Financial Compensation & Incentives Guidance

If you will be providing your participants compensation or incentives, please review these guidance tips. IRB oversight of research compensation is to ensure that compensation paid to research subjects is fair and does not create undue pressure (coercion) for the volunteers to participate.  
  
Please review the policy on Research, Survey and Other Research Related Incentives in the [Financial Policy and Procedure Instructions Manual](http://busfin.colostate.edu/Forms/FRP/Expense_Revenues/FPI_2-10_Research_Survey_Other_Related_%20Incentives.pdf) on the Business and Financial Services (BFS) website.

* If participants will be given cash or gift cards as part of a research project, the participants will need to know what information will be collected for payment purposes and who will see their personal information. For example, will your department’s accounts payable office receive a report and/or could the University’s accounts payable office conduct an audit? A statement should be added to the consent form in the confidentiality section: “Your identity/ record of receiving compensation (NOT your data) may be made available for an audit by CSU officials for financial audits.”
* If a participant will receive $600 or more *in a calendar year*, they will need to submit a W-9 form to the IRS.
* If a social security number is required for payment, clearly state this in the consent form and explain how the number will be kept confidential and when it will be destroyed.
* Payments should reflect the degree of risk, inconvenience, or discomfort associated with participation. Compensation should not be so large as to persuade participants to consent to the research against their better judgment.
* Compensation is provided to the participants for their time spent and inconvenience to the participants. Items such as t-shirts, mugs and food are also considered compensation.
* Information regarding compensation should be included in the research protocol (on the General Checklist and in the compensation section in the eProtocol form) as well as in the consent document for the participant.
* Prorating (i.e., dividing or distributing a sum of money proportionately) is especially necessary for projects that include multiple interactions and possible discomforts, stress or risks. Payments to subjects should be prorated as the study progresses and not be contingent upon the subject completing the entire study.
  + If a participant is involved in more than one event/session, they should receive payment accordingly. For example, if compensation is $75 for 3 sessions and the participant only completes session 1, the participant should receive $25 for their participation.
  + Prorating compensation is required for FDA sponsored studies.
  + A small proportion as an incentive to help ensure participants complete the research is allowable. For example, if the participant is paid $25 for visit 1; $25 for visit 2; the participant could be paid $50 for the third and final visit.
  + Prorating is not needed for minimal risk studies/activities or minimal amounts of compensation.