PROCEDURE NUMBER:	FINA 3.00 Procedure
SECTION:	Administration and Finance
SUBJECT:	Sponsored Awards – Participant Support Costs
DATE:	November 1, 2024
REVISION:	
Procedure for:	All Campuses
Authorized by:	Mandy Kibler
Issued by:	Administration and Finance – Controller's Office

Procedure Statement:

The University Administration and Finance Division, Controller's Office, will ensure compliance with University Policy FINA 3.00. This procedure is applicable to campuses, units, departments, centers, Principal Investigators (PIs), and administrators at the University who are involved with the initiation, administration, and conduct of sponsored awards. The purpose of this procedure is to supplement the associated policy by providing additional resources, detail, and guidance on participant support cost.

These participant support cost guidelines help ensure that expenses associated with educational or outreach components of sponsored awards are properly accounted for and managed. By following the outlined procedures, the University ensures compliance with federal regulations (2 CFR 200) and sponsor terms, while maintaining the integrity of project budgets and financial reporting.

A. Overview of Participant Support Costs

Participant support costs refer to direct costs associated with training, conferences, seminars, or similar activities, provided to non-employees (e.g., students, teachers, trainees). Participant support costs are allowable with prior sponsor approval. These costs include:

- Stipends (paid directly to the participant for participation in training or research-related activities)
- Travel allowances (paid directly to the participant for transportation, lodging, per diem for participants)
- Subsistence allowances (coverage of a participant's housing and/or per diem expenses while participating in a training or conference that is ***not paid*** directly to the participant)

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- Registration fees (conference, workshop, or training fees)
- Other costs (e.g., materials or supplies tied to participants' involvement)

Participant support costs are common in educational or outreach-focused projects and are **not** applicable for strictly research-based activities, like those involving human subject incentives or clinical trials.

B. Definition of Participants

A participant is defined as a non-employee who is the recipient, not the provider, of a service or training opportunity as part of a workshop, conference, seminar, symposium or other short-term instructional or information sharing activity funded by a sponsored award. Participants are not paid salaries or wages to provide any deliverables.

Participants typically include:
- Students
- Teachers
- Scholars
- Scientists
- Private sector representatives
- State or local government personnel

Participants *do not* include:
- University employees
- Paid interns
- Advisory board members
- Collaborators or researchers who provide deliverables to the project

C. Allowable Participant Support Costs

Types of allowable participant support costs include:
- *Stipends:* Paid directly to participants for their involvement in a training or educational activity.
   - Paid through Payment Request, account code 54536

- *Travel:* Paid directly to the participant to include transportation, lodging, and per diem for participants attending conferences or training.
   - Paid through Travel Authorization (TA) / Travel Reimbursement Voucher (TRV), account code 54541

- *Subsistence Allowance*: Costs incurred by the University relating to subsistence provided to/for participants who are attending events away from home.
   - Paid through Payment Request, account code 54560

- *Registration Fees:* Cost incurred by the University for participants to attend meetings, workshops, or training events.
    - Paid via TA/TRV if related to travel; otherwise, through Payment Request, account code 54520
- *Other Costs:* Cost incurred by the University for training materials, lab supplies, or presentation materials distributed to participants.
    - Paid via Payment Request, account code 54563

For costs to be allowable under a sponsored award, they must adhere to the following criteria:

1. Programmatic Justification: Costs must be clearly tied to the project's educational or outreach activities.
2. Explicit Budget Approval: The costs must either be included in the approved proposal budget or receive prior written approval from the sponsor.
3. No Indirect Costs: Participant support costs do not incur indirect costs (F&A costs).

E. Unallowable Participant Support Costs

Participant support costs do NOT include the following types of expenses:

- Costs for PI or project staff, such as salary and wages, fringe, or travel
- Costs for a consultant or trainer providing services to the University project or program, such as fees or travel
- Costs for a guest speaker or lecturer, such as honoraria or travel
- Conference/workshop support costs such as facility rental, catering, supplies, or media equipment rental
- Costs for collaborators, such as travel
- Human subject payments for participating in a research project

F. Rebudgeting of Participant Support Costs

Prior approval from the sponsor is typically required to move funds out of participant support cost categories or to reallocate funds between categories.

Rebudgeting is usually allowed within participant support categories (e.g., shifting funds between stipends, travel, and materials) without prior sponsor approval, as long as the project scope and objectives remain unchanged. However, if funds are moving out of participant support costs (e.g., to other direct costs), prior approval is required.

G. Documentation Requirements

Proper documentation must be maintained to support participant support cost expenditures. Required documents include:

- Sign-in sheets for event attendance

- Receipts or invoices for materials distributed to participants

- Lists of participants who receive the materials or stipends

- Participant Support Payment Form (Appendix C)

- Documentation explaining the allocation of costs, especially for items categorized as "other" or "fees"

This documentation is crucial for audits and compliance with sponsor terms and should be stored in a manner that is accessible for future reviews, especially given potential staff turnover.

H. Roles and Responsibilities

Respective responsibilities are shared among various parties, as follows:

Principal Investigator

- Responsible for developing proposals and managing awards according to sponsor terms.
- Ensures compliance with participant support cost guidelines.
- Monitors/approves expenditures to ensure they are allowable, allocable and reasonable.

Department

- Supports the PI by ensuring proper coding and payment processes.
- Retains documentation and records for audit purposes.
- Monitors/approves expenditures to ensure they are allowable, allocable and reasonable.

Grants and Funds Management

- Establishes the award in the financial system, ensuring separate tracking of participant support costs.
- Monitors and reviews expenditures.
- Submits invoices and prepares financial reports.

Office of Sponsored Awards Management (SAM)

- Reviews proposals for budget appropriateness.
- Coordinates with the sponsor for approvals and negotiations, including rebudgeting requests.

I. Resources and Forms

Resources, trainings, and guides can be found on the Controller's Office website under the Grants and Funds Management and Resource and Training Toolbox sections. Other key resources include:

- General Accounting → Accounts Payable → Payments to Individuals
- Participant Support Payment Form (Appendix C) should be used when submitting payments for participant support costs.