**GUIDELINES TO FACULTY RESEARCH GRANT (FRG) RECIPIENTS USING MONEY FOR RESEARCH PARTICIPANT INCENTIVE PAYMENTS**

1. MSU policy [Op8.11 Awards, Gifts and Prizes](https://www.missouristate.edu/policy/Op8_11_AwardsGiftsandPrizes.htm) must be followed. There is a link in this policy to the **gift reporting form** (individual and mass) that you must use when you pay incentive payments (regardless of cash or gift card) to an individual, or group of individuals. There is different criteria to follow if the person is an MSU employee versus a nonemployee. Please review and follow accordingly.
2. In order to withdraw the money from your FRG, the faculty member must obtain a Travel Advance, pursuant to [Op8.22-1 Travel Advances](https://www.missouristate.edu/policy/Op8_22_1_TravelAdvances.htm).

**In order to withdraw the funds out of your FRG for cash payments to the research participants**:

* The [Travel Advance Form](https://apps.missouristate.edu/financialservices/Forms/Travel/Travel_Advance_Form_2016-06-27.pdf) must be completed in order to request the cash advance;
* Travel advances will be made to full-time University employees only;
* Travel advances can be disbursed to you up to five working days prior to when you actually need the money;
* Travel advance requests need to be received in Financial Services ten (10) working days prior to the date of the requested advance;
* The minimum amount allowed for a travel advance is $250;
* Travel advances will only be issued to the employee whose name is listed on the Travel Advance Form. An employee cannot designate another person to receive their travel advance. Employees requesting a travel advance must present their University ID card to the cashier in the Bursar’s Office to receive their travel advance;
* Travel advances are only granted to employees who have accounts in good standing with the University;
* The business purpose for the travel advance should be explained in the appropriate space on the Travel Advance Form.
* Travel advance requests must be approved by the academic unit leader and/or cost center administrator (for Faculty Research Grants the “cost center administrator” would be the Assistant to the Dean of the Graduate College).

**Repayment of Travel Advance:**

* Travel advances will be posted to the recipient’s accounts receivable account and remain until settled through filing a travel expense report and/or repaying any excess amount, if necessary. If you are handing out cash for multiple participant incentive payments, you will need to make sure that the Mass Gift Reporting form has **ALL** information required and turn in a copy of this form to Financial Services as required;
* Repayment of a travel advance must be made within 30 days after the completion of the payments. Failure to repay a travel advance within 30 days may result in the loss of this privilege, as well as incurring finance charges on your A/R account;
* Any excess amount not returned to the Bursar’s Office within 120 days from the first day of the withdrawal are subject to withholding and payroll taxes and will be included on W-2 forms in order to comply with IRS regulation (IRS Reg. §1.62-2(g)(2)(i).);
* If you know that your project is going to take more than 30 days, then you have two options to exercise:

1. Advise Financial Services and the Bursar’s office when you first fill out the Travel Advance form that your project will last “X” amount of days so that they can flag your A/R account accordingly. Understand that Financial Services cannot, and will not, flag your account for an extended period of time, so you will need to make sure your request is reasonable; OR
2. Withdraw only what you are going to need for the first phase of your project at a time (as long as you meet the requirement above of a minimum withdrawal of $250).

* Certainly if your project is going to take 120 days or more, you will have to exercise one of the options listed above so that the Travel Advance does not end up counting as income against you due to the IRS regulations.