

## **Important Changes to Processing Research Participant Payments**

Finance and Accounting is exploring ways to improve the process for paying research participants. As part of our efforts to improve the process for paying participants, Finance and Accounting solicited feedback from interested parties on campus on how the payment process could be improved. Feedback we have received from departments and researchers indicate that the current options can be cumbersome and ineffective. As a result, we have committed to developing a new solution for research participant payments.

Although the Research Participant Payment project is still in development, we wanted to make those changes that we could to improve the process as soon as possible. To that end, the following changes will be effective **January 1, 2012**:

- **Payments to UF Employees:**

Payments to UF employees participating in UF research studies will no longer be processed through payroll. Instead, UF employees will be paid in a manner consistent with other participants in research studies.

One of the concerns campus consistently raised was the payment process via payroll of UF employees who participate in research studies. This requirement resulted in inconsistent treatment among participants, fringe benefit pool charges being assessed to the departments, and a very tedious payment process. With the new process, all participants will receive the same payment type when compensated.

- **Collection of Social Security Numbers:**

In addition, researchers are no longer required to collect social security numbers for studies in which participants are paid \$25 or less per study.

Researchers indicated that participants are reluctant to provide their social security numbers for studies in which a nominal payment is received. Currently, UF policy requires that social security numbers be collected and securely maintained for all research participants who receive monetary compensation (i.e., cash, gift cards, prepaid debit cards, or checks) for their participation in a study.

This information is necessary to enable the University to comply with IRS Form 1099 reporting requirements to the Internal Revenue Service.

Once the implementation of the Research Participant Payment project is complete, Finance and Accounting will have a more comprehensive means of tracking participant payments and as a result, collecting social security numbers for studies with nominal payments is no longer deemed necessary.

Please note that the \$25 cutoff is *per study*, not *per payment*. For example, participants scheduled to receive three \$10 payments over the course of the study would be required to provide their social security numbers as the total amount of the payment to each participant in that study is in excess of \$25. Regardless of the amount of payments, participants will still be required to provide their name and address.

**Significant policies that do not change:**

- Payments Greater Than \$600:  
Any studies that anticipate paying a research participant \$600 or more per calendar year must be paid via checks through the Accounts Payable system. This is required to ensure appropriate 1099 reporting for the participants.
- Payments to Non-Resident Aliens:  
Also, this change does not impact payments to non-resident aliens (NRAs). All research participant payments to non-resident aliens, regardless of whether they are UF employees, will continue to be paid through the payroll system. The payroll system provides the only method of complying with the withholding and reporting requirements for payments to non-resident aliens.

We hope the introduction of these changes will help streamline the process for researchers and UF departmental fiscal staff alike. If you have any questions about these changes, please do not hesitate to contact Laura Ling Donovan at [lbling@ufl.edu](mailto:lbling@ufl.edu) or (352) 273-0493.