

**The University of Texas Rio Grande Valley**  
**Confidential/Anonymous Research Subjects Gift Card Purchase Waiver Request**  
**(If NOT Confidential/Anonymous, regular University procedures and forms should be used)**

Gift Cards are considered the equivalent of cash. By requesting University approval to purchase gift cards for Confidential/Anonymous Research Subjects, I agree to comply with the processes outlined in Payments to Research Subjects (Page 3) and I agree or acknowledge the following:

\*I agree to comply with all University rules, procedures, and policies concerning gifts and awards.

\*I will safeguard the gift cards by securing them in a locked desk, locked cabinet, or locked safe until they are distributed.

\*I agree to reimburse the University for lost or stolen cards.

\*I agree to provide a Tax Notice to all confidential/anonymous research subjects, so that they are aware of the tax implications of the gift cards they receive.

\*I agree that gift cards must be distributed within **60** days of purchase. I will not purchase "extra" gift cards for future distribution. Gift cards not distributed cannot be kept for future use (longer than **sixty days**) as they would be considered petty cash. If gift cards are NOT distributed within thirty days, they will be considered a personal purchase.

\*I agree to reimburse the University for the purchase of gift cards that are determined to be personal purchases.

\*I acknowledge that gift cards given to students could be considered Financial Aid. I agree to contact the Financial Aid Office to understand the rules regarding gifts and awards to students.

***In the event of non-compliance with the above acknowledgements and agreements, your Dean or Director, the Internal Auditor, and Human Resources will be notified and asked to follow up and take the appropriate actions for compliance.***

Title of Approved Research Protocol: \_\_\_\_\_

IRB Number: \_\_\_\_\_

#of Gift Cards Being Purchased: \_\_\_\_\_ Individual Value of Each Card: \_\_\_\_\_ Total Value of Gift Cards: \_\_\_\_\_

Investigator Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Investigator Email Address: \_\_\_\_\_

*Submit this Waiver Request form to the Manager of the Office of Research Compliance (ORC) for approval. (If externally funded, the Manager of ORC will then forward form to the Director of Grants & Contracts for final approval). Please attach a copy of your IRB approval letter and the sections of your approved protocol that describes compensation to research subjects, as well as sections stating the study must be kept confidential/anonymous.*

ORC Manager Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Director of G&C Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**FAQ and Instructions for:**  
**Confidential/Anonymous Research Gift Card Purchase Waiver Request**

***1) What happens if I want to provide gift cards as compensation for participation in a confidential/anonymous study and I am unable to collect tax information from the participant?***

Gift Cards for Confidential/Anonymous Research Subjects may be allowed, but must first be approved by the Manager of the ORC and the Director of G&C. To seek approval, submit the Confidential/Anonymous Research Subjects Gift Card Purchase Waiver form, to the Manager of the ORC. Please note that your IRB approval letter and the sections of your approved protocol that describes compensation to research subjects, as well as states that the study must be kept confidential/anonymous must be attached with the waiver request.

***2) Where can I find information or an FAQ regarding Gifts, Prizes and Awards?***

This information can be found at the following web site: <http://www.UTPA.edu/irb>.

***3) If this waiver request is granted for gift cards to be disbursed to individuals participating in a confidential/anonymous study, what other paperwork do I need to fill out?***

Research Subject payments should be documented by a prenumbered receipt book or equivalent method designed to uniquely identify each payment.

***4) After this waiver is approved, is there a dollar limit on the each gift card given out?***

The limit is \$50. If the gift cards are \$50.01 or more per recipient, or if recipient is a non-US Citizen, non-Legal Permanent Resident (regardless of the amount paid), tax information must be collected so that this information can be reported on IRS Form 1099.

***5) What if I need longer than 60 days to give out the gift cards after I have purchased them?***

Please provide the number of additional days needed (up to 30 days), as well as, proper justification for this need and obtain approval from the Director of Grants & Contracts.

***6) What are the tax implications for payments to the research subjects participating in a confidential/anonymous study and receiving a gift card as compensation?***

Please provide each recipient with a "Tax Notice to Study Subjects," so that they are aware that the gift card they are receiving should be considered taxable income on their yearly tax return. This form can be found at [www.utpa.edu/irb](http://www.utpa.edu/irb).

***7) How will the University report taxable income?***

A gift card of any amount given to a participant in a confidential/anonymous research study is taxable income to the participant. For research studies that have undergone review, the University has determined that it will not report gift card income for confidential/anonymous research subjects receiving \$50 or less on IRS Form 1099, due to the confidential/anonymous nature of data collected on these research studies and inability to obtain participant tax information. The participants will receive a "Tax Notice" so that they will be made aware that this gift card should be considered taxable income on their annual tax return. If the gift cards are \$50.01 or more per recipient, or if the recipient is a non-US Citizen, non-Legal Permanent Resident (regardless of the amount paid), tax information must be collected, so that this information can be reported on IRS Form 1099.

## Procedure for Payments to Confidential/Anonymous Research Subjects

This establishes the procedure and method of payment to Confidential/Anonymous Research Subjects at The University of Texas Rio Grande Valley (UTRGV), including internal Revenue Service (IRS) tax reporting requirements. This applies to all confidential/anonymous research protocols that provide compensation to Research Subjects. It is the responsibility of the investigator to take the appropriate steps to maintain the confidentiality of the research subjects when making payments and to comply with IRS and University reporting requirements.

### A. Policy Statement

1. Approval.  
All confidential/anonymous research protocols involving Research Subjects require prior approval from UTRGV's Institutional Review Board (IRB).
2. Taxable Income.  
All payments to Research Subjects are considered "compensation" for time and inconvenience and are considered taxable income to the recipient per the Internal Revenue Code. The Research Subject must be provided a notification, regardless of the dollar amount to be paid during the calendar year, informing the individual that any cash payments, gift certificates/cards, money orders and or non-cash items that are received in exchange for being a participant in a research protocol, or survey, are taxable income.
3. Tax Reportable.  
Tracking of Research Subject payments is required for IRS 1099 reporting purposes for protocols that pay each confidential/anonymous study subject more than \$50 in gift cards, cash of any amount and non-cash items over \$50. In this case, the recipient information shall be collected for tax reporting purposes.  
  
Also, IRS requires the reporting of taxable income paid to non-US Citizens, non-Legal Permanent Residents, regardless of the amount paid. In this case, the recipient information shall also be collected for tax reporting purposes.
4. Not Tax Reportable.  
Subject to the above, tracking of Research Subject payments for 1099 reporting purposes is not required for IRB approved protocols once the "Confidential/Anonymous Research Subjects Gift Card Purchase Waiver Request" is approved. The participant must be given a "Tax Notice" so that they are aware of the tax implications of the gift card they receive.
5. Internal Controls.  
Internal Controls over Research Subject Payments are required at all times. Each confidential/anonymous research protocol must provide for the proper safeguarding of gift cards, cash or non-cash items:
  - a. *Securing.*  
Gift cards, cash or non-cash items should be secured at all times (e.g. locked box in a locked cabinet or drawer).
  - b. *Permissible Use.*  
All payments to confidential/anonymous research subjects must be done in accordance with the approved IRB protocol.
  - c. *Custody.*  
A single individual must be designated custodian of the gift cards, cash or non-cash items. Custody may be transferred temporarily from the primary custodian to other departmental personnel for purposes of

dispensing Research Subject payments. Any change in custodian must be reported to the Director of Grants & Contracts, or a designee.

*d. Tracking of Research Subject Payments.*

Research Subject payments should be documented by a prenumbered receipt book or equivalent method designed to uniquely identify each payment. Standard receipt books are a two-part form available at office supply stores. Another option is to fill out the "Participant Disbursement Log" found at [www.utpa.edu/irb](http://www.utpa.edu/irb). Information to be included on each receipt shall include at a minimum: (i) Study subject name or ID (the research subject ID is any number assigned by the department to identify the individual in order to protect their confidentiality), (ii) Date, (iii) Purpose of the payment, (iv) Serial number applicable to gift card, (v) Payment Amount, and (vi) Initialed by the study subject.

*e. Lost.*

Employees are held responsible for any gift cards in their possession that are lost or misplaced. Any shortage must be reported immediately to the Director of Grants & Contracts, or a designee and the campus police department.

6. Methods of Payment

The methods of payments are Gift Cards or Non-Cash items.

**B. Procedures**

1. Payment to Research Subjects by Gift Cards

- a. If payment to Confidential/Anonymous Research Subjects is to be made by gift cards, approval must be obtained from the Manager of the ORC who will forward to the Director of Grants & Contracts for approval prior to making any payments to Research Subjects.
- b. Researchers must complete a "Confidential/Anonymous Research Subjects Gift Card Purchase Waiver Request" form and submit the form to the Manager of the ORC who will forward to the Director of Grants & Contrcats for approval. The IRB protocol section that describes compensation to research subjects, and the IRB Approval Letter must be attached to the Waiver Request Form.
- c. Once the Waiver Form is approved, gift cards may be given out to participants for \$50 or less per participant. If an amount over \$50 is necessary or if the participant is a non-US Citizen, non-Legal Permanent Resident, the participant's tax information must be obtained and forwarded to the Tax Office.

2. Payment to Research Subjects by Non-Cash Items

- a. If payment to Research Subjects is to be with Non-cash items, such as a t-shirt or mug, no tax information needs to be obtained from the participant for those items less than \$50 in value. Nevertheless, a participant recipient log must be kept in file.
- b. For non-cash items with a value over \$50 or if the participant is a non-US Citizen, non-Legal Permanent Resident, the participant's tax information must be obtained and forwarded to the Tax Office.