

# GUIDELINES FOR PARTICIPANT SUPPORT COSTS ON SPONSORED PROJECTS

## Overview

Participant support costs as defined by the Uniform Guidance 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.”<sup>1</sup>

Participant support costs are a highly restricted area of costs and are frequently included in National Science Foundation projects (e.g. Research Experience for Undergraduate Students [REU]). Definitions and limitations for these costs can differ among various sponsors, so it's crucial to understand their specific requirements. It's important to note that participant support costs, as defined in this context, should not be mistaken for incentives provided to human subjects. Furthermore, it is important to note that participant support costs may be considered taxable income under the Internal Revenue Code of 1986, possibly subjecting them to state or local taxes.

Financial Aid and Accounting Services have worked with the Office of Sponsored Projects Administration (OSPA) to provide the correct approach for charging participant support costs for both students enrolled at SIU and non-SIU student participants.

## ***Payments to enrolled SIU students***

The unit creates a transfer voucher for expenses related to stipends and subsistence, then forwards it to the Financial Aid Office for evaluation. If deemed suitable, the Financial Aid Office will forward the transfer voucher to OSPA for final approval.

For all other allowable participant costs an IDF should be prepared or paid directly by the unit via their P-card.

### Forms Required –

- [Transfer Voucher](#)
- [Invoice Distribution Form](#) (IDF)

### Object Codes to be used on Transfer Voucher to Financial Aid Office

- Stipends
  - 5785 - Traineeship Costs – Stipends
- Subsistence Allowances
  - 5700 Traineeship Costs – select the appropriate object based on the support provided.

Other Participant Support Costs – prepared by the Unit and submitted to the appropriate University office for payment.

- Travel Allowances – paid via an [Invoice Distribution Form](#)
  - 5730 - Traineeship Costs – In-State Travel
  - 5760 -Traineeship Costs – Out-of-State Travel
- Registration Fees – P-Card or [Invoice Distribution Form](#)

<sup>1</sup> Participant support costs do not apply to NIH training grants.

- 5710 – Traineeship Costs – Conference Registration Fees

### ***Payments to non-SIU students – Direct Voucher Method***

The unit prepares an [Invoice Distribution Form](#) (IDF) for the costs associated with stipends and subsistence and submits it to Accounts Payable utilizing the [Direct Voucher Method](#). The unit must also include a completed [W-9](#) for each participant.

For all other allowable participant costs an IDF should be prepared or paid directly by the unit via their P-card.

Forms Required –

- [Invoice Distribution Form](#) (IDF)

Object Codes to be used on IDF – refer to Payments to enrolled SIU students

### ***Frequency of payments***

- So as not to create a financial hardship for students, units are encouraged to pay students their stipend and living expenses regularly or at least on an incremental basis – not for example, in a lump sum at the end of the summer. We suggest you pay out the stipend monthly.

### ***Documentation***

Documentation requirements for managing participant support costs are critical and may differ depending on the project's scope. Essential documents should, at a minimum, include

- Sign-in sheets for participant attendance at workshops or a roster of participants for non-workshop projects
- Documentation on supplies that are ordered or distributed to participants and how they support the participant in the project activity.
- Documentation of registration fees paid on behalf of participants.
- Documentation of subsistence and travel costs paid on behalf of participants.

Programmatic documentation should be retained in the local unit.