Human Subject Payments

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Evaluation and Assessment of Needs
Vendor Selection and Implementation
Payment Administration
Benefits and Lessons Learned

OVERVIEW
EVALUATION AND ASSESSMENT OF NEEDS
Evaluation of Existing Options for Paying Incentives

- Cash
- Petty Cash Checking Account (managed by PI)
- University Check or ACH
- Gift Cards (predetermined amounts)
- Non-monetary items (souvenirs, wearables, gifts)
Peer Payment Methods - 2011

Source: Review of websites and published university policies for human subject payments.
Requests from Researchers

- Flexibility in purchasing gift cards
- Use of Amazon’s Mechanical Turk
- Immediate payments
- Access to larger petty cash advances
- More efficient processes
Assessment of Activities

• Growth in research using human subjects
• Increase in length of studies with repeat visits
• Coordinators overseeing multiple projects
  – Increase in volume and amount of compensation payments
  – Multiple checking accounts
  – Delays in reporting
  – Banking errors
• Check fraud/altered checks/unauthorized debits
Department Request – Prepaid Reloadable Cards

Research department goals:
• Immediate on-site payments
• Easier, more efficient processes
• Improved operations

Finance goals included:
• Reduced costs
• Reduced regulatory risks (1099s, Escheatment, etc.)
• Increased compliance
• Comprehensive reporting
VENDOR SELECTION AND IMPLEMENTATION
Priorities for the RFP

• **Comprehensive stored value payment card program**, utilizing a major card brand that is simple and easy to administer.

• **Payment cards** that can be loaded or re-loaded with varying amounts and with or without a name embossed on the card face.
Priorities for the RFP (cont.)

• **Secure handling of sensitive research information** and the capability of the program to maintain the confidentiality of human subjects.

• **Online transactional based system** to track research projects by total human subject budget, individual participants, and ... allow the overall cash funding to be managed in total for the university ...
Priorities for the RFP (cont.)

- **Reporting** capabilities of the system to provide comprehensive reports to a manager including the amounts budgeted and utilized by researcher, research project, division, department, etc. **with the capability to query data and develop expenditure reports for posting to the university’s general ledger and IRS 1099 reporting.**

- **Access and security controls** of the program including the capability to grant access to authorized individuals at the project, researcher, department and university level.
University Approvals

• Institutional Review Board
• Controller
• Sponsored Program Administration
• VP for Finance
• VP for Research
• Information Technology Security Officer
• Legal Counsel
## University Support for System

<table>
<thead>
<tr>
<th>Description</th>
<th>Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>System Procurement</td>
<td>Finance Division/University Controller</td>
</tr>
<tr>
<td>Cardstock (Generic)</td>
<td>University Budget Allocation</td>
</tr>
<tr>
<td>Cardstock (Department Brand)</td>
<td>Department Budget</td>
</tr>
<tr>
<td>Payment Transaction Fee</td>
<td>Study Budget (Department)</td>
</tr>
</tbody>
</table>
The Payment Card
System Setup and Training
Authorization and Setup of Study
Payment Issuance
Recording the Expenditure in Banner
Department Reconciliation of Expenditures

PAYMENT ADMINISTRATION
System Setup and Training

- Require single purpose machines with appropriate firewalls for participant registration and card assignment
- Training and security agreement required for all users prior to authorization
- On demand training and resources
Vendor Relationship Management

- Initial deposit funding to the vendor in amount of $25,000 recorded as a receivable in the G/L
- Bursar processes a disbursement monthly to reset issuance funding to the threshold
- Bursar processes orders and university payments to vendor for cards and transaction fees
- Initial system costs paid by Finance Division
Authorization and Setup of Study

- Department processes a request in the e-procurement system to authorize study and spending levels:
  - Project Investigator (optional)
  - Department Fiscal Officer
  - OSP Project Administrator
  - Bursar Office
- Bursar sets up study and authorized coordinators in vendor system based on information included in the ISR
- Sponsored project fund budget is encumbered
- Department can initiate increase/decrease to encumbrance in accounting system (requires update by Bursar to vendor system)
Payment Issuance

Look up or Register Subject
Select “Manual Subject Payment”
Select “Study”
Enter “Amount”
Enter “Notes”
Click “Pay”
Payment Issuance (cont.)

Select “Payment Approvals”
Select “All” or Specific Payment box
Click “Approve”
## SAMPLE: Participant Audit History

<table>
<thead>
<tr>
<th>Event</th>
<th>Details</th>
<th>Date/Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manual Payment</td>
<td>Submitted a manual payment of $1.00 for <strong>Demo Participant:</strong> Manual Payment: $1.00 TestPayment</td>
<td>905123456, 28-Oct-2014 @ 03:12 PM EDT</td>
</tr>
<tr>
<td>Card Assigned</td>
<td>Assigned card X-5944 to <strong>Demo Participant</strong></td>
<td>905123456, 28-Oct-2014 @ 03:11 PM EDT</td>
</tr>
<tr>
<td>Enrolled in Study</td>
<td>Cardholder Demo Participant has enrolled in study</td>
<td>905123456, 28-Oct-2014 @ 03:10 PM EDT</td>
</tr>
<tr>
<td>Subject Created</td>
<td>Created new subject <strong>Demo Participant</strong></td>
<td>905123456, 28-Oct-2014 @ 03:10 PM EDT</td>
</tr>
</tbody>
</table>
Payment Disbursement Controls

- Coordinators authorized to approve payments on specific studies
- Study budgets establishes maximum funds available in each study
- Maximum one time payment of $250
- Participant must be registered/enrolled in study
- System creates audit log of all activity
- Month end activity posted to Banner Finance is reconciled to study activity report
Recording the Expenditure in Banner

- ClinCard offers a “Payment Detail” report that can be downloaded into Excel. The report lists each study ID (banner fund) and the activity for the month.
Recording the Expenditure in Banner

• A SAS Program is used to combine the ClinCard download and the encumbrance information in Banner. Each banner fund can only have one human subject encumbrance.

<table>
<thead>
<tr>
<th>Obs</th>
<th>FUND</th>
<th>FEE</th>
<th>AMOUNT</th>
<th>encnum</th>
<th>encitem</th>
<th>encseq</th>
<th>encind</th>
<th>COMNAMT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>431836</td>
<td>36.00</td>
<td>341.00</td>
<td>P2737926</td>
<td>1</td>
<td>1</td>
<td>P</td>
<td>2,000.00</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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<tbody>
<tr>
<td>36.00</td>
<td>341.00</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Recording the Expenditure in Banner

- The SAS Program also creates an entry that is batch loaded into Banner. The entry posts the monthly human subject payment amount and the $1.00 per transaction fee to the sponsored fund and places the recovery in the appropriate fund. The entry also releases the encumbrance for the amount of the charge.

```
1 431836 14137 D 341.00 CLINCARD Human Subject Chrg 1211 NOV2014 12112014 P2737926 1 1 P 1
2 655164 6213 C 341.00 CLINCARD Human Subject Chrg 1211 NOV2014 12112014 1
3 431836 14137 D 36.00 CLINCARD Human Subject Fee 1211 NOV2014 12112014 P2737926 1 1 P 1
4 175315 12890 C 36.00 CLINCARD Human Subject Fee 1211 NOV2014 12112014 1
```

754.00
Department Reconciliation

- Each month departments reconcile the payment activity posted in their fund to their ClinCard activity to insure proper allocation of charges.
BENEFITS and LESSONS LEARNED
Benefits of Prepaid Solution

• Central system administration and tracking
• Authorized payment levels included in project encumbrances
• Immediate availability of funds when approved by site
• Convenient access to $s for participants
• Non-personalized cards secure the participant’s identity
• Participant can register card online to obtain PIN for ATM access
• No lost/stolen/uncashed checks to manage
• 24/7 availability
Benefits of Prepaid Solution

- Eliminates duplicate a/p and a/r processes to reimburse petty cash
- Eliminates duplicate departmental databases for accumulating 1099 data
- Enables TIN online matching throughout the year
- Establishes more secure format for PII
- Recording project expenditures timely
- Expedient access to funding for research teams
- Better control and visibility of payment activities and university funds
- Appointment management and text reminders (participant opt-in)
## Payments in 2015

### Payments By Study Report (01-Jan-2015 through 07-Apr-2015)

<table>
<thead>
<tr>
<th>Study</th>
<th>Subjects Paid</th>
<th>Number</th>
<th>Total</th>
<th>Average</th>
<th>Operating Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>018304-431712</td>
<td>3</td>
<td>3</td>
<td>$150.00</td>
<td>$50.00</td>
<td>$13.50</td>
</tr>
<tr>
<td>018308-431836</td>
<td>16</td>
<td>289</td>
<td>4,305.00</td>
<td>14.90</td>
<td>345.00</td>
</tr>
<tr>
<td>018308-416982</td>
<td>2</td>
<td>3</td>
<td>80.00</td>
<td>26.67</td>
<td>10.00</td>
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<tr>
<td>018308-234065</td>
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<td>4</td>
<td>75.00</td>
<td>18.75</td>
<td>14.50</td>
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<tr>
<td>018308-431809</td>
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<td>2</td>
<td>50.00</td>
<td>25.00</td>
<td>5.50</td>
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<tr>
<td>018308-431782</td>
<td>12</td>
<td>82</td>
<td>2,678.00</td>
<td>32.66</td>
<td>124.00</td>
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<tr>
<td></td>
<td>37</td>
<td>383</td>
<td>$7,338.00</td>
<td>$19.16</td>
<td>$512.50</td>
</tr>
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</table>
Lessons Learned

• Vendor system enhancements—identifying strategies to disable and terminate access timely
• Researchers desire to keep subject payments confidential within their departments
• Education of PII and secure computer system setup
  – Electronic consent form goals for future
Questions?

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