="checkbox"/> 11 Temporary Employment	
<input type="checkbox"/> 04 Lecturing		<input type="checkbox"/> 08 Training		<input type="checkbox"/> 12 Here with Spouse	
13. What is the Actual Date you first entered the U.S in your present immigration status?		14. What is the Start Date on your current immigration form (i.e., DS2019, I-20, or I-797, as applicable)?		15. What is the Projected End Date of your present immigration status?	

**University of Pennsylvania  
Foreign National Information Form**

Revised 10/07

**Foreign National Information Form (Contd.)**

The Foreign National Information Form must be completed before you can receive any form of payment.

<p>16. If Student, What Type?</p> <p><input type="checkbox"/> Undergraduate      <input type="checkbox"/> Graduate</p> <p><input type="checkbox"/> Post Graduate      <input type="checkbox"/> Medical Student</p>	<p>17. If Married, is Spouse in U.S.?</p> <p><input type="checkbox"/> Yes      <input type="checkbox"/> No</p> <p>Number of other dependents here, excluding spouse? _____</p>
<p>18. For Independent Contractors/Self-Employed Individuals: Do you/will you have an office (fixed base) in the U.S.?</p> <p><input type="checkbox"/> Yes   <input type="checkbox"/> No    If yes, how many days in this tax year did you/will you have office (fixed base)? _____ Days</p>	<p>19. Country of Tax Residence if Different from Foreign Residence Address:</p> <p>Did tax residency end?      <input type="checkbox"/> Yes      <input type="checkbox"/> No</p> <p>If yes, when?      _____ / _____ / _____</p> <p style="text-align: center;">Month      Day      Year</p>

**Prior U.S. Immigration Activity**

20. Please list all periods of stay in the U.S. during the last 3 calendar years and all F, J, or H visa periods since Jan. 1, 1988:

Date of Entry to U.S.	Date of Exit from U.S.	Visa Immigration Status	J-1 Subtype (if J-1 status)	Purpose of Stay	Have You Taken Any Treaty Benefits?
___/___/___	___/___/___	_____	_____	_____	<input type="radio"/> Yes <input type="radio"/> No
___/___/___	___/___/___	_____	_____	_____	<input type="radio"/> Yes <input type="radio"/> No
___/___/___	___/___/___	_____	_____	_____	<input type="radio"/> Yes <input type="radio"/> No
___/___/___	___/___/___	_____	_____	_____	<input type="radio"/> Yes <input type="radio"/> No
___/___/___	___/___/___	_____	_____	_____	<input type="radio"/> Yes <input type="radio"/> No
___/___/___	___/___/___	_____	_____	_____	<input type="radio"/> Yes <input type="radio"/> No

*Please attach separate sheet, if necessary.*

**Please type form, if possible. Otherwise, print neatly.**



**PLEASE RETURN THIS FORM TO:**  
Payroll Tax Office  
3451 Walnut St Room 310, Philadelphia, PA 19104

I hereby certify that all of the above information is COMPLETE, TRUE, and CORRECT. I understand that if my status changes from that which I have indicated on this form, I must submit a new Foreign National Information Form.

Signature \_\_\_\_\_ Date \_\_\_\_\_

*Revised 10/07*

## **Institution Review Board (IRB)**

All research at the University using human volunteers must be approved by the Institutional Review Board (IRB). The IRB is an independent committee that protects the rights and well-being of research subjects. They review research studies and oversee the ongoing activities of approved research. To learn more on the roles and responsibilities of the IRB visit the Office of Regulatory Affairs web site.

As part of the protocol and informed consent process, the IRB reviews all aspects of remuneration and reimbursement made to human subjects. The review includes the payment amount, the proposed distribution method, and timing of disbursements. The IRB reviews all intended distributions to assure the Investigator has not unduly influenced a human subject to participate in the study. The IRB should be notified if human subjects may be Penn students or employees.

The IRB's approval is limited to the payment and protection of human subjects. The IRB does not have the authority to override University financial policy. The process of paying a human subject must comply with University financial policies and procedure. If there is a need to have a human subject paid in a manner not consistent with the financial policies of the University, contact the Comptroller's Office to see if an exception to the policy may be made.

## **IRS Tax Requirements**

### **U.S. Citizen or Resident Alien**

The University is obligated to report to the IRS all non-Penn employees (U.S Citizens or Resident Aliens) who receive income greater than the annual threshold of \$600. University Policy 2319.1 states the IRS W - 9 form needs to be collected from human subjects if the payment is being processed via the check request C-368 form or if the department is remunerating the subject a cumulative total of \$600 or more in one calendar year by any means. (*Note:* The W-9 requirement applies to all forms of payments. Gift cards, money orders, C-368 forms or petty cash must be considered when determining the \$600 remuneration amount received from the department).

To determine if the study requires a *W-9 to be collected*, read the study's informed consent form and schedule of payments to determine the total remuneration to subjects. Ideally during your budget review you should remind the CRC if W-9's are required for the individual study.

The W-9 forms will be forwarded to Account Payable, who will track cumulative payments to individuals based on social security number (SSN). To calculate an individual's total income from the University for one calendar year, Accounts Payable will match an individual's SSN with all payment types, including: C-368 forms, cash from a petty cash fund, money orders, gift cards, and any distribution with a monetary value. Throughout the calendar year, Accounts Payable will track human subjects' accumulated remuneration/income. Though Accounts Payable will do the tracking, use of the C-2 Human Subject Voucher will ease the administration burden of this process. (*Note:* Reimbursements for out-of-pocket expenses are generally not reportable to the IRS for U.S. Citizens and Resident Aliens). The last four digits of the social security number are requested on the C-2 *Human Subject Voucher* form, even if the W-9 is not collected.

## Non Resident Alien

Non Resident Aliens receiving payments via C-368fd form OR receiving remuneration and reimbursement of \$100.00 or more in one calendar year requires the following documentation:

1. Foreign National Information Form (FNIF)
2. Copies of Visa, Passport, I94 card, and
3. Valid ITIN (Individual Tax Identification Number) or SSN.

(*Note*: Reimbursements for out-of-pocket travel expenses are reportable to the IRS for Non Resident Aliens).

Tax identification is not necessary for one time payments given via petty cash, money orders, and gift cards under \$100.00 in one calendar year. However, if you are distributing multiple small payments to Non Resident Aliens via petty cash, money orders, and gift cards which cumulate \$100.00 in one calendar year, the FNIF form is mandatory.

## Confidential Subject Information

Many investigators feel it is unnecessary or a breach of the research subject's privacy to collect and distribute SSNs; however, we are obligated by law to collect and report human subjects' income without breaching their privacy. The IRS receives the recipient's name, identification number (SSN or ITIN), street address and total income from the Trustee's of the University of Pennsylvania. The information provided to the IRS does **not** identify the recipient as a study participant or the purpose of the payment.

Nevertheless, there are still privacy and confidentiality issues; therefore, the entire department is responsible for maintaining human subjects' confidentiality. Since the *W-9 and FNIF* contains the individual's SSN or ITIN and other potentially sensitive data, it should be protected. The best way to protect sensitive data is to send the *W-9/ FNIF* to Accounts Payable. Sensitive data should **not** be retained in the grant file and does **not** need to be kept in the business office, or the custodian's file for the department's historical financial records. For audit purposes, the *C-2 Human Subject Voucher* is adequate documentation for the custodian's records. If it is necessary to verify *W-9 or FNIF* documentation during an audit, the auditor can visit Accounts Payable or review clinical records.

In addition, sensitive data should **not** be kept on a local desktop, laptop, or any other computing device. If a human subject will require future payments within the same calendar year there is no need to retain a copy of the sensitive information on file at the department level. All historical records with sensitive data must be shredded.

## Communication to Human Subjects

Communication to human subjects for any reason, financial follow up or audits needs to be communicated in the following descending order of preferences:

1. by the principal investigator or clinical research coordinator with a relationship to the human subject;
2. by departmental business office with written approval from the principal investigator; or
3. by written correspondence with IRB approval when both of the other two alternatives are impractical.

## Documentation Standards

### Human Subject Voucher

The *C-2 Human Subject Voucher* is required for all types of payments and disbursements. The information collected on the form will allow the CRC, the business office, and the comptroller's office to carry out their individual responsibilities.

The CRC is responsible to certify the C-2 form indicating the human subject is eligible for payment based on the requirements outlined in the approved protocol. **The business office is responsible for ensuring that funds are available and approvals have been made.** The form can be found in several locations on the Penn website. Just search using the key words: **Human Subject Voucher.**

**.FORM: C-2 Human Subject Voucher**

**University of Pennsylvania  
C-2 Human Subject Voucher**

This subject will receive \$600 or more this calendar year.  
 Payment will be issued by check.  
 This study does not have an IRB waiver of HIPAA.

**To be completed if any of the boxes above have been checked:**

Subject's Last Name \_\_\_\_\_  
 Subject's First Name \_\_\_\_\_  
 Last 4 digits of SS# \_\_\_\_\_

Check if subject is an employee of UPHS, CPUP, UPenn

Fund # \_\_\_\_\_  
 IRB Protocol # \_\_\_\_\_

**Please check one**  
**For U.S. Citizens or Resident Aliens**

Current calendar year W-9 attached  
 W-9 previously submitted  
 No W-9 required – calendar year payment is less than \$600

**For Non Resident Aliens**

Attach Foreign National Information Form

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Description of Visit (use descriptive type: e.g., visit 3 of 6, 6 month follow-up):  
 \_\_\_\_\_

Dollar amount of Remuneration \$ \_\_\_\_\_ 5316 (Human Subject Payments)

Dollar amount of out-of-pocket expenses – list types separately and attach receipts:

Travel/Meals (specify) _____	\$ _____	5206 (Non-Employee Travel)
Travel/Meals (specify) _____	\$ _____	5206 (Non-Employee Travel)
Other _____	\$ _____	5241 (Patient Care Supplies)
Grand Total	\$ _____	

CRC Name (please print) \_\_\_\_\_

CRC Signature \_\_\_\_\_ Date \_\_\_\_\_

This signature certifies the human subject listed above is eligible for payment having fulfilled all requirements outlined in the approved protocol.

Check one box:

Subject received cash totaling \$ \_\_\_\_\_

No payment received, check to be processed

Subject received \$ \_\_\_\_\_ in the form of a  gift card  money order  other \_\_\_\_\_

Subject Signature \_\_\_\_\_ Date \_\_\_\_\_

If no signature is obtained, an explanation is required.

Business office use only:

Advance reference # \_\_\_\_\_

26-Digit Account Number

CNAC	ORG	BC	FUND	OBJECT	PROG	CREF	\$ Amount
_____	_____	_____	_____	5206	_____	_____	\$ _____
_____	_____	_____	_____	5241	_____	_____	\$ _____

form C-2 Human Subject Voucher (refer to financial policy #2319.1 *Payment to Human Subjects*)

## Payment Methodology

### Payments – University Checks

All distribution to human subjects over \$100.00 **MUST** be processed through accounts payable via form C-368 for U.S Citizens and Resident Aliens OR form C-368fd for Non Resident Aliens. This process may also be used for amounts under \$100.00. To issue a check to remunerate a human subject for study participation, the following forms must be completed:

- *C-2 Human Subject Voucher*
  - Receipts to support the out-of-pocket expenditures, and
  - Either *C-368 Request for Payment* with W-9 (if applicable)
- OR
- *C-368fd Request for Payment – Foreign Individual* with Foreign National Information Form, Copies of Visa, Passport, I94 card and valid ITIN or SSN (if applicable)

Human subjects must provide their name, address, and SSN and sign the *W-9 form*. *W-9s* are required for all “new” human subjects (Citizen and Aliens) to be established in the Accounts Payable system. In addition, a new *W-9* is required at the beginning of each calendar year. Once a *W-9* is on file for a calendar year, **no** additional copies are necessary. Non Resident Alien human subjects are required to complete Foreign National Information Form and provide Copies of Visa, passport, I94 card, and valid ITIN or SSN to be established in the Accounts Payable system.

The coordinator then completes the C-368 or C-368fd request and *C-2 Human Subject Voucher* with the subject's information as well as the protocol ID number, patient ID number, and payment description. All forms should be submitted to the business office for approval. When the business office receives the forms, it will review, approve, and forward the documentation to Accounts Payable. Typically, checks will be processed and mailed directly to the human subject within four to six weeks.

### Payments – Cash through Petty Cash

If the payment is equal to \$100.00 or lower, cash may be obtained from the department's petty cash fund. **The business office is responsible for ensuring that funds are available and approvals have been made.** Therefore, the business administrator (or custodian of the petty cash account) should be notified during the budget planning period, so he/she can determine whether the account balance needs to be adjusted to meet the demand. Payments over \$100.00 per occurrence **CANNOT** be made by petty cash. Splitting the payment over two vouchers for one occurrence is a violation of University policy, and a petty cash account will be closed as a result of circumventing the policy.

Petty cash payments for U.S.Citizens and Resident Aliens require a *W-9 form* if cumulative remuneration to one human subject will total \$600 or more in one calendar year. Though only one *W-9 form* is needed per calendar year, the last four digits of a human subject's SSN is requested on each *C-2 Human Subject Voucher* for tracking purposes.

Petty cash payment for Non Resident Aliens requires 1) Foreign National Information Form 2) Copies of Visa, Passport, I94 Card 3) Valid ITIN and SSN if cumulative remuneration and reimbursements to one human subject will total \$100.00 or more in one calendar year.

All cash payments must be documented. Required documentation includes the following:

- *C-2 Human Subject Voucher*,
- Receipts for out-of-pocket expenditures, and

If applicable either Form *W-9* for *U.S. Citizens and Resident Aliens* OR Foreign National Information Form, Copies of Visa, passport, I94 card and valid ITIN or SSN for *Non Resident Aliens*.

### **Other Distributions with a Monetary Value**

Some studies provide other forms of monetary remuneration to their participants, such as gift cards, money orders, or other distributions with a monetary value. These forms of payment are still considered remuneration, and all the same documentation and approval rules apply. (**Note:** These types of purchases cannot be made through the petty cash fund.)

There is \$100.00 upper limit on the amount you may distribute to a human subject per occurrence using these other monetary types of payment. This limit is spelled out in the revised University financial policy 2319.1. Please be familiar with these limits, the best time to review for these limits are during the budget planning for the protocol. Make sure to get a copy of a blank, IRB-approved *Informed Consent* form and match the payment amount in the consent to the proposed budget and policies.

Each distribution of non-monetary remuneration must be documented. Required documentation includes the following:

- *C-2 Human Subject Voucher*, which properly documents the money order, gift card, or other distribution, and
- If applicable either Form *W-9* for *U.S. Citizens and Resident Aliens*, OR Foreign National Information Form, Copies of Visa, passport, I94 card and valid ITIN or SSN for *Non Resident Aliens*.

*W-9*'s or *FNIF* is still required for these forms of monetary remuneration. The type of payment does not determine IRS filing requirement. The IRS considers all remuneration taxable income. Therefore, if cumulative payments to a single human subject will total \$600 or more in one calendar year, the first payment of the calendar year will require a *W-9* for *U.S. Citizens and Resident Aliens*. For *Non Resident Aliens* if cumulative payments to a single human subject will total \$100.00 or more in one calendar year, the first payment of the calendar year will require a Foreign National Information Form, Copies of Visa, passport, I94 card and valid ITIN or SSN.

### **Non-Cash Reimbursements**

If distributing expense vouchers, such as parking coupons or SEPTA tokens, each distribution must be documented. Documentation should include the date of service, the protocol number, and the individual who received the reimbursement. To document distribution, it is recommended that the CRC uses the *C-2 Human Subject Voucher*. Another practice could be to create a distribution log to document the type of reimbursement (e.g., a token), the human subject's name and identification number, the protocol number, and the date. This documentation would ideally include the subject's signature.

All reimbursements to human subjects made by bulk purchases must be coordinated with the business office (e.g., 100 Septa tokens, pre-paid parking vouchers, etc.). If up-front bulk purchases are for a federally sponsored study, the initial purchase cannot be charged directly to the federal fund. These bulk purchases can only be expended to federally funded studies once the item has been distributed to the human subject. This means the business office and CRC must coordinate efforts to ensure the initial

purchase is properly accounted for and to record the distribution of the vouchers as expenditures to the fund source once occurred.

### **Petty Cash Advances for Human Subjects**

In some instances human subjects will visit a remote location where the custodian is not present. For these cases, the department may advance petty cash *only* for payment to human subjects to be reconciled within **48 hours**. The following guidelines must be followed in order to obtain a petty cash advance to pay human subjects:

- The clinical research coordinator (CRC) can pick up cash at the designated times from the custodian.  
  
*Note:* Before any additional cash can be distributed all advances must be reconciled.
- The CRC and the custodian must complete and sign a **Petty Cash Advance for Human Subject Payments** form.
- *Note:* All *Petty Cash Advance for Human Subject Payments* forms should have a reference number assigned. The custodian will assign the reference number using the following numbering convention: the date of the advance (MMDDYYYY) and the CRC's first and last initials. For example, on July 8, 2006 the petty cash advance would be referenced as 07/08/2006-SW.
- The CRC must complete a **C-2 Human Subject Voucher** form for each distribution from the advance.
- Human subjects are required to sign and date the *C-2 Human Subject Voucher* to certify receipt of cash.

The CRC must return all necessary documents (C-2 Human Subject Voucher, if applicable W-9 or Foreign National Information Form, Copies of Visa, passport, I94 card and valid ITIN or SSN.) and any unused cash to the custodian within 48 hours enable the custodian to reconcile the petty cash advance.

- The CRC must print, sign, and date the *Petty Cash Advance for Human Subject Payments* to certify reconciliation was completed.
- The custodian must reconcile all cash advances prior to dispensing any additional funds to the CRC.

**FORM: Petty Cash Advance for Human Subject Payments**

Reference # \_\_\_\_\_

**University of Pennsylvania**  
**Petty Cash Advance for Human Subject Payments**

*To be completed by the custodian, witnessed by the recipient of advance, usually a Clinical Research Coordinator.*

Fund # \_\_\_\_\_  
IRB Protocol # \_\_\_\_\_

ORG # \_\_\_\_\_  
Advance \$ \_\_\_\_\_ 5317 (Advance Subject Compensation)

*I certify the receipt of petty cash for the purposes of distribution to human subjects on the above referenced protocol and grant. I am personally responsible for the reconciliation and return of any cash not dispensed. I agree to reconcile and return unused petty cash within 48 hours of distribution.*

Recipient's Name\* (please print) \_\_\_\_\_ Penn ID# \_\_\_\_\_  
Recipient's Signature \_\_\_\_\_ Date \_\_\_\_\_  
*\*Recipient of advances must be the Clinical Research Coordinate distributing cash to the human subject.*

Custodian's Signature \_\_\_\_\_ Date \_\_\_\_\_

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**Reconciliation of Advance and Return of Unused Cash**

*To be completed by custodian, witnessed by the recipient of the advance.*

Number of human subject vouchers received \_\_\_\_\_

Total Cash Disbursed	\$ _____
Cash Received	\$ _____
Total Reconciled	\$ _____
Amount Advanced	\$ _____
Variance	\$ _____

**Certify Return of Documentation and Reconciliation of Advance**

Recipient's Name (please print) \_\_\_\_\_ Penn ID# \_\_\_\_\_  
Recipient's Signature \_\_\_\_\_ Date \_\_\_\_\_  
Custodian's Signature \_\_\_\_\_ Date \_\_\_\_\_

### Frequently Used Object Codes for Human Subjects in Research

<b>Object Code</b>	<b>Description</b>	<b>Use</b>
5316	Human Subject Payments – Direct	▪ Direct remuneration payments to human subjects (not to be used for reimbursement of out-of-pocket expenses)
5206	Non-employee domestic Travel	▪ Reimbursement of human subject out-of-pocket travel related expenditures
5241	Patient Care Supplies	▪ Reimbursement to human subjects for out-of-pocket non-travel expenses (e.g., medication)

### Additional References

For questions or further information on research subject cost, please contact the appropriate office:

**Office of Human Research**

215-746-7400

<http://www.med.upenn.edu/ohr/>

**Office of Research Services**

215-898-7293

<http://www.upenn.edu/researchservices/>

**Comptroller's Office**

215.898.7593

<http://www.finance.upenn.edu/comptroller/>

**Office of Regulatory Affairs**

215-898-0082

<http://www.upenn.edu/regulatoryaffairs/>

**Corporate Tax Office**

215-898-8967

<http://www.finance.upenn.edu/comptroller/tax/>