



# Boston VA Research Institute, Inc.

Date 3/16/2009

Finance and Accounting Management

POLICY NO.09 7

## TITLE OF POLICY:

SUBJECT FEE ACCOUNTING POLICY

## 1.0 PURPOSE:

The BVARI Subject Fee Accounting Policy provides administrative and fiscal cash management services to the VA Boston Health Care System for paying research subject fees connected with approved VA research projects.

## 2.0 SCOPE:

This policy applies to all fiscal procedures for subject fee payments and advances through the Institute.

## 3.0 POLICY:

The study files must be organized and include the following documents:

- Log Book
- Copy of BVARI Subject Fee Request Form
- Copies of Accountability Form(s)
- Copies of Approvals from the IRB Committee (Informed Consent) containing the required language
- Monthly Bank Reconciliation Forms
- Receipt Book

BVARI will not be responsible or held liable for the loss of cash for the subject fees and expenses held by the investigator. The PI has sole responsibility for safekeeping of the advance payment, any loss of subject fee cash, and the accountability of appropriate paperwork.

All subject fee accounts must be maintained in a Hanscom Federal Credit Union checking account. These accounts will be set up in the study name by BVARI upon completion of required paperwork by the PI. The BVARI Federal ID Exemption Number will be used for the account set-up. A Hanscom Federal Credit Union debit card will be provided to the investigator and coordinator for withdrawal of cash payments. **Hanscom Federal Credit Union checks may also be issued for payments to subjects, and are required for subject fee payments over \$60 and for all payments mailed to subjects.** The cost of checks should be included in the accountability report for the study.

All payments to a single subject exceeding a cumulative amount of \$600 during a single calendar year must be processed by the BVARI office for tax purposes. Therefore, a record will be maintained for the purposes of IRS reporting via Form 1099-MISC.

#### 4.0 DEFINITIONS:

**Subject Fee:** Payment to an individual (who is not considered an employee of either the VA or BVARI) who participates as a subject in a VA approved clinical research project. Payment may be made by check, cash, gift certificate, or reimbursement to individuals for their participation and/or travel and reasonable expenses (i.e., cab fare, etc.). A subject fee account is not to be used as petty cash for expenses related to clinical research projects.

#### 5.0 RESPONSIBILITIES:

**5.1 BVARI Board of Directors:** The BVARI Board of Directors is responsible for the overall policy, planning and coordination of all BVARI activities within the VA Boston Healthcare System.

**5.2 CEO:** The BVARI CEO is responsible for developing, administering and coordinating a business process that provides optimal internal controls for BVARI.

**5.3 Director of Finance** : BVARI's Department Director is responsible for ensuring that the BVARI employees follow the policies defined in the policy.

**5.4 Principal Investigator:** The Principal Investigator (PI) for each study must maintain complete patient documentation for each study using the subject fee reimbursement system. The PI must maintain a bound log book indicating the subject's name, address, social security number, study code number, study title, principal investigator, study coordinator, date study initiated, date study closed, date paid, and amount paid. The PI is also responsible for the completion of a monthly bank reconciliation by a person who is not a signatory on the bank account being reconciled. PI may assign tasks to one (1) staff member (Study Coordinator) to maintain records but the PI remains responsible for the accounting of subject fee advances and good stewardship.

#### 6.0 PROCEDURES:

**Initial Funds:** Request for initial funds for subject costs will be initiated by preparing a BVARI Subject Fee Request Form which indicates:

- Project title, principal investigator's name, study coordinators name (optional), date requested or date needed

- VAMC Control Point and VAMC Subaccount number or BVARI Account No.
- Frequency of payments (monthly, quarterly or annually)
- Reason for payments (subject fee, coupons, gift certificates, patient travel, etc.)
- Amount per subject (matching the VA approved Informed Consent form)
- Estimated total number of subjects
- Amount of initial request
  - Minimum \$100 or 1 year estimate (whichever is less)
  - Maximum \$500 or 1 month estimate (whichever is more)
- Name of payee (principal investigator or study coordinator) and study location
- Copy of approved VA Informed Consent form containing the following language in section 9:  
 "You consent to the release of personally identifying information about you including (*list the specific types of information, e.g., name, address, social security number, etc.*) to the Boston VA Research Institute, Inc. and Hanscom Federal Credit Union (for check processing) who will provide the compensation to you."

Advance Payments: The Subject Fee Request Form is only used for initial funding requests.. Each advance payment will be made by check payable to either the investigator, study coordinator or directly deposited into the Hanscom Federal Credit Union account indicated on the above mentioned Subject Fee Request Form. Checks will be processed to a maximum allowance for each advance as defined above. For those payments supported by VA sources, an approval by the VA research budget analyst is required.

Accountability Report: The accountability report will be completed to provide needed documentation for each payment for subject fee(s) or expense(s) (see Appendix). This form must be received and approved by BVARI prior to any subsequent payments being processed. For those payments supported by VA sources, an approval by the VA research budget analyst is required.

Hanscom Federal Credit Union Accounts: For payments directed to the Hanscom Federal Credit Union, a reconciliation must be performed up to the last bank statement. No further payments will be made until the reconciliation reports are submitted. Subject fee payments require ten (10) business days to process. BVARI will handle emergency requisitions by making a small deposit into the Hanscom Federal Credit Union. This does not preclude the completion of required documentation.

Bank Reconciliations: Bank Reconciliations must be submitted to BVARI by the 2nd Wednesday of the month that the statement is issued. The Reconciliation form must be completed by a person who is not a

signatory for the account being reconciled. A copy of the bank statement must be attached to the completed, signed reconciliation form.

**Audit:** BVARI will conduct sporadic audits of all subject payments by an active, randomly selected study to confirm that the study has completely and accurately documented all subject payments.

Documentation must be kept in a bound log book which includes the patient name, social security number, address, study code number, date paid and amount paid and includes the initials of the person making the entry (see Appendix). This information will be reviewed against the accountability report. The patient log book must be available for auditing by BVARI on any day during normal business hours. The auditors will be trained by BVARI and will be bound by the same confidentiality requirements as persons working directly on the study.

**BVARI Subject Fee Accounts:** A BVARI Subject Fee account will be established for each study that has been approved by the IRB and has requested initial funds. A BVARI Subject Fee Account will be established for studies with VA funding.

The Hanscom Subject Fee bank accounts are not to be considered a holding mechanism for any funds. The BVARI account will only be set up for the specific study and should not be used for any other study nor for any expenses with the exception of subject payments.

**Cash on Hand:** At the end of a working day, Cash on Hand is not to exceed \$300. Any cash in excess of this amount should be deposited back into the Hanscom Federal Credit Union account. The day before subjects are expected to be paid, this amount may be increased by the expected payment amount of the following day.

**Stale Checks:** For any checks from the study account that remain outstanding for longer than 90 days, Payees should be contacted to determine the status of the open checks. Either a plan is to be made to deposit the current check within a reasonable time frame or payment should be stopped through Hanscom Federal Credit Union and a replacement check issued. Under no circumstances should a check remain outstanding for longer than six months.

**Termination of Study:** Upon the completion of the study, all checks, ATM cards, bank reconciliations through the date of termination, and copies of accountability reports should be submitted to BVARI. The PI must meet with the Director of Finance to determine what will be done with the remaining balance of funds.

## 7.0 RELATED DOCUMENTS:

- A. Subject Fee Request Form
- B. Accountability Form
- C. Template of Log Book information
- D. Bank Reconciliation Form

## 8.0 REVISION HISTORY:

Revision Letter	Author	Revision Date	Description of Changes
A	Nancy Watterson-Diorio	1/26/2009	Original Document
B	Nancy Watterson-Diorio	3/16/2009	Updated language for Sec...

Finance and Accounting Management

**POLICY NO.097**  
**Transmittal Sheet**

Date

### REASON FOR ISSUE:

### SUMMARY OF CHANGES:

Updated language for Section 9 of ICF to include HCFU. Some language clarifications

### RELATED DOCUMENTS:

- A. Subject Fee Request Form
- B. Accountability Form
- C. Template of Log Book information
- D. Bank Reconciliation Form

### RESPONSIBLE OFFICER:

Director of Finance

### RESCISSION:

**RECERTIFICATION:** This policy is scheduled for recertification on or before the last working day of February, 2011.

Nancy Watterson-Diorio  
Chief Executive Officer

DISTRIBUTION

Board of Directors, Date:

FLD: Sharepoint Server \_\_\_\_\_, E-mailed \_\_\_\_\_ to:

BVARI Staff, Stakeholders