

## Policy

### **Research and Non-Research Projects Payment Policy**

In accordance with UTTC Employee Handbook Section 5-7 "Honoraria, Stipends, and Human Subjects Research Incentives", this policy is designed to provide guidance and a procedure to Primary Investigators, and designees, involved in processing payments made to individuals (participants) participating in research or non-research projects.

Payments made to participants for research or non-research projects are considered taxable payments for services and are subject to IRS income reporting requirements. The College must report to the IRS all payments made to any participant in any single calendar year that aggregate to \$600.00 or more. The College must report to the recipient all payments made to them in any single calendar year that aggregate to \$600 or more on IRS Form 1099-MISC (for US citizens and permanent residents).

All payments made to any participant (regardless of purpose) must be supported by complete and relevant support documentation, including Consultant Agreements and Consultant Claim Statements, if applicable. However, documentation requirements may vary depending on the dollar thresholds or other circumstances. The Finance Department considers the collection of name, address, Social Security Number (SSN), and signature to be an appropriate business practice that provides for identification of a recipient of College funds. SSNs are required in the event payment thresholds are exceeded, and recipient receives an IRS Form 1099-MISC.

- The Primary Investigator (PI), and designees, is responsible for payments processed to Research and Non-Research participants.
- Authorization of payments is submitted on an Electronic Purchase Requisition (EPR) with complete support documentation attached.
- The Procurement and Purchasing Agent, Vice President, Contracts and Grants Manager, Chief Financial Officer, and President are responsible for approving the EPR for processing payment to participants, through the approval track process.
- An approved EPR will automatically generate an approved Purchase Order (PO).
- The Accounts Payable (AP) Specialist will print checks for participants.
- The PI, and designees, is responsible for picking up the check and for disbursing payment to participants.
- Participants are required to sign for receipt of payment.
- The PI, and designees, is responsible for returning all unaccepted payments, and signature sheets for payments received by participants, to AP within three business days.

Definition of payments above include: Cash, check, and "near cash" items such as gift cards and gift certificates.

Definition of support documentation above include: Consultant Agreement, justification, MOU/contract, and agenda.