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Subject: Exemption to UMS policy

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Whenever employees, students or non-employees receive cash or cash equivalent payments, it has been a requirement at The University of Southern Maine that the recipient's taxpayer identification information be collected via one of the following forms: W-9 (non-employees), and W-4 (University employees) The University of Southern Maine (USM) requests that the following exemption be made to UMS policy:

Exempt from this policy are research study or project participants receiving cash-equivalent incentives of less than \$100, where the research study or project has been determined to be "confidential" by ORIO.

Background: Providing small incentives to research study or project participants is a common and accepted practice in research studies involving human participants and projects involving certain populations. Small incentives are used to maximize participation and retention of targeted populations and thereby enhance the quality of the research or project, as well as offering appreciation of the contribution to the research or project made by the study participant.

In a limited number of research studies or projects done at USM, issuing a University check to a study participant or certain project participants presents confidentiality issues and may adversely impact the results of the study or project. The privacy of the participant must be protected and the confidentiality of the data must be maintained to successfully conduct the study.

In these limited instances, USM would like to provide small incentive payments to research and project participants in the form of gift cards without the University requirement to collect the recipient's taxpayer identification information via the following forms: W-9 (non-employees) and W-4 (University employees).

Based on cash-equivalent incentives given in 2008, if one individual was eligible to receive all cash incentives provided for confidential studies, payments to the participant would be less than \$600 in a calendar year – the amount in which the University is required to report payments to the individual to the IRS.

At USM, this practice affects a small number of research studies (5-6) and an average of 190 participants per year. The total number and value of cash-equivalent incentives to research study

participants in 2008 included: \$10 gift cards (20 participants), \$25 gift cards (15 participants), \$30 cash (5 participants), \$50 cash (150 participants), for a total of \$8,225 across all participants. Some of the gift cards were raffled off to a larger initial pool of study participants, and one study raffled off one property item, an iPod (\$150 est. value) or a \$50 iTunes gift card. The hypothetical maximum for any individual, who somehow participated in ALL the research studies AND won ALL the raffled items would be \$285 for the year.

Controls and Oversight: USM offers the following procedures to assure that the proposed exemption will be managed appropriately and effectively.

1. Budget control: The Office of Sponsored Programs verifies that incentives to research study and project participants are allowable costs of the proposed research study (as determined by the sponsor), and have been budgeted accordingly. OSP will advise investigators preparing new research or project proposal budgets of the maximum value and nature of incentives to research study or project participants that are permissible under the W-9 and W-4 policy exemption.
2. Research Study oversight: The Office of Research Integrity and Outreach (ORIO) certifies and monitors that the incentives are appropriate to the study, and that the research study or project participants have been provided all consent and confidentiality measures prescribed in the approval for the particular study.
3. Campus authority: When a research study is presented to ORIO for review/approval, ORIO will classify the study in one of two categories: confidential – incentive via gift card is permitted, or non-confidential – incentive must be paid via University check.

ORIO assigns a Protocol IRB# to the study and provides a Notice of Evaluation to the individual facilitating the research study or project. This classification of “confidential” or “non-confidential” will be included in the Notice of Evaluation provided by ORIO to the individual facilitating the research study or project.

If the study or project is classified as “confidential – incentive via gift card permitted”, the following process should be followed to request the gift cards:

A requisition should be created in MarketPlace using the Check Request form. A copy of the Notice of Evaluation should be attached as an internal attachment on the requisition.