

## Participant Support Costs Policy and Procedures

**Responsible Office:** Office of Research and Sponsored Programs (ORSP)

**Revision Date:** Sept 11, 2023

### 1. Purpose of Policy

This policy aims to set guidelines for participant support costs on externally funded sponsored projects. Participant Support Costs (PSCs), as defined by [2 CFR §200.1, 200.456](#), are direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences, or training projects. PSCs are a restricted budget category frequently proposed on National Science Foundation (NSF) awards. Other sponsors may vary slightly in their definitions and restrictions for participant support costs.

### 2. Stakeholders most Impacted by the Policy.

This policy applies to all Principle Investigators (PIs) engaged in research, projects, and activities conducted under the auspices of Alabama A&M University (AAMU), whether the activities are conducted on or off campus.

### 3. Segregation of Participant Support Cost Account Codes in the General Ledger

#### 3.1. Participant Support Cost Account Codes:

Direct costs for items such as fellowships (*account code 71001*), scholarships (*account code 71002*), awards (*account code 71003*), Misc. student awards (*account code 71004*), stipends (*account code 71005, 74309*) or subsistence allowances (*account code 73209*), student travel cultural (*account code 73401*), participant travel (*account code 73409*), and fees paid to or on behalf of participants or trainees (but not employees) (*account code 73101*) in connection with conferences or training projects ([2 CFR §200.1](#)). Indirect cost is excluded from participant cost for tuition, fellowships, stipends, and travel cost.

#### 3.2. Participant Support Verses Incentive: Participant Support Costs are exempt from AAMU's negotiated Facilities & Administrative (F&A) or Indirect Costs (IDC) rate.

**3.2.1. Incentives/Gifts/Prizes for Participants** – Such items are generally unallowable. However, when necessary to accomplish program objectives, and if reasonable in amount, these costs may be allowable, subject to funding agency approval. In order to be an incentive, the value of a payment or item must be minimal and should be provided to all participants in the research project. Example of participant incentive is gift certificates to participate in a survey.

### 4. Policy and Procedure Details

**4.1. Expense Allowability:** Participant support costs are generally granted for specific projects awarded by the NSF and the Department of Education (ED) and are often subject to special sponsor regulations. NSF and ED regulations indicate that they:

- 4.1.1.** Do not allow the University to apply F&A costs to participant support costs.
- 4.1.2.** Require the University to return any unexpended participant support costs.

- 4.1.3. Are often associated with special programs such as Research Experience for Under Graduates (REU) and Research Experiences for Teachers (RET) on NSF grants. When a sponsored project includes PSCs, the PIs and their administrative support personnel must be familiar with the specific requirements set forth by the sponsor and ensure compliance with those requirements. Evidence of participant attendance must be recorded and maintained in the form of a daily log or similar documentation.
- 4.2. **Rebudgeting Revision Restriction:** Uniform Guidance [2 CFR 200.308\(c\)\(5\)](#) requires prior sponsor approval to transfer funds budgeted for participant support costs to other budget categories.
  - 4.2.1. Funds provided for participant support may not be used by grantees for other categories of expense without the specific prior written approval of the granting agency.
  - 4.2.2. The AAMU Office of Research and Sponsored Programs (ORSP) is responsible for obtaining and documenting prior sponsor's approval in consultation with the PIs.
  - 4.2.3. Participant support costs are tracked by being coded (*account codes 71001, 71002, 71003, 71004, 71005, 73101, 73209, 73401, 73409, 74309*) separately in AAMU's financial system.
- 4.3. To help defray costs while participating in a conference or training activity,
  - 4.3.1. participants may be reimbursed actual expenses for lodging and meals so long as they provide itemized receipts or per diem with departure and arrival times.
  - 4.3.2. Other reimbursable expenses include airfare with an itinerary provided, registration fees, and mileage using the University allowed rates.
  - 4.3.3. Such cost must conform with AAMU's travel guidelines and be limited to the days of attendance at the conference plus the travel time required to reach the conference location by the most direct route available.
  - 4.3.4. In training activities involving field trips, participants' transportation costs are allowable.
- 4.4. PSCs may not be used for employee compensation.
- 4.5. If a program requires participants to meet specific criteria, the PI must maintain documentation showing the selection process and eligibility of the participants.

## 5. Accountability

The University is responsible for maintaining proper documentation and tracking PSCs. The responsibility is shared by numerous University personnel and is delegated explicitly as follows:

- 5.1. Principal Investigator (PI) is responsible for reviewing expenditures for accuracy, obtaining participant selection documentation, obtaining participant completion documentation, obtaining participant travel documentation, and requesting prior approval for re-budgeting between cost categories. All participants are required to sign an attendance sheet at meetings, conferences, etc. The above documentation must be submitted with the request for payment to Accounts Payable.
- 5.2. Office for Research and Sponsored Programs (ORSP) is a resource to the PI, and submits prior approval requests to the sponsoring agencies.
- 5.3. The Grants and Contracts Accounting Office (GCA) is responsible for setting up a grant account, maintaining payment documents with supporting documentation, and submitting invoices to granting agency for reimbursement of costs.
- 5.4. Consequences for non-compliance include possible individual discipline for failure to follow applicable University policies and requirements.