1. **Purpose**

   The purpose of this SOP is to provide guidance on compensation / incentives given to research participants to help ensure equitable selection of participants.

2. **General Information**

   Compensating research participants for their involvement in research studies is common and generally accepted practice in research. The regulations require researchers to recruit and obtain consent from participants while minimizing the possibility of coercion or undue influence.\(^1\) Research incentives may limit the ability of the research participant to provide truly voluntary, informed consent. Participants should be able to make informed decisions to participate based on the real risks and benefits of participation, not on compensation. Compensation should be equitable, and the confidentiality of information related to payments should be protected, except as required by law, e.g., for tax reporting. The IRB will review plans for compensation with these goals in mind, and researchers should be cognizant of the related issues, as outlined below.

   **Compensation:** Payment or non-monetary compensation is given to participants as remuneration for time and inconvenience of participation, as well as an incentive to participate. Compensation can include remuneration that is monetary (cash, gift cards, vouchers, etc.) and/or non-monetary (gifts/promotional items, course credit, extra credit, etc.).

   There are two ways in which compensation can be problematic:

   - **Undue Influence:** An offer of excessive or inappropriate compensation is made in order to obtain compliance. For example, a researcher might offer a month’s salary to participants for one-day participation in a study to test the effects of an investigational drug with potentially serious side effects. Because the level of compensation could induce subjects to participate against their better judgement, this offer might constitute undue influence.

   - **Coercion:** An overt or implicit threat of harm or negative consequences is intentionally presented by one person to another in order to obtain compliance. For example, an instructor might tell prospective participants in a class that they will lose grade points if they do not participate in the research – this would be coercive.

   Compensation for research is not coercive in and of itself since it does not involve a threat of harm. Compensation can also create potentially coercive situations, as when a third party is paid for another subject’s participation, and that third party can exert coercion over the subject in order to obtain payment. For example, payment to a parent

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\(^1\) 45 CFR 46.116 An investigator shall seek informed consent only under circumstances that provide the prospective subject or the legally authorized representative sufficient opportunity to discuss and consider whether or not to participate and that minimize the possibility of coercion or undue influence.
for a child’s participation or incentives paid to a doctor or nurse for patient research recruitment could create coercion.

3. Training Requirements

There are no specific training requirements associated with participant compensation or incentives; however, researchers should carefully read and follow this guidance.

4. Procedure

A. IRB Application

Researchers should fully describe the plan for compensation of participants as well as the reasoning behind the amount, method, and terms of compensation. The informed consent document should disclose all information concerning payment or other forms of remuneration, including the total amount or value, schedule/form of disbursement, and any plans for prorating payment or other remuneration if a participant withdraws. Compensation is not a benefit to participation and is not considered when the IRB weighs the risks and benefits of the research. Therefore, this information should be stated separately from the discussion of benefits in both the protocol and the consent document.

<table>
<thead>
<tr>
<th>Compensation and Incentives</th>
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</thead>
<tbody>
<tr>
<td>* Participant compensation and incentives will be given:</td>
</tr>
<tr>
<td>Yes ☐ No</td>
</tr>
<tr>
<td>* Describe the compensation and incentives if given, or justify if not given:</td>
</tr>
<tr>
<td>Your compensation will be $xx/hour. Extra rewards in increments of $xx/hour will be given for the successful completion of xx tasks. You will be compensated by [cash, check, gift card, other] which will be provided to you [immediately, in about a month, other] after your participation.</td>
</tr>
<tr>
<td>☐ Hourly Rate Payments for Participation</td>
</tr>
<tr>
<td>☐ Extra Rewards (Earning extra rewards based on performance)</td>
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<tr>
<td>☐ Generic Incentives (Reward for showing up/starting/completion etc.)</td>
</tr>
<tr>
<td>If you receive more than $600 in one year for taking part in these research studies, Caltech must report this income to the IRS and you will receive an Internal Revenue Service (IRS) Form 1099. You are responsible for paying any tax that is due on payments you receive for such participation. You are encouraged to consult with your tax advisor to determine your tax obligations on this income whether or not you receive a 1099.</td>
</tr>
<tr>
<td>* Reimbursement of Travel Costs (Specify which costs reimbursed)</td>
</tr>
<tr>
<td>Yes ☐ No</td>
</tr>
</tbody>
</table>

See SOP 16: Research Participant Compensation/Incentives for required elements in the protocol and informed consent document.

It is also appropriate to disclose possible compensation in recruitment materials. In general, payment information should not be any more prominent than other elements (e.g., purpose, procedures, inclusion criteria, etc.). See IRB SOP 4: Recruitment Materials

i. Amount/Value of Compensation: Compensation should be appropriate for the time and effort participants devote to their involvement. The level of payment
should not be high enough to cause participants to accept risks that they would
not otherwise accept or participate in activities to which they would otherwise
strongly object based on personal values or beliefs. Excessive incentives may
also be of concern since they could induce participants to lie or conceal
information that would disqualify them from the study in order to receive
compensation. This could in turn undermine the scientific integrity of the study or
compromise the safety of the participant.

If researchers propose to compensate participants at a rate that is substantially
lower than average local compensation for such activity, or to compensate
participants in one group less than another, even though participants in both
groups will carry out the same procedures, researchers must provide justification
for such level of compensation.

Many researchers base the payment amount on the average wage in the location
where the research is conducted or for the specific study population. This is often
an acceptable level of payment that does not exert undue influence. When hourly
payments are not suitable or feasible, compensation may be task- or procedure-
specific (for example, some studies pay participants per sample collection or
survey). In general, all participants completing the same tasks in a single
research project should be compensated at equivalent rates. In some cases,
distinct participant populations may be compensated at different rates, but clear
justification for this is needed. For example, a research study with several
international sites may have different payment levels depending on the average
local wage.

On the other hand, if participants are being asked to undergo a certain amount of
risk or discomfort/inconvenience with no direct benefit, and no compensation of
any kind will be offered, the IRB will ask the researchers for justification.

Whenever possible, participants should be reimbursed for costs incurred as a
result of study participation (e.g., parking and transportation costs, meals, etc.).
These payments should be differentiated from compensation in the study
protocol and consent form(s).

ii. Timing and form of disbursement: Consideration should also be given to timing of
disbursing compensation. Making disbursement conditional on completing a
multi-session study could unduly influence a participant’s decision to exercise
their right to withdraw at any time. For studies that require extended time or
multiple interactions/interventions, it is recommended that disbursements be
prorated for the time of participation in the study rather than delayed until study
completion. However, it would be acceptable to compensate participants who
withdraw early from a study at the time they would have completed it.

While total compensation should not be contingent on completion of the entire
study, it is acceptable to offer an additional incentive or completion bonus to
participants that remain for the duration of the study. For example, a researcher
might offer a small bonus percentage of total compensation if participants
complete all study sessions in a study. If offered, these amounts should be
reasonable so as not to unduly influence participants to stay in the study when they otherwise would have withdrawn.

Alternative forms of compensation (e.g., gift cards, certificates, or other tangible gifts) are acceptable forms of remuneration and their value is considered by the IRB in the amount of their cash equivalent. Other online compensation methodologies may also be used, but researchers using alternative forms of remuneration should ensure that the method of providing the remuneration can be readily used by participants and is appropriate to the population.

iii. Vulnerable Populations: Federal regulations stipulate that the IRB protocols must provide that “when some or all of the subjects are likely to be vulnerable to coercion or undue influence, such as children, prisoners, pregnant women, mentally disabled persons, or economically or educationally disadvantaged persons, additional safeguards have been included in the study to protect the rights and welfare of these subjects” (45 CFR 46.111 (b)).

Researchers including such vulnerable populations in their research studies should pay special attention to the compensation method proposed in the protocol and participants’ vulnerabilities, including their economic status and resources. For example, researchers involving minors as participants will need to consider the ways children of different ages view the value of remuneration and ensure that the amount and method is age-appropriate and does not present undue influence. For younger children, a small gift/toy may be suitable, but for older adolescents/teens, a gift card or other form of payment may be more appropriate.

In addition, researchers should consider whether compensation will be provided to the parent(s), the child, or both. Parents may receive compensation to defray expenses/inconvenience associated with their child’s participation in the research. However, caution should be used: because parents have the authority to permit a child’s participation in research, and excessive compensation could cloud the parent’s judgment or cause the parent to exert pressure on the child’s decision to participate, negatively impacting the rights and welfare of these subjects.

iv. Drawings

Incentives to participate may include drawings, but not lotteries. While both distribute prizes by chance, a lottery requires participants to pay for their chances, while a drawing does not. Thus “free drawings” may be used as a form of incentive compensation consistent with these guidelines. However, conducting a lottery is prohibited under California’s Penal Code, so it is critical to ensure the incentive would not be construed to be a lottery.²

² California Penal Code §319 prohibits conducting lotteries. (Any person who prepares or operates a lottery, furnishes lottery tickets, or assists in conducting a lottery is guilty of a misdemeanor.) A “lottery” is defined as including three elements: (1) distribution of property/prize(s); (2) distribution of the property/prize(s) by chance; and (3) distribution of the property/prize(s) “among persons who have paid or promised to pay any valuable consideration for the chance of obtaining such property.”
Guidance

a. Researchers should use the term “drawing” rather than “lottery” or “raffle”, since the latter terms imply purchase of tickets by participants.

b. To further avoid the possibility that a drawing would be perceived as a lottery, the protocol should describe procedures for ensuring that all individuals who are contacted concerning the research will be allowed to enter the drawing. This would encompass individuals who are invited to participate but decline, prospective participants who are ineligible, and participants who enroll but later withdraw/are withdrawn by the researchers. Additionally, the protocol should affirm that the drawing may be entered by any individual who asks to be included.

c. The protocol and consent document(s) should also include the following information:

- All advertising must indicate that no purchase or donation is required to participate in the drawing and that the drawing is open to the campus community.

- Description of the prizes, including estimated value, and the total number of prizes to be awarded.

- The odds of winning a prize, if known, or explanatory language similar to this: “For any drawing, the odds of winning a prize depend on how many people are entered in the drawing. As we do not know how many people will participate in this study-related drawing, we cannot predict what will be the odds of winning a prize.”

- The approximate timing of the drawing (e.g., month/year)

- How prize winners will be notified.

B. Reasonable Compensation/Incentive Guidelines

The following value ranges for study compensation are suggested as guidelines for researchers:

**Online Studies:**
$5-15 per hour. Studies involving online surveys, questionnaires, tests, or activities that are not overly time-consuming.

**Minimally Invasive Studies:**
$10-50 per hour. Studies involving minimally invasive or inconvenient procedures (fMRI, biospecimen collection) and/or lengthy (more than 1 hour) surveys, questionnaires, or tests. The lower end of the suggested range would apply to study visits with one or a few procedures and the high end of the suggested range would apply to study visits that involve multiple visits or many procedures.
Moderately, Extremely Invasive or Time-Consuming Studies:
$50-250 per hour or more. Studies involving relatively invasive procedures, or extremely long
time commitments or inconveniences.

Transportation:
$10-50 for transportation to performance sites that are distant from the participant’s home.
Compensation for actual travel expenses could be offered in addition to compensation.

5. Informed Consent (IC) Language

A. When compensation and/or incentives are given, a description of the compensation must be
included in the IC. The description should include the amount and nature of the
compensation, along with the timeframe of when the participant will receive the
compensation. The Protocol Application System (PAS) will provide you with the following
template text to use:

*Your compensation will be $xx/hour. Extra rewards in increments of $xx/hour will be given for
the successful completion of xx tasks. You will be compensated by [cash, check, gift card,
other] which will be provided to you [immediately, in about a month, other] after your
participation.*

If compensation is not provided to participants, justification must be provided and approved
by the IRB; however, this information will not be included in the IC.

A description of travel cost reimbursement must be included in the IC, if given. The
description should include the type of travel costs that are reimbursed (e.g., parking, mileage)
and at what rate, along with the timeframe of when the participant will receive the
compensation.

B. PAS will automatically populate the following text in the IC when compensation is given:

*If you receive more than $600 in one year for taking part in these research studies, Caltech
must report this income to the IRS and you will receive an Internal Revenue Service (IRS)
Form 1099. You are responsible for paying any tax that is due on payments for such
participation. You are encouraged to consult with your tax advisor to determine your tax
obligations on this income whether or not you receive a 1099.*