April 6, 2020

Temporary Modifications to the Procedure on Research Study Participant Payments

Purpose: To prescribe temporary modifications to the research study participant payment procedures in response to UMB COVID-19 related guidance.

Declaration: As of April 6, 2020, the State of Maryland and UMB Financial Services – Disbursements continue to process payment requests in accordance with established regular payment processing requirements. Therefore, every effort should be made to continue requesting funds for research study participants in accordance with UMB Policy VIII-99.00(B) and Procedure on Research Study Participant Payments. Due to limited staffing, there may be a delay beyond the regular processing timeline, so please plan accordingly. This document will be updated as needed to address changes that may occur to the current processing.

Duration: The temporary modifications described below are effective until the UMB COVID-19 Telework Policy is lifted. These modifications supplement the Procedure on Research Study Participant Payments. All existing elements including, but not limited to, 1099-reporting, controls, responsibilities, and documentation are still required.

Temporary Modifications during mandatory teleworking period:

1. Gift Cards
   a. The preferred method for gift card payments is to purchase UMB allowable electronic gift cards (e-cards) through the UMB approved vendor, Tango, in accordance with the Procedure. E-cards can be emailed to the recipient. Instructions for purchasing e-cards from Tango are available here.

   b. In extraordinary circumstances where it is not feasible to use e-cards, a department may mail physical gift cards to the recipient under the following conditions:

      i. At least two individuals prepare the mailings. This can be managed virtually (using video conference calls) whereby one individual prepares the envelopes and the other witnesses the process. The preparer and witness must sign a statement attesting that the mailing was in accordance with the research study documents and that the envelopes were mailed to individuals eligible to receive the payments. This attestation must be retained with department records.
ii. A notification of the mailing must be sent to the individual participants (email is fine). The notification must include a request that the recipient notifies the department, preferably by e-mail, upon receipt of the gift card. If the participant calls, the department must document the call. Notifications must be retained with the department records.

iii. Departments assume the risk of lost payments and will be required to fund any lost payments.

iv. The Procedure Exception Request Form is required for this modification. Include the number and amount of gift cards to be mailed to each participant, the number of participants, and the Working Fund check number or Gift Card System order number that was used to fund the payments (if known). A sample completed Procedure Exception Request Form is available here.

2. Cash
   a. This modification only applies to departments that have an existing inventory of cash and need to mail cash to the participants.

      i. At least two individuals are required to prepare the mailings. This can be managed virtually (using video conference calls) whereby one individual prepares the envelopes and the other witnesses the process. The preparer and witness must sign a statement attesting that the mailing was in accordance with the research study documents and that the envelopes were mailed to individuals eligible to receive the payments. This attestation must be retained with department records.

      ii. A notification of the mailing must be sent to the individual participants (email is fine). The notification must include a request that the recipient notifies the department, preferably by e-mail, upon receipt of the cash. If the participant calls, the department must document the call. Notifications must be retained with the department records.

      iii. Departments assume the risk of lost payments and will be required to fund any lost payments.

      iv. The Procedure Exception Request Form is required for this modification. Include the amount of cash to be mailed to each participant, the number of participants, and the Working Fund check number that was used to fund the payments (if known). A sample completed Procedure Exception Request Form is available here.

   b. Departments that do not have an existing inventory of cash are advised to use an alternate method of payment (gift cards, individual checks) when possible. If
cash is the only option available and additional cash is needed, request an
exception by completing the Procedure Exception Request Form. Include the
amount of cash to be mailed to each participant, the number of participants, and
the method (Working Fund check, personal funds) that will be used to fund the
payments. Follow steps i – iii above for mailing the cash. A sample completed
Procedure Exception Request Form is available here.

3. Reimbursements to Individuals
   Under Procedure on Research Study Participant Payments, a request for funds is made
to Financial Services – Disbursements prior to making payments to participants. The
following modification allows for department individuals to use personal funds to fund
research study participant payments and to seek reimbursement from Financial Services
– Disbursements under the following conditions:

   a. The Procedure Exception Request Form has been fully approved by the
      University Controller before using personal funds for payments to participants.
      Include details on type of payment, amount, and method of delivery to the
      participants (e.g. A $20 gift card will be mailed to ten participants for a total of
      $200.). A sample completed Procedure Exception Request Form is available
      here.

   b. The detailed receipt showing the details of the transaction, including the date,
      amount, and gift cards purchased/cash disbursed is included with the
      reimbursement request (NONPO invoice) along with the required documentation
      described in the Procedure.

   c. Reimbursement will be made to the person who provided the funds as evidenced
      by a credit card statement, bank statement, or a cancelled check.

   d. Reimbursements to Individuals transactions will be inspected by Management
      Advisory Services upon return to regular university operations.

4. Reconciliation Requirements
   a. When possible, departments should continue to follow reconciliation
      requirements provided in the Procedure.

   b. If the department is unable to conduct a full reconciliation, the following steps are
      required:
      i. The individual dispersing funds should complete the Study Participant
         Log.
      ii. Another individual should maintain the Cash/Card Count sheet.
      iii. Virtual counts are required during periods when cash or gift cards are
          disbursed. The custodian of the funds should count the cash or gift cards
          in the inventory, including e-cards. Another employee witnesses the
          count. Both employees must sign a statement attesting that the count is
          accurate. This attestation must be retained with department records.
c. The Study Participant Reconciliation Template (or similar document) should be completed by an individual who is not directly involved in dispersing funds. List unreconciled items and provide explanations for unreconciled items. Upon return to regular operations, departments are required to resolve unreconciled items within 60 days after returning to regular university operations. Any unexplained differences must be reported immediately in writing to the department chair and/or Dean, and to the heads of the Departments of Management Advisory Services, Financial Services, and Sponsored Projects Accounting and Compliance.

5. Additional Information
   a. Circumstances that have not been addressed in this Notice may be submitted via the Procedure Exception Request Form.
   
   b. Reminder – under State regulations the P-Card may not be used to purchase gift cards. Exceptions to this regulation are not allowed.

6. These modifications are incorporated into the Procedure on Research Study Participant Payments effective April 6, 2020. Documentation, approvals, 1099-reporting, controls, and other requirements stated in the Policy and Procedure remain in effect.

7. Questions? Contact Cindy Lyons at clyons@umaryland.edu