



Prepaid Card Compensation

Policy Statement

The Prepaid Visa Card program has been established to provide an efficient method for compensation to human subjects. Any human subject who receives \$600 in compensation in a calendar year should receive a 1099 for tax reporting purposes, and departments will follow all associated policies relating to such practices.

The Prepaid Visa Card compensation method ensures compliance with various mandates. This method not only provides a secure and efficient way to manage payments but also eliminates the risk of non-compliance.

Reason for policy Procedures

To outline the requirements and procedures for establishing and using Prepaid Visa Cards to provide incentives to human research participants.

Procedures

Establishing Prepaid Visa Cards:

1. Prepaid Visa Card Request

Unit submits a request form via the [Smartsheet workflow](#).

A required justification letter must be uploaded to the Smartsheet application. See the section below titled "Justification Letter" for full details of the requirements.

2. Request Review/Approval

If any study involves a sponsored project, the Sponsored Projects Administration (SPA) will review and confirm all information.

3. Physical Cards

Bursar and Treasury Services (BTS) will manage the Prepaid Visa Card tracking log as cards are issued to departments.

Prepaid Visa Cards will be stored in a locked location with limited access. All cards are VISA branded and come with a three (3) year expiration date. If a card goes without any transactional activity for (6) six months and has a balance, a monthly fee will be deducted from the card until another transaction is applied. Cards can only be distributed to individuals in the US during the disbursement process.

A Prepaid Visa Card can be issued to a minor, but when registering a minor participant (name and address), the parent or legal guardian information (name, address, and date of birth) must be used to receive the card. This is to ensure proper legal and ethical handling of payments to minors in studies.

Cards cannot be issued to anyone residing outside the United States.

BTS will notify the Custodian when cards are available for pick-up. The Custodian will plan with the BTS team to arrange the pickup of cards. Only individuals approved for pickup will be given cards. All cards will be signed for, and the last 4 digits of all cards will be recorded and confirmed with a signature.

Participants may only receive email/text message notifications if informed consent is received. This must be documented using the selection in the Study Participant Payment Registration form, or if a different process to collect participant information is used, it must include the consent to opt into the email/text notifications.

4. Virtual Cards

Virtual Cards can be requested during the Prepaid Visa Card application process. Virtual cards require a valid US email address. Virtual cards have a three (3) year expiration date. Virtual cards will follow the same approval process as physical cards.

A Prepaid Visa Card can be issued to a minor, but when registering a minor participant (name and address), the parent or legal guardian information (name, address, and date of birth) must be used to receive the card. This is to ensure proper legal and ethical handling of payments to minors in studies.

Cards cannot be issued to anyone residing outside the United States.

5. Prepaid Visa Card System Access

Bursar and Treasury Services will establish the study in the Prepaid Visa Card system using the information provided by the department in the Prepaid Visa Card application and justification letter process.

BTS will establish a Study Coordinator and Approver in the Prepaid Visa Card system. Anyone handling petty cash and/or change funds is in a "position of trust" and must follow the [USG Policy Background Investigation](#).

BTS will provide training to all new users before system access is granted.

6.W-9

Form W-9 is required for any human subjects receiving compensation of \$600 or over in a calendar year.

All human subjects meeting this monetary requirement must supply a W-9. W-9 forms should then be sent to Accounts Payable via secure send files as soon as received.

Justification Letter:

- This letter explains the need for the fund, including an analysis justifying the dollar amount requested, and provides the anticipated start and end date, the selection of physical/virtual cards, the name/email for the custodian, the name/email for the Study Coordinator, and the name/email for the Approver. If a study is longer than one year, a detailed breakdown will be needed for each year's funding. The application will not be approved without a complete justification letter uploaded with the application.

Subject Registration:

- Studies using physical cards should use the Study Participant Payment Registration Form, which requires the human subject to acknowledge prior participation in any UGA study. Virtual cards may use electronic UGA EITS/IT-approved processes to collect personally identifiable information (name, address, DOB, and email) of each human subject. The form will also require each human subject to acknowledge if they have previously participated in a prior UGA study. If prior participation is noted, the information will need to be sent to the BTS Administrator for assignment of the human subject to the new study. This information is required to help ensure UGA's federal tax compliance.

Lost or Stolen Cards:

- If a human subject loses their card or has their card stolen, and they are still an active member of a UGA study, they should contact the Study Coordinator immediately. The Study Coordinator can cancel the

original card and reissue a new card, but it is up to the department/study team. Any funds on the original card that were fraudulently removed/spent cannot be replaced. If the human subject calls the Prepaid Visa Card company/the bank directly, they will pay a replacement fee, which is deducted from the available balance.

Department Card Security and Recordkeeping Requirements:

- Keep the cards in a secure location.
- Limit authority to issue the cards to the minimum number of people possible; one person per study is strongly recommended.
- Maintain complete records to demonstrate the receipt and issuance of cards (signed log by human subject if distributed in person)
- Do not photocopy the Prepaid Visa Cards.
- **Do not** open the card envelopes at any time.
- Monthly reconciliations are required.
- All unused cards must be returned to Bursar and Treasury Services.
- All studies using the Prepaid Visa Card system will be subject to review and audit. Any study or department not utilizing the program in accordance with these procedures may be subject to removal.
- Records and reconciliations should be conducted monthly and available upon request.

Reconciliation of System:

- Departments are required to complete full reconciliations per UGA Accounting Reconciliation Policy, and completed monthly, available upon request.
- BTS will run a Program Balance Report to balance the study funding balance remaining. A journal will be prepared to charge all accounts for the funds issued. All load fees, monthly access, and card fees will be paid by a central fund. Departments will be charged for all funds loaded onto cards (both virtual and physical cards). The Prepaid Visa Card Company will invoice UGA for the cards and fees monthly. The funding balance will be increased as programs are approved using the yearly budget. BTS will complete a payment request to the Prepaid Visa Card Company for these funds to be applied to the system to increase the funding balance.

Application:

- Due to the requirement of separation of duties, each approval on the application must come from a different individual in the following categories:
- Custodian - Must be a full-time employee of the University of Georgia. The custodian must accept personal responsibility for the safety, proper usage, and return of the funds entrusted. In certain circumstances, the actual handling of the funds may be delegated to another UGA employee, but the responsibility of the funds remains with the custodian (this delegation is subject to review and approval by Bursar and Treasury Services. Anyone handling petty cash and/or change funds is in a "position of trust" and must follow [USG Policy Background Investigation](#) for background and credit check requirements.
- Study Coordinator (Study Coordinator and Custodian can be the same person. In this case, please refer to Custodian requirements.) - The Study Coordinator will have access to their designated studies. They will be responsible for registering human subjects into the Prepaid Visa Card system, assigning Cards, as well as submitting compensation to the subjects. Before registering a human subject, they will need to confirm with the human subject if they have a current Prepaid Visa Card from a prior study. If the human subject has a current Card, the Study Coordinator will need to reach out to the BTS to have the human subject added to their current study.
- Approver (CAN NOT be the same as the Study Coordinator) - May be designated at the study level to approve compensation. The Study Coordinator for scheduling compensation cannot be the same person who approves the compensation. Important: The Study Coordinator and Approver must be different individuals. The approver must be a full-time employee of the University of Georgia.
- Director/Department Head
- Chief Business Officer (if a request is less than \$10,000)
- Dean/Vice President (if a request is above \$10,000 or provides funds of more than \$10,000 for multiple requests to one custodian)
- The application must be completed in its entirety to be processed.
- All study away applications must also be reviewed by the International Finance Office in the Office of Global Engagement before submission to BTS.
- All field study applications must be reviewed by the OVPI Finance office before submission to BTS.

- Payments to or on behalf of Foreign Nationals may be subject to federal tax withholding and reporting. Further information may be required for these payments by contacting Susan Caldwell (susanc@uga.edu) before final approval of a Petty Cash application.

Audit of a Fund:

- All Prepaid Visa Card accounts are subject to unannounced audits by Bursar and Treasury Services and/or Internal Audit Division. At the time of the audit, custodians must provide a full accounting of the funds.

Modifying a Fund:

- Transfer of Study Coordinator and/or Approver:
 - When requesting a transfer of the Study Coordinator and/or Approver for the Prepaid Visa Card study, departments must complete the Smartsheet application process and submit it to BTS.
 - Once approved, BTS will modify the Prepaid Visa Card Study to reflect this change.
- Request for an extension of the fund account:
 - If the dates of research for a study are modified, departments must complete the Smartsheet application process and submit it to BTS along with a letter of explanation addressing the need for an extension of the funds. Extensions may be approved when sufficient documentation supports a change made to the original research dates and applicable funding sources.

Forms/Instructions

[Assign or Replace a Virtual Card](#)

[Assign or Replace a Physical Card](#)

[Edit a Registered Participant Information](#)

[Look Up a Participant](#)

[Study Participant Payment Registration Form](#)

[Register a Participant](#)

[Request a Miscellaneous Payment](#)

Additional Contacts

Senior Financial Accountant

pettycash@uga.edu

706-542-2965

Definitions

Administrators: Bursar and Treasury Services will upload the studies into the Prepaid Visa Card portal, add the Study Coordinator and Approver with rights, and schedule of payments if required. By keeping the Administrator permission limited, other users will not be able to edit the study and/or the study budget.

Custodian: Must be a full-time employee of the University of Georgia. The custodian must accept personal responsibility for the safety, proper usage, and return of the funds entrusted. In certain circumstances, the actual handling of the funds may be delegated to another UGA employee, but the responsibility of the funds remains with the custodian (this delegation is subject to review and approval by Bursar and Treasury Services. Anyone handling petty cash and/or change funds is in a "position of trust" and must follow [USG Policy Background Investigation](#) for background and credit check requirements.

Approvers: May be designated at the study level to approve compensation. The Study Coordinator for scheduling compensation CAN NOT be the same person who approves the compensation. Important: The Study Coordinator and Approver must be different individuals. The approver must be a full-time employee of the University of Georgia.

Study Coordinator: The Study Coordinator will have access to their designated studies. They will be responsible for registering human subjects into the Prepaid Visa Card system, assigning Cards, as well as submitting compensation to the subjects. Before registering a human subject, they will need to confirm with the human subject if they have a current Prepaid Visa Card from a prior study. If the human subject has a current Card, the Study Coordinator will need to reach out to the BTS to have the human subject added to their current study.

Reporting: Accessibility at a study level will allow users to receive data that only pertains to their designated studies; therefore, they will be unable to view certain reports that contain data solely at the University level (i.e., Program Balance Report, Program Balance Detail, etc.).

BTS: Bursar and Treasury Services

Responsibilities

Responsible University Senior Administrator: Vice President for Finance & Administration

Responsible University Administrator: Associate Vice President – Finance Division

Policy Owner: Bursar and Treasury Services (BTS)

Phone Number: 706-542-2965

Record Retention

Citation or Reference: [USG Records Retentions Schedules](#)

Number: 0472-09-006

This series includes bank statements, purchase requests, purchase orders, requisitions, financial reports, accounts payable and receivable records, write-off records, discrepancy, payment schedules, operating statements, year-end projections, reconciliation and expenditure reports, cancelled checks, check stubs, moving expenses records, cost accounting reports, refund/disbursement request records, returned checks, deposit slips, travel records, credit voucher requisition records, cash balances and reconciliations, sales and cash reconciliation records, journal entries, outstanding obligations, refund/disbursement requests, receipts, and invoices. For expenditures processed with grant funding, all documentation should be retained for the life of the grant.

Retention: Final research report: PERMANENT; All other records: 7 years after the end of the grant period.

Citation or Reference: [USG Accounting Records](#)

Number: 0472-03-001

This series includes bank statements, purchase requests, purchase orders, requisitions, financial reports, accounts payable and receivable records, write-off records, discrepancy, payment schedules, operating statements, year-end projections, reconciliation and expenditure reports, cancelled checks, check stubs, moving expenses records, cost accounting reports, refund/disbursement request records, returned checks, deposit slips, travel records, credit

voucher requisition records, cash balances and reconciliations, sales and cash reconciliation records, journal entries, outstanding obligations, refund/disbursement requests, receipts, and invoices.

Retention: Monthly and quarterly reports: 1 year; All other records: 5 years.

Appendices

FAQs

Related information

[BOR Background Investigation Policy](#)

[Petty Cash/Change Fund/Prepaid Visa Card Application](#)

[1099 Policy](#)

[Petty Cash/Change Fund Policy](#)

[Compensation \(incentives\) of Human Research Participants](#)

Policy Dates

Effective Date: 02/01/2024

Date of Last Review: 011/10/2025