RESEARCH INCENTIVE POLICY

Responsible Administrator: Associate Dean for Research & PhD Program
Sponsoring Unit: Research & PhD Program
Effective Date: 7/1/2016
Last Reviewed Date: 11/20/15
Next Scheduled Review Date: 7/1/17
Inactivated Date:

POLICY STATEMENT
The College of Nursing will use the process described herein for purchase, storage and disbursement of research incentives that are purchased with University funds.

RATIONALE
This policy is intended to outline internal controls and processes related to purchase, storage and distribution of research incentives.

Research incentives purchased with an MSU Pcard may be audited by Internal Audit, Contract & Grant Administration, and/or the Purchasing Department. Audits will focus on: 1) whether the College has sufficient internal controls in place to prevent mis-use, and 2) whether Pcard users are following University and College procedures.

SCOPE
This policy applies to all persons in the College of Nursing who purchase, store and/or distribute research incentives.

RELATED POLICIES, PROCEDURES OR REGULATIONS
- MSU Manual of Business Procedures, Section 44: Issuing Gifts, Gift Cards, and Prizes
- MSU Manual of Business Procedures, Section 61: Cash Advances: Travel and Research Participants
- MSU Manual of Business Procedures, Section 75: Disbursement Voucher (DV)
- MSU Manual of Business Procedures, Section 271: Purchasing Card

DEFINITIONS
- Pcard – allows direct procurement of low dollar purchases by faculty and staff through use of a University issued credit card.

RESPONSIBILITIES
Faculty are responsible for:
- Pick up and close out of cash advances with the MSU Cashier.
• Purchasing gift cards if cards cannot be purchased online and shipped to MSU. Research Administrators or the Faculty Secretary can purchase gift cards using their p-card if gift cards will be purchased from an online vendor.
• Retaining documentation according to University policy.
• Depositing cash/gift cards in NRC Safe.

PROCEDURES
1. When cash or other non-cash gifts are disbursed, detailed receipts and clear documentation of the business purpose must be provided.
   • University departments are required to track, using a disbursement log the names, addresses, total amount, and if any one payment is over $150, Social Security Number, of all non-check payments (mainly, cash and gift cards) made by the University to individual research subjects each calendar year.
   • Cumulative payments to any one participant of $600 or greater must be forwarded to Accounting (accounting@msu.edu) by December 31st of every year.
   • Recipients are required to sign acknowledging gift receipt when possible. In cases where signatures cannot be obtained, a detailed explanation must be included in the documentation as well as the date.
   • Research participation incentives offered to anonymous participants (where documentation cannot be maintained in order to preserve anonymity) should be discussed with the Associate Dean for Research and/or the NRC Coordinator.

2. University policy requires documentation to be retained by the Principal Investigator for the remainder of the current year plus an additional 6 years.

3. MSU Internal Auditors require segregation of duties related to the purchase, storage and distribution of cash and gift card incentives.
   • You must have a formalized plan. For example, if the PI purchases and distributes the incentive, another person must secure the incentive.
   • The NRC has a safe located in the NRC Coordinator’s office that can be used to secure cash or gift cards. The NRC assumes responsibility for cash/gift cards stored in the safe.
   • If faculty wish to authorize a staff member to withdraw cash/gift cards from the safe, authorization must be provided to the NRC Coordinator in writing. The authorization request should specify whether authorization is requested for a single occurrence or multiple occurrences. It will be assumed the request is for a single occurrence if not stated otherwise in the written authorization.
   • The NRC Coordinator and Research Administrative Assistant can both access the safe as needed during normal business hours.
   • Cash/gift cards will be placed in locking money bags within the safe. The money bag key will be given to the faculty member or designee. Faculty or designee will need to bring this key with them to withdraw cash/gift cards. Neither the Coordinator or Administrative Assistant have access to money bag keys. If a money bag key is misplaced, notify the NRC Coordinator, who will coordinate purchase of a replacement key.

4. The following options are available for research participation payments:
   • Cash – Cash advances are available through the MSU Controller’s office. Individuals applying for cash advances must sign a promissory note accepting fiscal responsibility for the funds. To
request a cash advance, complete a Cash Advance Form and attach to an Internal Billing form in the EBS Finance system. The minimum amount for an advance is $300. The Cashier’s office should be notified at least 2 days prior to the desired pick up date if the cash advance requested will greater than $5,000. Typically, cash advances need to be reconciled with the Controller’s office within 90 days using a Travel Expense Report which is attached to a Distribution of Income and Expense form in the EBS Finance system.

- **University checks**: A University Check can be requested. Participants must be set up as a vendor (complete a new vendor request in the EBS Finance system). Once approved by Purchasing as a vendor, a Disbursement Voucher can be submitted through EBS to pay for research participation. The University will issue a University check and mail via U.S. Postal Service to each participant. Be aware that University records are public property and confidentiality may be an issue.

- **Gift cards** – When using gift cards, investigators are encouraged to send electronic gift cards from retailers such as Amazon, Walmart or Target, which can be purchased on-line and delivered via email. Walmart also offers reloadable gift cards. Receipts will be used for documentation of gift distribution. Many VISA, MasterCard or American Express cards charge an upfront fee to purchase the card and many cards charge a service fee after a certain number of months reducing the value of the card. When purchasing physical gift cards, you may use an MSU Purchasing Card or if you do not have a Pcard, gift cards can also be purchased through a Disbursement Voucher (see a Research Administrator for more information).

**FORMS OR TOOLS**
- Sample Distribution Log for Research Incentives
- New Vendor Request (EBS form)
- Disbursement Voucher (EBS form)
- Travel Expense Report (online form)
- Distribution of Income and Expense (EBS form)
- Cash Advance (online form)
- Internal Billing (EBS form)

**CONTACTS**
Questions regarding this Policy should be addressed to the Associate Dean for Research & PhD Program.

**DATE AND SIGNATURE**

Date: 4/22/14

Approved by the Associate Dean for Research & PhD Program: