

**Robert Morris University**  
**Research Participation Payment Policy and Procedures**  
**Effective: May 14, 2020**

**OVERVIEW:**

Robert Morris University (“RMU” or the “University”) research projects, in certain circumstances, may compensate **non-University employee individuals** (“research subjects”) for their participation in a research project.

Reimbursements for travel or other costs are not included under this policy. See University Policy: [Travel and Business Expense](#).

The University is responsible for properly accounting for all payments made to individuals to ensure fiscal accountability and meet all reporting obligations, including those of the U.S. Internal Revenue Service (IRS).

This policy is designed to provide documentation and reporting guidance to University faculty & staff involved in processing such payments. This policy also lists circumstances where research subject compensation is impractical given the administrative burden.

The IRS treats research subject payments – checks, cash, gift cards or other items of value – as taxable income to the recipient. IRS reporting requirements for the University depend on the amount paid and the recipient’s tax status.

- For U.S. Citizens or Resident Aliens, the University is required to report the Name, Address, and Tax ID (Social Security Number) of any individuals who receives payments of \$600 or more in a calendar year.
- For Non-Resident Aliens, the University is required to report the payments, regardless of amount of payment, and withhold 30% tax liability from the payment.

**POLICY & PROCEDURE:**

Faculty & staff, who have the authority for authorizing payments to research subjects, should use the appropriate payment method & procedure based on the following:

- **For U.S. Citizens or Resident Aliens:**
  - The preferred method of payment (for any amount) is with a University check whereby the recipient completes [IRS Form W-9](#).
    - The Check Requisition, including IRS Form W-9, are to be provided to Accounts Payable prior to processing the payment.
  - Payments via gift card are permitted **only** in the following circumstances:

- The sponsor of the research project permits gift cards to be purchased under their award
  - Payments are to a U.S. Citizen, or a Resident Alien, in an amount less than \$50 individually, and not to exceed \$600 in the aggregate, for any calendar year
  - A detailed record of each payment must be maintained by the faculty and staff. The log at a minimum must include:
    - Recipient's name
    - Recipient's address
    - Payment issue date
    - Gift card value
  - A copy of this log must also accompany the receipt for the transaction (e.g., a P-Card transaction in Intellilink, an expense reimbursement submission in Unit 4, or a University check request)
  - Payments via cash or other items of value are not permitted
- **For Non-Resident Aliens:**
- Payments via gift cards, cash or any item of value to non-resident aliens are not permitted
  - Payments of amounts less than \$100 (via University check, gift card, cash or any item of value) are not permitted as it is impractical given the administrative burden to track, withhold and remit 30% tax liability from the payment
  - Payments greater than \$100 may only be processed with a University check and the recipient must complete [IRS Form W-8BEN](#).
    - The check requisition, including IRS Form W-8BEN, are to be provided to Accounts Payable prior to processing the payment.
- All payments must be supported and accompany the payment record (including Gift Card Payment Log, if applicable). Documentation must be created, submitted and retained by the faculty or staff person responsible for authorizing the payment.